

Rehabilitation of Diesel Railcars Project, Diesel Rail-car Rehabilitation Project



Inside the Diesel Railcar

Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥5,931 million / ¥5,448 million
Loan Agreement	July 1988 and December 1996
Terms and Conditions	Interest rate: 3.0%/2.7%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	February 1999 and March 1999

Project Profile

The project was to repair diesel railcars procured before 1987 to rehabilitate them, in order to assist in increasing the rail transport capacity in the JABOTABEK area and to other major cities.

Results and Evaluation

The diesel railcars rehabilitated under the project were gradually being put back into service from the second half of 1995, increasing the number of railcars in service and their work rates. On the Surabaya Kota ~ Jonbang section which the railcars were reallocated to, passengers previously had to switch to buses with a travel time of 3 hours. The restarting of diesel railcar services over the route cut the travel time to approximately 2 hours, making transport more convenient. The rehabilitated railcars were also improved in various ways, including the opening and closing of the doors, which improved safety and comfort.

The rehabilitation work was carried out by the Indonesian Railway Public Corporation (Perum KA). The corporation was thereafter equitized in 1999, becoming the Indonesian Railway Company (PT.KAI), with the Indonesian government holding 100% of the shares. The company is now responsible for operation and maintenance. The budget allocation for the maintenance of the railcars rehabilitated under the project is kept relatively stable, and the company's financial position presents no cause for concern.