

May 16, 2013

Signing of Japanese ODA Loan Agreement with the Kingdom of Cambodia

–Assistance for Improvements to National Road No. 5 to Improve Connectivity in the Mekong Region–

Today, the Japan International Cooperation Agency (JICA) signed an ODA loan agreement with the Government of the Kingdom of Cambodia in that country's capital, Phnom Penh, to provide a loan of up to 8.852 billion yen for the National Road No. 5 Improvement Project (Battambang-Sri Sophorn Section).

The objectives of the project are to improve the existing roadway in the Battambang-Sri Sophorn section on National Road No. 5, which connects Phnom Penh and the Thai border, and to create bypasses around the city roads of Battambang and Sri Sophorn to boost the transportation capacity and efficiency in the target region, promoting economic development in Cambodia. The loan funds for this project will be allocated to public works and consulting services (including detailed design work, bidding assistance, overall project management and construction monitoring) for road improvements, bypass construction and other aspects of the project.

Many of the roads and bridges in Cambodia were destroyed in conflicts that lasted until 1991. After the conflicts ended, reconstruction proceeded with assistance from the international community, including Japan. Although reconstruction and infrastructure work is proceeding for the important road sections, there still exist stopgap measures that have already deteriorated and too-narrow roads, making the improvement of existing roads a priority to address the rise in domestic and international trade expected due to the development of the Cambodian economy going forward.

As a trunk road for Cambodia and a part of Asian Highway 1 as well as the Southern Economic Corridor, National Road No. 5 is expected to function as a major industrial arterial for the Mekong region. As domestic and international goods distribution is expected to increase as the economy develops in Cambodia and the region, improvements are needed to National Road No. 5 to increase its transportation capacity and efficiency.

This project will contribute both to the distribution of goods in Cambodia and to improvement of the interconnectivity of the Mekong region; it is expected to be important not only for bilateral relations between Japan and Cambodia, but for cooperation between Japan and the Mekong region, as well as for economic development in the Mekong region.

- [Project Map \(PDF/695KB\)](#)



Signing ceremony

Reference

1. Terms and Amounts of Loans

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
National Road No. 5 Improvement Project (Battambang-Sri Sophorn Section)	8,852	0.01	0.01	40	10	General untied

2. Project Summaries

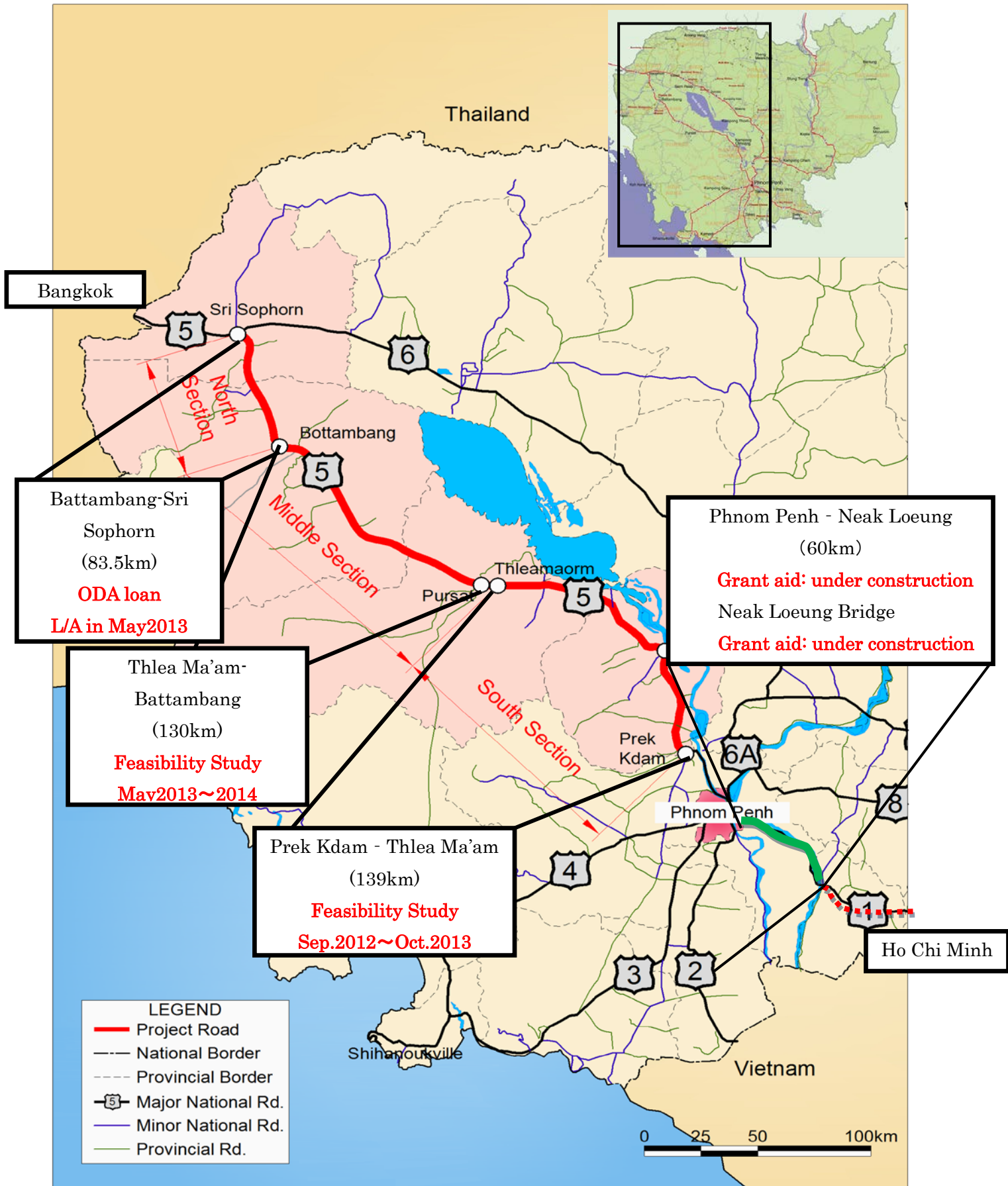
Executing Agency

Ministry of Public Works and Transport
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3. Planned Implementation Schedule

- Completion of project: June 2018 – when the roads are put into service
- Issuing of letters of invitation for consulting services (including detailed design work): June 2013
- Tender announcement of initial procurement package for international competitive bidding on project construction:
Procurement package title: Civil Works for National Road Improvement and Bypass Road Construction
Release date: May 2014

**“National Road No.5 Improvement Project”
and
Southern Economic Corridor**



Location Map