

JBIC Signs ODA Loan Agreement with Thailand -To Support Urban Development Projects-

1. Japan Bank for International Cooperation (JBIC; Governor: Kyosuke Shinozawa) today signed at the head office of JBIC in Tokyo ODA loan agreements totaling 45,170 million yen with Thailand for two projects. These are 10,386 million yen for the "Construction of 230kV (kV:kilovolt) Underground Transmission Line between Bangkok and Chidlom Substation Project" executed by the Metropolitan Electricity Authority, and 34,784 million yen for the "Second Bangkok International Airport Development Project (V)" by the New Bangkok International Airport Company Limited.
2. The loan for the "Construction of 230kV Underground Transmission Line between Bangkok and Chidlom Substation Project" will finance civil work, procurement of materials and equipment and consulting services necessary for the construction of underground power cables in central Bangkok. The loan for the "Second Bangkok International Airport Development Project (V)" will meet the financial needs for runway paving work, construction of a passenger terminal, consulting services and other services. With regard to the latter project, JBIC extended ODA loans for the preceding four phases over the period from fiscal 1996 through fiscal 2000. The latest ODA loan is designed to finance the fifth phase of the project.
3. The "Construction of 230kV Underground Transmission Line between Bangkok and Chidlom Substation Project" will be implemented in the political and economic hub of Thailand, which is host to shopping centers, office buildings, foreign embassies and national railway stations. The existing transmission lines in this area are showing considerable wear and tear, raising concern over the stable supply of power. On top of that, power demand in the area is expected to grow in the coming years. The Project is aimed at replacing the old power cables, which will help ensure power supply stability in the city and utilizing effectively crowded space in metropolitan areas by laying new power cables underground.
4. The purpose of the "Second Bangkok International Airport Development Project (V)" also is to help make possible the construction of an international airport in Nong Ngu Hao, Samut Prakan, some 30km east of Bangkok. Consisting of terminals and two east-west runways, the new airport will be capable of handling 30 million passengers and 1,460,000 tons of freight annually, thus helping Thailand respond to its ever increasing demand for air transport.

(See Appendix for details.)

1. Loan Amount and Terms

Project Name	Loan Amount (Mil. Yen)	Interest Rate (% per annum)		Repayment Period/ Grace Period (Year)		Procurement	
		Goods and Services	Consulting Services	Goods and Services	Consulting Services	Goods and Services	Consulting Services
Construction of 230kV Underground Transmission Line between Bangkapi and Chidlom Substation Project	10,386	2.2	1.8	25/7	25/7	General Untied	General Untied
Second Bangkok International Airport Development Project (V)	34,784	2.2	1.8	25/7	40/10	General Untied	General Untied
Total	45,170						

* Interest Rate for Special Environmental Project

2. Description of the Project

(1) Construction of 230kV Underground Transmission Line between Bangkapi and Chidlom Substation Project

(a) Background and Necessity of the Project

Whereas power demand is rising in the Bangkok area, the existing transmission lines (230kV x 2 circuits) between Bangkapi Substation located in central Bangkok, owned by Electricity Generating Authority of Thailand (EGAT), and Chidlom Substation owned by Metropolitan Electricity Authority (MEA) have been in operation for more than 20 years since its initial construction. Operation and maintenance of the existing cables are made difficult not only by its serious wear and tear, but by adoption of direct burial system/draw-in conduit system. Chidlom Substation, the receiving side of transmitted power, is supplying power to an area packed with shopping centers, office buildings and foreign embassies. It is thus extremely important to ensure stable power supply in this area, as well as to meet power demand anticipated to increase in the future.

(b) Objective and Brief Description of the Project

The Project is aimed at constructing a tunnel for the underground transmission lines in the segment between Bangkapi and Chidlom Substations and laying down cables, thereby improving the level of confidence for power supply to central Bangkok and responding to power demand anticipated to increase in the future.

Outline of the Project is as follows:

- Tunnel for the underground transmission line: Inside diameter: about 2.9 m; Total length: about 7.1 km
- Transmission line: 230kV x 2 circuits; Route length: about 7.5 km
- Other incidental equipment
- Consulting services: Construction supervision (including environmental management) and other services

The project is executed by: the Metropolitan Electricity Authority (MEA); Address: 30 Soi Chidlom, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330, Thailand Phone: 662-254-9550; Fax: 662-253-1424)

(2) Second Bangkok International Airport Development Project (V)

(a) Background and Necessity of the Project

Reflecting the economic growth of Thailand, air transport demand is skyrocketing in Bangkok. Geographically, the metropolitan city is located in the center of the Indochina Peninsula, and Bangkok Airport is gaining a growing significance as a hub airport of the Asian air network (the number of passengers: 16,330,000 in 1992 and 26,850,000 in 1999, both actual figures; 43,000,000 forecast in 2007). Given the constraint on the expansion of the existing Don Muang International Airport (annual handling capacity: some 30 million passengers) due to physical conditions, construction of a new international airport is called for to meet the rising demand.

(b) Objective and Brief Description of the Project

The Project is aimed at constructing an international airport in Nong Ngu Hao, Samut Prakan, some 30 km east of Bangkok. Main facilities of the airport include passenger and freight terminals with annual handling capacity of 30 million travelers and 1,460,000 tons of goods, respectively, as well as two east-west runways. The Project is expected to help Thailand meet the ever growing demand for air transportation, thereby contributing to the development of the economic infrastructure of Thailand.

Outline of the Project is as follows:

- Land area required for the New Airport: 3,200 ha
- Runway: 3,700 m x 2
- Passenger terminal: annual handling capacity: 30 million travelers
- Freight terminal: annual handling capacity: 1,460,000 tons of goods

The project is executed by: the New Bangkok International Airport Company Limited (NBIA); Address: 99, Mu 10, Bangna-Trad Hwy, km. 15, Rachathewa, Bangphli, Samut Prakan 10540, Thailand Phone: 662-723-0000; Fax: 662-589-0010