

# New Locomotives Production Project



Locomotives Manufactured by the Project

## Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥6,067 million / ¥5,398 million
Loan Agreement	August 1993
Terms and Conditions	Interest rate: 2.6%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	November 1999

## Project Profile

The project was to manufacture diesel locomotives at the Risalpur locomotive plant, which was built using another ODA loan by Japan, in order to increase railway transport capacity and thereby help to improve the transport situation within the country.

## Results and Evaluation

Eighteen locomotives (PHA-20) manufactured under the project, and another five of the same model under a different ODA loan, i.e. total 23 locomotives, contributed to 11.75% of total travel length of all trains owned by the passenger division of Pakistan National Railway between July 1996 and June 1999.

In the locomotive assembly process, the suppliers transferred skills to PNR (Pakistan National Railway) engineers through the supervision and guidance of construction. Such technology transfer made a large contribution towards fulfilling the policy towards fully domestic production of locomotives by the manufacturers and the National Railway, after the project.

The locomotives manufactured under the project are now used primarily for express trains, and their reliability and availability exceed the overall average of the entire main locomotives.

PNR has a plan for rehabilitation, procurement and manufacture of locomotives, passenger carriages and freight cars, and it will continue working to renew its facilities.