

Railway Rehabilitation Project



Rehabilitated track/overhead lines (Merval line)

Outline of Loan Agreement

Loan Amount / Disbursed Amount	6,412 million yen / 6,412 million yen
Loan Agreement	November 1992
Terms & Conditions	Interest rate 3.0%p.a. Repayment period 25 years (Grace period 7 years)
Final Disbursement Date	September 1999

Project Outline

The rehabilitation of track/electrification equipment and locomotives/passenger cars belonging to Empresas de los Ferrocarriles del Estado(EFE) was undertaken with the aim of enhancing transportation capacity for passengers and freight, rebuilding EFE, and stimulating economic and social activities.

Results and Evaluation

Under this project, approximately 1,900km of track was rehabilitated, primarily on severely dilapidated commuter lines in the metropolitan area, and repairs were conducted on 116 bridges and 655km of overhead lines. In addition, repairs were also conducted on 14 locomotives and 3 sets of passenger carriages. Rehabilitation work was completed in 1999 resulting in a decrease in accidents such as derailments from 754 nationwide in 1993 to 272 in 2000. Moreover, improved safety has also yielded a 20-30% increase in operating speeds, which has reduced traveling times on the project lines. In terms of passenger numbers for the railways, numbers on commuter lines in the port city of Valparaiso in western Chile were up by roughly 18% in 2000 against pre-project averages for 1994-96, and significant increases were also seen on the lines running through the suburbs of Santiago, which climbed by 24% a year on average between 1998-2000. On the other hand, with regard to the corporate restructuring of EFE, whilst the handling of highly profitable lines is being prioritized, and efforts are being made to increase efficiency through retrenching of personnel, etc., the corporation remains in dire financial straits. However, sufficient personnel have been allocated to the operation and maintenance division and no problems have been recognized in terms of organizational structure/technical capacity.