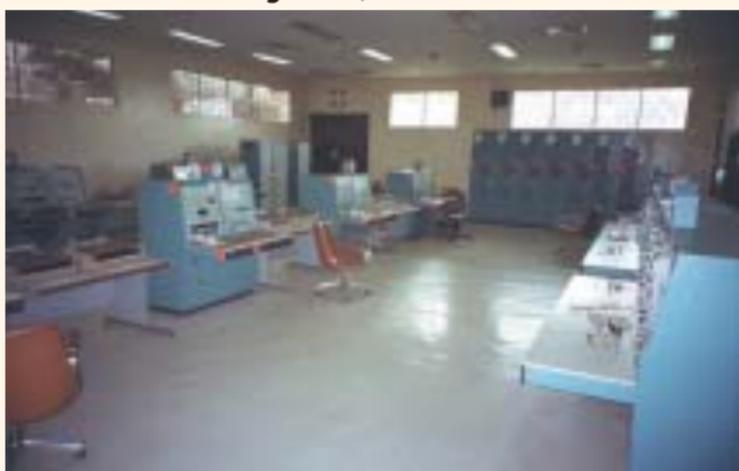


Philippines

Maritime Communication Project, Phase I



Operation Center

Outline of Loan Agreement

Loan Amount / Disbursed Amount	2,633 million yen / 1,954 million yen
Loan Agreement	May 1989
Terms & Conditions	Interest rate 2.7%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	September 1996

Project Outline

Coastal radio stations were developed with the aim of securing highly reliable maritime communications and contributing to ensured safety for vessels at sea.

Results and Evaluation

In order to develop coastal radio stations, construction of a central station at Manila and a port station (transmission and receiving station, operation center, etc.) was undertaken, and equipment was procured, including for training purposes.

The radio equipment installed under the project went into operation in 1997, however, the volume of national and international transmission has been substantially less than the target level and is on the decrease. This is attributed to an increasing shift to new technologies, such as digital and satellite communications, despite increases in vessel numbers.

In addition, the UHF radio equipment introduced was initially intended to operate on the 900MHz bandwidth, but this was upgraded to 2.0GHz in order to handle incoming signals from a variety of vessels. However, the Philippine Government subsequently decided to reallocate the 2.0GHz bandwidth to mobile phone services, which was originally allocated to the coastal radio communication, due to exponential growth in mobile phone subscribers, which increased from roughly 100,000 to more than 170,000 between 1993-98. In consequence, although there are currently no problems with the operation and maintenance of the radio equipment, the systems are not fully functional due to frequency interference caused by the use of mobile phones in coastal areas.

Phase II of this project, which was planned, has not been implemented.