

Signing of Japanese ODA Loan Agreement with Cambodia Building on Past Japanese Support to Increase Water Demand in Capital Region

1. Japan International Cooperation Agency (JICA; President Sadako Ogata) signed on March 25, 2009, at Phnom Penh, an ODA Loan Agreement totaling up to 3,513 million yen with the Royal Government of Cambodia to finance the Niroth Water Supply Project. This project will be co-financed with the Agence Française de Développement (AFD) [1].
2. Japan has been providing grant aid and technical cooperation for the construction of water treatment plants as well as maintenance and management skills for waterworks facilities based on a master plan prepared by JICA. As a result, water can now be supplied to 90 percent of the city's population 24 hours a day, whereas in 1993, it was reaching only to the one-fourth of the population [2] for ten hours a day. Additionally, Phnom Penh has received technical support for leakage prevention from Japanese experts and is maintaining a non-revenue water rate [3] of six percent, comparable to that of Japan. These achievements were made possible by the Phnom Penh Water Supply Authority (PPWSA), which received the Asian Development Bank (ADB) Award in 2004 for excellence. This was followed in 2006 with PPWSA General Director Ek Sonn Chan receiving the Ramon Magsaysay Award, considered the Nobel Prize of Asia.
3. Water supply in Cambodia has greatly improved since the end of civil war in 1991, especially in Phnom Penh as noted above with continuous Japanese Support. However, the areas outside the capital city are still lacking in water service facilities. Whereas 80 percent of Phnom Penh has access to the piped water, the ratio drops to 7 percent in the surrounding Kandal Province.
4. Under the Niroth Water Supply Project, water supply facility expansion and improvements will be made to meet the demands of the growing populations and commercial facilities in Phnom Penh and the surrounding regions, adding some 130 thousand tons of water supply capacity to the current facilities. This will ensure that local communities have a safe and reliable water supply, including those at the poverty level, and further improve the investment environment that will attract foreign companies. To further guarantee that this project will aid in alleviating poverty, the PPWSA plans to assist the water connection fee for poor households.
5. Phnom Penh may be counted as a true success story among Asian Water Supply projects. JICA believes that the basic socioeconomic infrastructures provided as in this project will grow importance in Cambodia in order to achieve sustainable economic growth, alleviate poverty and promote trade and investment, therefore JICA looks forward to continuing support socioeconomic infrastructures.

(For further details, [click here.](#))

The Map of Japanese ODA Loan projects (PDF/450KB)

[1] The year 2008, in which the project formulation was accelerated, has been the year of 150 years anniversary of Japan-France friendship.

[2] Calculated as the ratio of households having access to safe water from a piped water and public stand post, a tube well, an protected dug well or vended water.

[3] Calculated as the percentage of water supply for which fees are uncollected due to pipe leaks and water theft.

Reference

1. Loan Amount and Terms

Project Name	Amount (Mil. Yen)	Interest Rate (% per annum)	Repayment Period/ Grace Period (Years)	Procurement
Niroth Water Supply Project	3,513	0.01	40/10	General Untied

2. Project Executing Agency

Phnom Penh Water Supply Authority

Address: No.45, Street 106, Sangkat Srah Chark, Khan Daun Penh, Phnom Penh, Cambodia

Tel, Fax: +855 (23) 427-657

