

# Aden Telephone Network Expansion Project



Switchboard Equipment Installed by the Project

## Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥6,969million / ¥3,398 million
Loan Agreement	January 1997
Terms and Conditions	Interest rate: 1.0%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	January 1999

## Project Profile

The project was to replace or newly install the existing telephone switching systems and related facilities in Aden, which had become dilapidated, in order to quantitatively meet the telecommunication demand and improve the quality of the telecommunications system.

## Results and Evaluation

Telephone capacity in Aden was expanded as planned at the time of the appraisal, and the telephone subscription rate rose by the project from 4.9% in 1997 to 10.0% in 2000, bringing it to the level of the capital, San a (7.7%). However, the number of applicants for telephone lines has risen year by year, and the waiting list for main lines is lengthening (from 10,605 in 1997 to 22,598 in 2000). The executing agency is continuously expand the telephone network at its own costs.

The introduction of digital equipment has raised the quality of telecommunications, as well as the reliability of the service, and data transfer over the telephone lines has become easier. The improvement in communications speed and transmission quality has helped to enhance data communications services using the Internet, etc. An automatic billing system has also been introduced, which greatly reduces the billing workload.

There are no significant problems with the operation of the equipment installed under the project; it achieves high work rates; charge collection works well. While the hardware has been improved, the level of technical skill in operation and maintenance work among the staff needs to be raised to ensure the sustainability of the project's effects. The Aden branch of the Public Communications Corporation, the executing agency, is taking necessary measures for improvements in this regard.