

Passenger Coaches Procurement Project (II)



Inland Container Terminal, Lat Krabang Station

Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥13,631 million / ¥7,845 million
Loan Agreement	September 1993
Terms and Conditions	Interest rate: 3.0%, Repayment period: 25 years (grace period: 7 years)
Final Disbursement Date	January 1999

Project Profile

The project was to rehabilitate dilapidated rolling stock and to procure new rolling stock to meet the growing demand for cement and container shipping to expand rail transport capacity in line with Thailand's 7th Five Year Plan (1992-1996).

Results and Evaluation

Procurement of the 38 diesel locomotives, of which 14 were rehabilitated from dilapidated locomotives and 24 were newly purchased, and the 99 container freight cars was completed as planned. Their availability is largely as planned, while freight volume is increasing as the Thai economy recovers.

Freight volume as a whole on the Thai National Railways (TNR) has been declining due to the impact of the economic crisis, but container freight is increasing, and the composition of freight shipping has shifted since the plan was formulated.

The Eastern Seaboard Industrial Complex generates 90% of TNR's container volume and generates the greatest effect from the project. It also suffered from the economic crisis, and TNR's freight volume is less than planned. However, container freight is increasing as the economy recovers. This development of the rail network contributes to improving distribution from the Eastern Seaboard developing regions, as well as helping other projects to realize their effects.

There is no problem with the repair skills and systems within the repair workshops, but they do not receive adequate new investment due to funding shortages. Securing an adequate budget is an important task to tackle in future.