

Paraguay

Ciudad del Este International Airport Construction Project



Terminal building

Outline of Loan Agreement

Loan Amount / Disbursed Amount	11,300 million yen / 10,672 million yen
Loan Agreement	December 1980
Terms & Conditions	Interest rate 4.25% p.a. Repayment period 25 years (Grace period 7 years)
Final Disbursement Date	December 1994

Project Outline

A new international airport was constructed in the hub city of Ciudad del Este in eastern Paraguay with the aim of meeting increased demand for passenger and freight transportation.

Results and Evaluation

Paraguay is a land-locked country, and the development of the transport network has been prioritized under national development plans. This project involved the construction of a new international airport in Ciudad del Este, located in the eastern region and Paraguay's second largest city, that would rank in after the international airport in the capital, Asunción and handle increased demand for transport to the region.

The project covered the construction of airport facilities (3,400m runway × 1, taxiways, passenger/cargo terminal buildings, airline support facilities, etc.) enabling the landing and take-off of large B747-class aircrafts. However, the second oil shock resulted in increased project costs and a review of project scope, which pushed completion back by a wide margin to August 1993.

Operations at the new airport have stopped at around 10% of the target level in terms of passenger numbers, against a background of economic stagnation throughout Central and South America and slow development in eastern Paraguay. Freight transportation has been maintained at a level that is close to the planned figure. However, it has been on the decline since 1998 as a result of economic deterioration.

Airport facilities are being operated and maintained in good condition and no specific problems have been identified in this area.