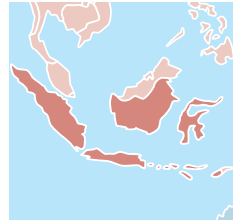


Asia **Indonesia**

Bajoe-Kolaka & Palembang-Muntok Ferry Terminal Development

Contributing to the improvement of reliability, safety, and convenience of ferry transport services by developing the facilities of ferry terminals

[External Evaluator]

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Rating

Effectiveness, Impact	b	Overall Rating C
Relevance	a	
Efficiency	b	
Sustainability	b	

Project Objectives

To enhance the reliability, safety and convenience of ferry transport services and to expand inter-regional network functions by developing basic facilities such as mooring facilities and terminals for two ferry routes among the "central trunk routes" in the Indonesian National Ferry Transportation Network (Bajoe in South Sulawesi Province ~ Kolaka in Southeast Sulawesi Province, and Palembang in South Sumatra Province ~ Muntok in Bangka Island in Bangka-Belitung Province), for which demand is expected to increase, thereby contributing to the development of the regional economy and the narrowing of regional disparities.

Outline of the Loan Agreement

- Loan amount / Disbursed amount:
3,129 million yen / 2,789 million yen
- Loan agreement: December 1995
- Terms and conditions: 2.5% interest rate (consulting services: 2.3%); 30-year repayment period (including a 10-year grace period); general untied
- Final disbursement date: June 2005
- Executing agency: Directorate General of Land Transportation (DGLT), Ministry of Transportation
- Website URL: <http://www.dephub.go.id/id/>

Location of the project site

Ferry terminal constructed under this project (Muntok)

Effects of Project Implementation (Effectiveness, Impact)

The actual numbers of passengers and vehicles in 2007 for the route between Bajoe and Kolaka remained at 10% and 44%, respectively, of the 2010 plan. The reasons are an introduction of an alternative route and change in numeration method of passengers. The actual number of passengers and vehicles in 2007 for the route between Palembang and Muntok also remained at 17% and 70%, respectively, of the 2010 plan. The reasons are the operation of high-speed boats along a similar route, change in numeration method of passengers, restriction of boarding capacity, and erratic operation of the ferryboats. Furthermore, it is assumed that an opening of an air route between Pangkal Pinang and Palembang in Bangka Island and the drop in the production of tin ores also affected the volume of transport. On the other hand, positive impacts are noted such as the ferry terminals' contribution to economic development in the related regions, the installation of a movable bridge enabling vehicles to board or alight from the boat more smoothly, and decrease in waiting time for ferries. This project has produced certain effects, and its effectiveness is moderate.

Relevance

This project was planned in accordance with Indonesia's development policies. Importance of the "central trunk route" connecting Sumatra, Kalimantan and Sulawesi within the national transportation networks of Indonesia can be confirmed at the time of ex-post evaluation. It is evaluated that the project is relevant with the policies, particularly taking note of its contribution to smoother distribution of commodities. This project has been highly relevant with Indonesia's national policies and development needs at the times of both appraisal and ex-post evaluation.

Efficiency

Although project cost was lower than planned (79%), project period was much longer than planned (180%); therefore the evaluation for efficiency is moderate.

Sustainability

To varying degrees, overall ferry terminals have been taking proactive measures in order to improve their services. However, improvements in personnel shortage and technical capacity in terms of operation and maintenance still need to be addressed, therefore sustainability of the project is fair.

Conclusion, Lessons Learned and Recommendations

In light of the above, this project is evaluated to be fairly satisfactory. A lesson learned is that it is necessary to look into the possibility of alternative routes or modes of transportation in broader areas at the feasibility study stage; some of the ferry terminals had already been covered by an ODA Loan project in the past. Recommendations include transferring the project smoothly from the executing agency to the O&M organization, implementing environmental monitoring in the O&M of the terminals in the future, and coordinating with the local government in implementation and the O&M.

*All ex-post evaluation reports including this can be referred to in JICA's website, "Evaluations"→"Ex-post Evaluation (ODA Loan)" ([URL:http://www.jica.go.jp/english/operations/evaluation/oda_loan/post/](http://www.jica.go.jp/english/operations/evaluation/oda_loan/post/))