

Signing of Japanese ODA Loan with the Kingdom of Cambodia

—Supporting agricultural production increase in impoverished regions in West Tonle Sap through the rehabilitation of irrigation facility infrastructure—

1. Today, the Japan International Cooperation Agency (JICA) signed an agreement with the Royal Government of Cambodia in the country's capital, Phnom Penh, to provide a loan of up to 4.269 billion yen for assistance for the West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project.

2. The objectives of this project are to rehabilitate and maintain the irrigation facilities in six impoverished agricultural areas in three provinces in the west of the Tonle Sap Lake (Battambang, Pursat and Kampong Chhnang Provinces) and provide them with a stable supply of water for agriculture, as well as establishing and strengthening Farmer Water User Communities and Groups and providing agricultural extension techniques to increase agricultural productivity and improve the livelihoods of farmers in the target areas. Funds from the loan will be allocated for public works for the irrigation system rehabilitation and maintenance, equipment procurement expenses and consulting services (detailed design work, tender assistance and construction management).

3. Agriculture, the core of the economy in Cambodia, constitutes at least 30 percent of the gross domestic product and employs 70 percent of the working population. Additionally, 80 percent of the population and at least 90 percent of the poor reside in farming villages, and increasing agricultural productivity is an urgent issue for poverty alleviation and economic growth in Cambodia. The region surrounding Tonle Sap Lake, the target region for the project, is the primary rice-producing area in Cambodia, but many of the irrigation and drainage facilities were constructed in the later 1970s during the civil war^[1], and due to deficiencies and defects in design and construction as well as other factors such as inadequate maintenance and management, farmers are forced to rely on rain fall. Crop production in the region is therefore unstable and susceptible to the weather, which can reduce the agricultural productivity. This project is expected to at least double the production output of the region, and to also improve the livelihoods of farmers in the area through the increased productivity.

4. In the irrigation sector in Cambodia, JICA has provided assistance for irrigation facility rehabilitation projects in the past in the form of grants, and has also implemented technical cooperation projects with the Technical Service Center of Ministry of Water Resources and Meteorology as the counterpart agency, improving the organizational capacity of the Center and supporting the training of personnel and irrigation engineers. Also in the agriculture sector, JICA has conducted technical cooperation aiming for the improvement of agricultural extension. The experience of capacity development in above technical cooperation projects is expected to be utilized in this loan project.

Related Link

➤ [Project Map \(PDF/323KB\)](#)

Reference

1. Terms and Amounts of Loan

Project title	Amount (million yen)	Annual interest rate (%)	Repayment (years)	Deferment period (years)	Procurement
West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project	4,269	0.01	40	10	General Untied

2. Project Summaries

West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project

Executing Agency

Ministry of Water Resources and Meteorology
Address: #364 Monivong Boulevard, Sangkat Psar Deumthkov, Khan Chamkar Morn, Phnom Penh, Cambodia
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Planned Implementation Schedule

- (i) Completion of project: July 2016 – when the facilities are put into service
- (ii) Issuing of letters of invitation for consulting services (including detailed design work): November 2011
- (iii) Tender announcement of initial procurement package for international competitive bidding on project construction: Release date: July 2013 (announcement of Pre-Qualification)
Procurement package title: Civil Works: Construction of headworks, main and secondary systems

Note

[1] Since the coup d'état in 1970, civil war and political chaos continued for 20 years in Cambodia. During the rule of Pol Pot and his supporters, who seized power in 1975, targets were set for large rice production increases based on radical communist ideology, and many water channels and small dams were constructed by citizens through forced group labor.



Signing ceremony



H.E. Keat Chhon, Deputy Prime Minister and Minister of Economy and Finance, delivering a speech

