

Country	Kingdom of Thailand	
Project	Dao Kanong-Klong Toey Port Expressway Project (Stage II)	
Borrower	Expressway and Rapid Transit Authority of Thailand (ETA)	
Executing Agency	Expressway and Rapid Transit Authority of Thailand (ETA)	
Exchange of Notes	June 1983	
Loan Agreement	September 1983	
Loan Amount	¥11,530 million	
Loan Disbursed Amount	¥6,981 million	
Project Summary and OECF Portion		
<p>The First Bangkok Expressway Project aims to alleviate traffic congestion in Bangkok, the capital, by building Thailand's first toll expressway.</p> <p>This project is to construct a 6.6-km segment of the expressway excluding the suspended bridge over the Chao Phraya River, out of the segment of approximately 10 km from Dao Kanong to Klong Tey Port, which corresponds to the third phase of the First Bangkok Expressway Project. The ODA loan covers the foreign-currency expenses related to the construction of the road and interchange link, and the procurement and installation of ancillary items such as road lights, road signs, and tollgate equipment.</p>		
Comparison of Original Plan and Actual	Plan	Actual
(1) Project Scope Expressway	6.6-km segment excluding 3.3-km bridge section, out of segment of approx. 10 km from Dao Kanong to Klong Tey Port 3 places 5 places Procurement and installation of road lights and road signs	No change
Interchange		
Tollgate		
Others		
(2) Implementation Schedule		
Land expropriation etc. (not covered by ODA loan)	Jul. 1983 ~ Sept. 1984 (15 months)	Jul. 1983 ~ May 1985 (23 months)
Construction of the project	Oct. 1984 ~ Mar. 1987 (30 months)	Mar. 1985 ~ Sept. 1987 (31 months)
(3) Project Cost		
• Foreign currency portion (covered by ODA loan)	¥11,530 million (¥11,530 million)	¥6,981 million (¥6,981 million)
• Local currency portion	1,041 million baht	546 million baht
Total	¥21,936 million	¥12,441 million
Exchange rate (As of February 1983)	¥ 10 = 1 baht	¥ 10 = 1 baht

## Analysis and Evaluation

### (1) Project Scope

The scope of this project is the construction of approximately 6.6 km of expressway excluding the 3.3 km bridge section, the construction of interchanges in three locations, Saithupradit, Suksawat, and Dao Kanong, the construction of tollgates in five locations, Saithupradit, Dao Kanong, Suksawat, River Side, and Watsai, the procurement and installation of road lights and road sign equipment, as part of the Bangkok's Dao Kanong-Klong Toey Port Expressway Project (approx. 10 km) and ancillary facilities.

The project scope did not undergo modifications and was completed per the original plan.

### (2) Implementation Schedule

The land acquisition (not covered by the ODA loan) carried out by the Expressway and Rapid Transit Authority of Thailand (ETA), which is the executing agency for this project, was to begin in July 1983 and end in September 1984 under the original plan, but actually was completed in May 1985, 8 months behind schedule. For this reason, the start and completion of bidding and contracts were delayed by 4 months each (however, the period required from bidding to the establishment of a contract was 7 months, as originally planned). The purported reason for the delay in the land acquisition is that time was required to study an alternative route plan proposed due to cost reduction considerations.

The construction started with a 5-month delay, and the construction period lasted 30 months, or 1 month longer than originally planned; as a result, construction was completed with a delay of 6 months. Considering the nature of the project, which was to build an expressway in an urban area, such a delay can be considered to fall within the permissible range.

### (3) Project Cost

The project actually cost ¥12,441 million, a considerable cost underrun compared to the ¥21,936 million planned. The initial budget was prepared by the ETA, and its calculation basis followed international standards. Moreover, there were no changes in the project scope, procurement was carried out adequately, and as will be described later, there were no problems in the quality of the work. Therefore, the reduction in the project cost is thought to be largely due to competition for orders. More than 40 companies participated in the pre-qualification (P/Q), including Japanese, European, and Thai companies. Bidding among the 14 companies that remained on the short list was very competitive, which resulted in significantly lower prices.

### (4) Implementation Scheme

The executing agency was the Expressway and Rapid Transit Authority of Thailand (ETA). The ETA has been given powerful authority by the Thai government for the construction, operation, and maintenance of expressways in the Bangkok metropolitan area. Furthermore, the ETA has ample experience, which it gained while supervising the construction of the First Bangkok Expressway's Phase I and Phase II. The consultant is a Thai company who performs detailed design and is rich in experience. The constructor was a Japanese company with sufficient capability and experience, and their performance was good.

### (5) Operations and Maintenance

The ETA is also responsible for maintenance, and suitably running operations. The ETA is making commendable efforts to modernize its operations, including the introduction of computerized management. However, management engineering staffs seem to be not enough, which is an area that needs to be strengthened.

## Project Effects and Impacts

The number of cars passing is double the figure that was originally planned (192 million in 1997), and profitability has greatly improved (EIRR is 50.1%, compared to 12.8% targeted in original plan).

## Notes

Report Date : March 1998