

The Rural Public Long Distance Telephone Project 1992-1996



Public Telephone Installed by the Project

Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥3,888 million / ¥1,597 million
Loan Agreement	September 1993 / 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 build long-distance public telephone relay stations at 4,500 locations that previously had no long-distance service, and thereby improve the telephone network in remote areas.

Results and Evaluation

The project has spurred remarkable progress since 1997 in the installation of long-distance public telephones in rural provinces. The number of lines in each rural province has increased substantially, greatly enhancing the convenience of life in remote areas, and steadily improving telephone density. The installation of long-distance public telephones in rural provinces under the project has stimulated exchange with the cities, and improvements in levels of education and medical care have been reported. These benefits indicate that the project has been effective in raising living standards in rural areas. However, telephone density in and around Bangkok in 1999 was 54 per 100 people, while in rural districts it was only six per hundred, which indicates that it will still take a long time to solve the problems of rural communications services.

In recent years, Thailand has moved into the age of cellular telephone communications, mainly in major urban areas, public telephone services have been shifting from coin operation to pre-paid cards, and the maintenance agency is now in a transition phase before privatization. The situation surrounding the project should be monitored closely in future.