

Thailand

Telephone Network Expansion Project (I)(II)



The transmission tower in Ayutthaya

Outline of Loan Agreement

Loan Amount / Disbursed Amount	31,012 million yen / 30,811 million yen
Loan Agreement	September 1987 / February 1988
Terms & Conditions	Interest rate 3.0%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	August 1989 / February 1994

Project Outline

The project involved the expansion of the local call transmission network in the capital, Bangkok, the national long-distance transmission network, and the installation of subscriber cables in response to increased demand for telephones.

Results and Evaluation

This project was designed to respond to the exponential growth in telephone demand that accompanied economic growth and formed part of the 6th Economic and Social Development Plan (1984-91) developed by the Telephone Organization of Thailand (TOT). Between 1986-93, optical fiber cables (537km) were installed for the Bangkok local call transmission network, the long-distance network was expanded to link it to regional cities, and additional subscriber cables were installed.

This component was completed in 1994. During this time, the number of subscribers increased from 1,250,000 in 1987, to 1,870,000 in 1991, and 2,580,000 in 1994, posting annual average increases of 9.5%. Telephone density (the number of lines per 100 people) also increased by roughly 2.6 times, from 2.32 in 1987 to 5.97 in 1994.

Meanwhile, although the number of applicants on the waiting list for main lines in metropolitan Bangkok increased annually, from 260,000 in 1987 to roughly 1,280,000 in 1993, it began to decrease from early 1994, and by 2000 had dropped dramatically to below 8,000. This project is thus evaluated to have made a significant contribution to improvement of telecommunications in Thailand. Private sector participation in the telecommunications industry since 1992 has affected the operations of TOT, and revenues have been dropping off in recent years. However, technical standards are high and the equipment is being operated and maintained in good condition.