

Local and Urban Road Development Project



Local Road in South Sulawesi



Urban Road in Jakarta

Outline of Loan Agreement

Loan Amount / Disbursed Amount	16,772 million yen / 15,866 million yen
Loan Agreement	December 1990
Terms & Conditions	Interest rate 2.5%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	June 1999

Project Outline

In order to promote the development of road networks in the regions and within Jakarta, improvement (widening, paving, etc.) and rehabilitation (upgrading road surfaces, repairing hard shoulders, etc.) works were undertaken in 39 kabupatens in 10 provinces as a sequel to the preceding local road development project (Phase II), which was undertaken between 1988-91. Urban road development involved work to improve/extend the ordinary roads that connect with toll roads such as the South-West Arc in central Jakarta.

Results and Evaluation

The local road component of the project involved improvements to 1,190km and maintenance of 3,761km. This portion of the project included rehabilitation of roads in the target regions damaged by the Flores earthquake of 1993 and was completed by February 1994. Improvements to 171km of roads in Kab. Gowa, South Sulawesi, for example, led to a 2.5-fold increase in average traffic volumes, from 78 vehicles/day in 1985 to 197 vehicles/day in 1998.

Meanwhile, improvement/extension works were undertaken at 7 sites in central Jakarta. These works, completed in 1995, are evaluated as having responded to increased traffic demand produced by the construction of the South-West Arc under a separate ODA loan funded project, and to have contributed to smoothing the flow of traffic by, for example, reducing traveling times around interchanges by more than 50% as compared to the pre-project levels.

There are no particular problems with operation and maintenance of local and urban roads, which is being undertaken by agencies in each of the kabupatens and the relevant city departments in Jakarta.