

Poverty Reduction A Foundation for Sustained Growth



6 Indonesia

Twelve Provinces **Bridge Replacement and Rehabilitation Project**

Contributing to the facilitation of regional transportation through the rehabilitation and replacement of nearly 450 bridges

Loan Agreement Terms & Conditions **Final Disbursement Date Executing Agency**

Loan Amount / Disbursed Amount 14.141 billion yen / 11.416 billion yen

December 1995 2.5% interest rate (consulting services: 2.3%), 30 year repayment period (10 year grace period), Partially untied December 2002

Bina Marga, the Ministry of Public Works

(http://www.pu.go.id/Ditjen_Prasarana%20Wil/index.asp (in Indonesian))

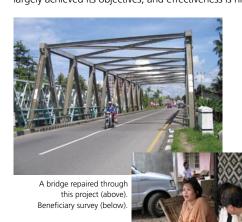
* This project was jointly evaluated with the National Development Planning Agency (Bappenas)

Project Objectives

The objective of this project was to ensure smooth traffic flow and encourage the exchange of people and goods on the islands of Sumatra and Java by rehabilitating and replacing 456 bridges on national and provincial roads on the two islands, and thereby contribute to the revitalization of regional economies and the upgrading of local residents' welfare.

Effectiveness and Impact

The percentage of unstable bridges at the time of appraisal in 1995 in the 12 targeted provinces was 18%, while at the time of ex-post evaluation in 2007, this percentage had decreased to 14% and is surmised to have halted age-related deterioration. Average traffic volume for all targeted 12 provinces on the roads where bridges were rehabilitated or replaced increased by 23% with bridge rehabilitation and 24% with bridge replacement between 1998 and 2006. A beneficiary survey conducted at the time of ex-post evaluation (83 residents, 56 drivers, and 26 institutions in 4 provinces), showed roughly 40% of drivers identified traffic congestion when crossing bridges before project implementation as problematic, and nearly all the drivers indicated that it was improved after the project. Further, residents indicated improved access to markets (almost 80%), workplaces (40%), and medical institutions (30%). Therefore, this project has largely achieved its objectives, and effectiveness is highly satisfactory.



This project has been highly relevant with Indonesia's national policies both at the time of the appraisal and at the time of the ex-post evaluation. Priority was being placed on upgrading the bridges at the time of appraisal. At the time of ex-post evaluation, roads and bridges rehabilitation and maintenance program had been developed in light of the prevailing road conditions.

Efficiency

Rating **b**

The project period was much longer than planned (167% of planned period) although the project cost was lower than planned; therefore the evaluation for efficiency is moderate. The project delays were primarily attributable to procurement delays due to economic and political disorder caused by the Asian currency crisis and resignation of former president Suharto.

Sustainability

Though some problems have been observed in terms of the lack of periodic inspections for quite some time on some bridges, sustainability of this project is moderate. An on-site inspection showed that the bridges were being maintained in good condition. No bridges were seen to be hindering traffic.

Conclusion, Lessons Learned, Recommendation

In light of the above, this project is evaluated to be satisfactory. In order to improve the sustainability of the project's effects it is advisable that implementation of the periodic bridge inspection system be strengthened, that local technical levels be raised, and that a bridge management system (BMS) be adopted for bridges on national and provincial roads.

Third-Party Opinion

The project has helped correct regional disparities by rehabilitating deteriorating bridges and facilitating smooth road transportation, resulting in quicker access to markets, medical institutions, and schools, etc., and leading to improvement of the standard of living.

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