



## Indonesia

# 12 Radio and Television Networks Improvement Project (3)

The project's objectives were to extend coverage and improve program production capabilities by upgrading equipment at radio stations and TV production studios, and thereby contribute to IT-related development and regional development.



**Loan Amount/Disbursed Amount:** 5,318 million yen/5,318 million yen

**Loan Agreement:** December 1995

**Terms and Conditions:** Interest rate, 2.5% (consultant portion: 2.3%); Repayment period, 30 years (grace period, 10 years); General untied

**Final Disbursement Date:** December 2001

**External Evaluator:** Atsushi Fujino (KRI International Corp.)

**Field Survey:** August 2003

## Evaluation Result

Equipment was upgraded and/or installed at radio stations and TV production studios almost as planned. Implementation fell behind schedule due to the political and economic turmoil arising from the Asian Economic Crisis and concurrent administrative paralysis, but project costs were basically as planned. The percentage of population coverage at the state-owned radio stations (RRI) in the thirteen provinces where the project was implemented increased from an average of 36% (1995) to 61% (2002), contributing to wider RRI coverage areas. At the Jakarta and Manado studios of the state-owned TV broadcaster (TVRI), where equipment was supplied, the percentage of independently-produced programs rose from 20% (1993) to 25% (2003) at the Jakarta studios, while digitalization at the Manado studio has made more efficient recording, editing and storage feasible. In the beneficiary survey to radio listeners and TV viewers, more than 90% of respondents in both groups stated that "education opportunities" "improved significantly" or "improved", while the same answers were given by more than 80% of respondents in connection with "employment opportunities (broadcasts of job information, etc.)". Organic links with the

grant-in-aid and project-type technical assistance provided by the Japanese government during the first and second phases of the project have served to expand coverage and increase the number of beneficiaries (from a policy appraisal by the Ministry of public management, home affairs, posts and telecommunications). There are no problems in the technical capacity, or operation and maintenance system of the implementation agencies (RRI, TVRI), and RRI's finances are in favorable condition. As to TVRI finances, TVRI, which became a government-owned joint stock corporation in 2003, is in the process of developing business plans designed to boost revenues as it needs to improve its financial position.

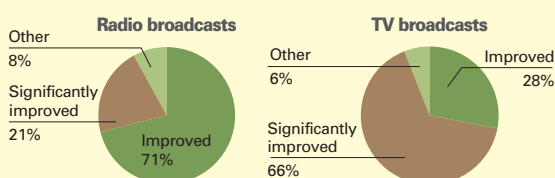
## Third-Party Evaluator's Opinion

This project did help a great deal to improve broadcasting services of TVRI and RRI, and help especially RRI to have a much broader area of coverage in the remote areas, not reached by the private TV and Radio networks.

**Third-Party Evaluator:** Mr. Kusumo Martoredjo

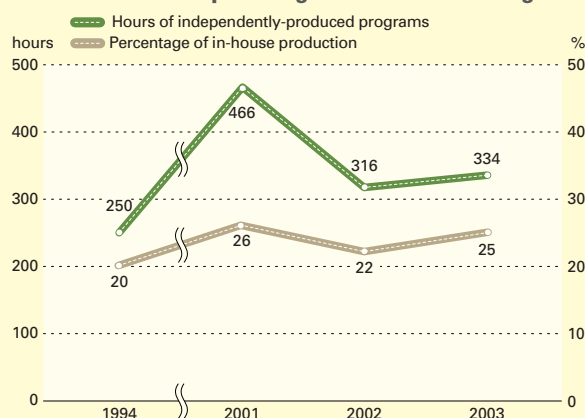
Obtained a post graduate diploma in economics from University of Indonesia. Presently holds the post of President Director, PT. Catur Yasa and the post of Chairman, the Indonesia-Japan Economic Committee. Specializes in overall economics and business.

### Expanded opportunities for education (beneficiary survey)



Many of the respondents in the beneficiary survey stated that educational opportunities "improved". Asked to identify which outcomes produced satisfaction, radio listeners cited "greater opportunities to receive adult education" and "greater opportunities to learn about the diversity of Indonesian culture", while TV viewers pointed out "expanded educational opportunities for children".

### Hours of independently-produced programs by TVRI studios 5-8 and percentages of total broadcasting time



Source: TVRI