

## Indonesia

### Construction Project of the Northern Extension of the South-West Arc (pluit-Grogol)



Newly constructed road

#### Outline of Loan Agreement

Loan Amount / Disbursed Amount	10,902 million yen / 7,038 million yen
Loan Agreement	November 1994
Terms & Conditions	Interest rate 2.6%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	December 1999

#### Project Outline

The project involved construction of a toll road connection between the South-West Arc, the access route to the international airport, and the harbor road, a network of roads that is the source of traffic congestion in downtown Jakarta, targeting improved access between the city center and the airport, and concurrently, increased utilization of the toll road network as a whole.

#### Results and Evaluation

The project was implemented between 1994-96 and included the construction of a toll road (3.5km, 6 lanes), two interchanges, two tollgates and ramps. This resulted in significant increases in the volume of traffic on the South-West Arc and its Northern Extension, which rose from roughly 320,000 vehicles/day in 1993 to the post-project level of 500,000 vehicles/day in 2001. The project also facilitated completion of the ring road network in metropolitan Jakarta providing the link between the various toll roads that radiate from the city center and the Inner Ring Road, and thereby contributing to better distribution of traffic volumes between the city center and the suburbs and alleviation of downtown traffic congestion. The project was also effective in reducing travelling times, particularly on access to the airport from the south of the city, which has improved substantially.

However, increases in traffic volumes have already resulted in damage to road surfaces on the Northern Extension of the South-West Arc, which is attributed to problems in execution management and to the transit of heavy vehicles, and it will be necessary to pay attention to this for future operation and maintenance activities. Since tolls, which generate revenue for operation and maintenance, were reviewed after project completion in 1996 but were not subsequently raised, toll increases are currently being investigated in line with inflation.