JICA Signs Japanese ODA Loan Agreement for New Project in Thailand

Loan for Third Mass Transit System to Alleviate Traffic Congestion and Improve Urban Environment in Bangkok

- 1. Today, Japan International Cooperation Agency (JICA; President: Sadako Ogata) signed a Japanese ODA loan agreement totaling up to \63,018 million with the Kingdom of Thailand to finance the Mass Transit System Project in Bangkok (Red Line) (I).
- 2. In this project, a new mass rapid transit (MRT) Red Line (8 stations, 26 kilometers) will be constructed to connect Bang Sue District in the city center and Rangsit in northern Bangkok. This will meet the transportation demand in the metropolitan Bangkok area, relieve traffic congestion, and improve the air quality. The proceeds of this loan are used for rolling stocks, electrical and mechanical systems, civil works for the elevated tracks, stations and train depots, and consulting services such as procurement assistance, overall project management, and project construction supervision.
- 3. The metropolitan Bangkok area, having a population of approximately 10 million, is the political and economic center of Thailand. With industrial activity growing as the country's economy continues to grow after the Asian currency crisis, the number of vehicles on the road has increased significantly. Traffic congestion is thus becoming chronic, with vehicle exhaust emissions posing a serious air pollution problem. Despite the fact that Skytrain (BTS) began its operation in December 1999 and MRT Blueline (MRTA Initial System Project I V assisted by Japanese ODA loan) in July 2004, their routes only cover the central districts of Bangkok with limited transfers between the lines, and 75 percent of commuters using public transport still ride the bus. To promote modal shift from road to rail transport, it is necessary to build a network system for public transportation and extend the routes to suburban areas. The projected daily ridership for this project is 160 thousand in 2014 at the time of its opening, and it is forecasted to increase to 310 thousand in 2024 and to 430 thousand in 2034. MRT Red Line is expected to greatly relieve the traffic congestion of metropolitan Bangkok area and also reduce vehicle emissions of carbon dioxide, the primary constituent of greenhouse gases.
- 4. Since Bang Sue, the starting station for MRT Red Line, is adjacent to an inter-city bus terminal and is connected to the BTS (servicing since 1999) and MRT Blue Line (since 2004) as well as MRT Purple Line(received Japanese ODA loan in March 2008 and scheduled to open in 2013), Bang Sue is expected to function as the connecting terminal station for Bangkok's traffic system.
 - Also, JICA has dispatched a railway expert from 2005 to 2008 to the Office of Transport and Traffic Policy and Planning (OTP) under the Ministry of Transport to assist in formulating plans for this project as well as to provide recommendations for the railway sector in Bangkok. In addition, from the view point of effectively incorporating both ODA loans and technical cooperation, JICA is considering to dispatch an expert to support the executing agency of this project, State Railway of Thailand (SRT), based on its necessity.

(For further details, click fiere.)
The Map of Japanese ODA Loan projects (PDF/66KB)

Reference

1. Loan Amount and Terms

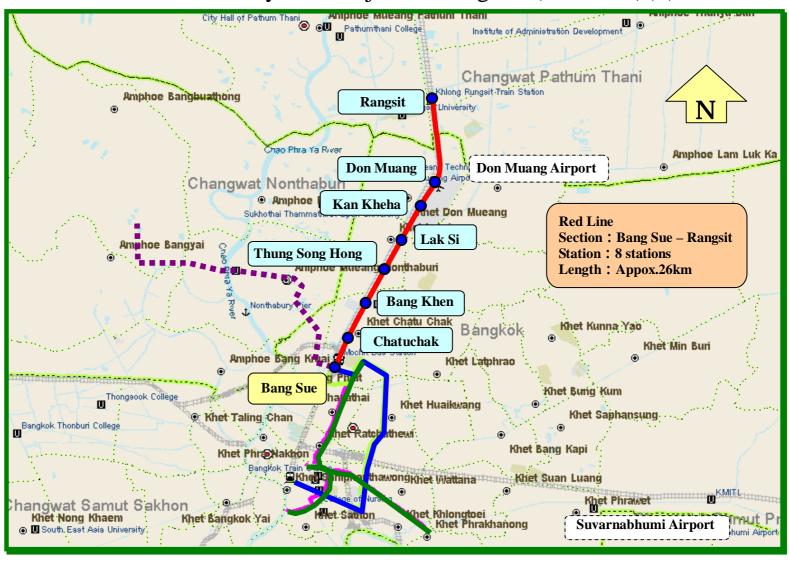
Project Name	Amount (Mil. Yen)	Interest Rate (% per annum)		Repayment/ Grace Period (Years)	Procurement
		Project	Consulting Services	Grace remod (rears)	
Mass Transit System Project in Bangkok (Red Line) (I)	63,018	1.4	0.01	25 / 7	General Untied

2. Project Executing Agency

State Railway of Thailand (SRT)

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Mass Transit System Project in Bangkok (Red Line) (I)



Red Line (Bang Sue - Rangsit (26km): Japanese ODA project. Loan agreement signed in March 2009.)

Blue Line (Bang Sue - Hua Lamphong (20km): Constructed under Japanese ODA loan. Opened in July 2004.)

Purple Line (Bang Yai - Bang Sue (23km): Japanese ODA project. Loan agreement signed in March 2008. Procurement in process.)

Green Line (BTS Sky Train: Opened in December 1999.)