

JBIC Signs ODA Loan Agreement with Thailand

--Supporting the Construction of International Hub Airport in Southeast Asia--

1. Japan Bank for International Cooperation (JBIC; Governor: Kyosuke Shinozawa) signed today an ODA loan agreement totaling 44.852 billion yen with the Kingdom of Thailand for the Second Bangkok International Airport Development Project (VI) being implemented by New Bangkok International Airport Company Limited (NBIA).
2. The loan will finance the sixth phase of the Second Bangkok International Airport Development Project in which an international airport is being constructed in Nong Ngu Hao, Samut Prakan Province, 30 kilometers east of Bangkok. The main facilities of the airport will be terminals capable of handling 45 million passengers and 2.12 million tons of freight annually and two runways, in the east and in the west, respectively. JBIC supported the previous five phases of this project by providing ODA loans from fiscal 1996 to fiscal 2002.
3. Reflecting recent economic growth and the booming tourism industry in Thailand, demand for air transport—both passenger and freight—has been steadily rising in Bangkok. With the city's geographical location at the center of the Indochina Peninsula also increasing its importance as a gateway to the Mekong region, the airport serving it is expected to function as an international hub in Southeast Asia. In the Medium-Term Strategy for Overseas Economic Cooperation Operations released in April 2002, JBIC placed one of the priorities of its concessional ODA loans for Thailand on developing urban infrastructure, including improvement in the urban environment. In line with this strategy, this airport project aims at developing the new airport as urban infrastructure in Bangkok that meets the rising demand for air transport, thereby contributing to medium- and long-term economic and social development in Thailand.

(See appendix)

1. Loan Amount and Terms

Project Name	Amount (mil. yen)	Interest Rate (% per annum)	Repayment Period/ Grace Period (years)	Procurement
Second Bangkok International Airport Development Project (VI)	44,852	1.05	20/6	General Untied

2. Project Description

(1) Background and Necessity

Reflecting recent economic growth and the booming tourism industry in Thailand, demand for air transport—both passenger and freight—has been steadily rising in Bangkok. With the city's geographical location at the center of the Indochina Peninsula also increasing its importance as a gateway to the Mekong region, the airport serving it is expected to function as an international hub in Southeast Asia. The annual volume of passengers and freight handled by the present Don Muang International Airport reached 32.18 million passengers and 1.03 million tons of freight in 2002. However, its physical location places a constraint on further expansion. Therefore, there is a need to meet rising demand for air transport by constructing a new international airport.

(2) Project Objective and Outline

The Project aims at meeting rising demand for air transport in Bangkok by constructing an international airport in Nong Ngu Hao, Samut Prakan Province, 30 kilometers east of Bangkok, thereby contributing to economic development in Thailand. The main facilities of the airport consist of a passenger and a freight terminal with annual handling capacities of 45 million passengers and 2.12 million tons of freight, respectively, and two runways, in the east and in the west, respectively.

The Project Outline is as follows:

- Land area for the new airport: 3,200 ha
- Runway: 3,700 m x 1 (west); 4,000 m x 1 (east)
- Passenger terminal: annual handling capacity of 45 million passengers
- Freight terminal: annual handling capacity of 2.12 million tons of freight

Project Executor: New Bangkok International Airport Company Limited (NBIA)

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