

China

Nine Provinces and Cities Telecommunication Network Expansion Project (I)(II)(III)



Guangzhou Telecommunication Bureau

Outline of Loan Agreement

Loan Amount / Disbursed Amount	43,734 million yen / 43,117 million yen
Loan Agreement	January 1991 - October 1992
Terms & Conditions	Interest rate 2.5% / 2.6%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	February 1996 - November 1997

Project Outline

The project covered the installation of additional telephone switchboards, breaker transmission lines/center equipments, and primary cables in seven provinces including Guangdong, Heilongjiang, and Fujian, and two cities of Tianjin and Shanghai, in order to meet increased demand for telecommunications, and to expand and modernize telecommunication networks.

Results and Evaluation

The project comprised the installation of additional local switchboards (approx. capacity: 790,000 lines), long-distance switchboards (approx. capacity: 20,000 lines), optical fiber cables (33,000km) and primary cables (2.46 million km) in the nine provinces and cities covered. Equipment procurement and installation was executed between 1992-98.

In 8 years between 1990-98, the amount of telecommunication equipments throughout the nine provinces/cities increased significantly, with the capacity of local switches increasing from 4.2 million lines to 56.7 million lines (approx. 14-fold), and subscriber lines up from 3.33 million to 39.19 million (approx. 12-fold), so that the waiting list for main lines had been reduced to zero by 2000. Meanwhile, telephone diffusion rate has seen major improvements between 1996-98, from 12% to 40% in Tianjin, and from 48% to 79% in Shanghai. Moreover, in Heilongjiang Province, the number of telephone users increased by roughly 620,000 households between 1998-99. Accordingly, the project is inferred to have contributed to improved telecommunication in the target regions.

Telecommunication equipments in the target provinces/cities, including that introduced via this project, is being upgraded as the result of rapid technical innovations in recent years. The capability of operation and maintenance of the executing agency is high, thus no problem has been detected so far in the operation and maintenance of the telecommunication network.