

Indonesia

Upper Solo River Improvement Project



Solo River

Outline of Loan Agreement

Loan Amount / Disbursed Amount	4,746 million yen / 4,611 million yen
Loan Agreement	December 1985
Terms & Conditions	Interest rate 3.5%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	June 1994

Project Outline

River improvement works were implemented on the upper reaches of the Solo River, Java's largest river, with the aim of providing protection from flood damage to areas around Solo City.

Results and Evaluation

The project comprised river improvement works including channel widening and excavation, and the construction of shortcuts and revetments, with work being completed in June 1994. Prior to project implementation, annual flood damage in the beneficiary area (approx. 45,000ha) encompassing central Solo City, was sustained over roughly 10,000 hectares, and as much as 16-20,000 hectares in years of heavy flooding. This was dramatically reduced to around 1,600 hectares or about one tenth of former levels, after completion of the project.

The interview survey confirmed that the majority of residents no longer felt threatened by floods and had achieved livelihood stability. Road closures and damage to property, assets and person had decreased, and improved land use and job creation effects were also cited, indicating that the flood controls have had a significant impact on residents. Riverbed deterioration has rendered river structures unstable, and in order to address this problem improve operation and maintenance work will be implemented by Japan's ODA based on the results of a Special Assistance for Project Sustainability (SAPS) study conducted by JBIC. In the future, it will be necessary to strengthen the river maintenance system as a whole, inclusive of regulations covering sand taking, which is causing riverbed degradation.