

Indonesia

Telephone Outside Plant Maintenance Center Project



An external equipment maintenance center

Outline of Loan Agreement

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| Loan Amount / Disbursed Amount | 6,537 million yen / 5,169 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 | December 1995 |

Project Outline

The project aimed to boost the efficiency of maintenance to subscriber cables and enhance the reliability of telecommunications services via establishment of external equipment maintenance centers throughout Indonesia.

Results and Evaluation

The objective of this project was to consolidate the maintenance of subscriber cables, which was formerly conducted by individual telephone exchange bureaus, within independent external equipment maintenance centers, to be developed nationwide on the basis of the results at the model center in Bandung-city, constructed using grant-in-aid provided by Japan.

The project included the construction of 15 maintenance centers, including Jakarta, Medan, and Ujung Pandang, and the procurement of measurement instruments for use in maintenance, and was completed at the end of 1996.

The fault ratio at Ujung Pandang, one example of the maintenance centers established under the project, was 8% when the center became operational in 1997; by 2001 this had dropped to 1%, and the repair efficiency rate, the number of repairs completed within 3 days, had improved significantly, from 60% to 95%. The project is thus inferred to have contributed to improving the maintenance of subscriber cables.

The executing agency, Perusahaan Umum Telekomunikasi (PERMUTEL) was privatized in 1991. The financial status of the company and its technical standards are favorable, and no problems have been observed in the operation and maintenance of the communications equipment.