

# Metro Manila Road Pavement Rehabilitation Project



Elliptical Road

## Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥1,795 million / ¥1,258 million
Loan Agreement	July 1991
Terms and Conditions	Interest rate: 2.7%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	September 1998

## Project Profile

Traffic volume and other factors were causing severe road surface damage and softening of the underlying soil in Metro Manila. The project was to repair the paved road surface and improve drainage facilities, in order to improve road transport functions in the Metro Manila area and thereby encourage urban development.

## Results and Evaluation

Overall, the traffic volume on the roads covered by the project has exceeded the demand forecast. On major radial road and avenue such as Granada/ Ortigas, Elliptical and Bonifacio, the volume has greatly exceeded the forecast. The number of vehicles registered in Metro Manila approximately doubled in the 1990s, and the project appears to have been effective in keeping pace with the resulting increase in traffic volume. In interviews with road users, approximately half indicated that travel time had been reduced and the traffic flow improved by the project. A calculation of congestion level (the ratio of traffic volume to traffic capacity) for cases with and without the project showed the congestion value in affected areas would have been 1.07 without the project and became 1.04 with the project. Thus the project reduced the congestion value and helped to alleviate congestion.

Maintenance is being contracted out to the private sector as far as possible, and there are no notable problems with budgets and personnel.