



Cambodia: Climate Resilient Road Network Improvement Project

Project Name
Climate Resilient Road Network Improvement Project
Project Number
59254-001
Country / Economy

- Cambodia
- Project Status
Proposed
- Project Type / Modality of Assistance
- Loan
- Source of Funding / Amount

Loan: Climate Resilient Road Network Improvement Project

Source	Amount
Concessional ordinary capital resources lending	US\$ 30.00 million

Sustainable Development Goals

- SDG 9.1
- SDG 9.a
- SDG 11.2
- Sector / Subsector
- Transport / Road transport (non-urban)

Gender
Effective gender mainstreaming
Description

A \$70 million investment is proposed for the Siem Reap Upper Ring Road and aims to enhance reliable connectivity in Siem Reap Province and support economic growth in underdeveloped areas. The ensuing project will integrate decarbonization pathways, nature-based engineering solutions, and climate resilient designs to strengthen logistics and supply chains, preserve road assets, and improve road safety. Consistent with ADB's approach, the project will reinforce development impacts by supporting rural and semi urban road connectivity, delivering both direct and indirect benefits to communities within and adjacent to the project area that currently lack adequate access to road infrastructure.

The ensuing project will support the road subsector in Siem Reap Province by upgrading approximately 62 km of roads to all-weather standards. The project will benefit rural and peri-urban communities, including agricultural households, small entrepreneurs, and public sector workers, by improving connectivity to commercial and business areas in Siem Reap. Key interventions include climate-resilient and low-carbon road design, sustainable sourcing and reuse of materials, nature-based solutions and vegetation measures, and improved drainage to address flooding, heat stress, waterlogging, and congestion. The project will also promote local employment and skills development and extend improvements to last-mile access roads serving cultural and heritage sites, as well as farm-to-market links.

Project Rationale and Linkage to Country/Regional Strategy
The Government of Cambodia (GoC) emphasizes that efficient transport is essential for economic growth, as agriculture and manufacturing depend on road and water networks for exports, tourism relies on air and road connectivity, and construction requires reliable transport for material delivery. Road transport dominates the sector, with a national network exceeding 61,000 km, including 2,254 km of paved primary national roads, 5,007 km of secondary national roads (72% paved), 9,031 km of provincial roads (30% paved), and 45,242 km of rural roads. The Ministry of Public Works and Transport manages national and provincial roads, while the Ministry of Rural Development oversees rural roads. Given Cambodia's heavy reliance on garments, tourism, construction, and agriculture, resilient, safe, and sustainable road infrastructure is critical for domestic connectivity and regional integration within the Greater Mekong Subregion and ASEAN economic corridors.

Impact
National: Climate-resilient infrastructure and disaster-resilient access strengthened in Cambodia.

Sector: Resilient transport systems and reliable access to services, markets, and heritage/tourism assets strengthened

Outcome

Climate resilience and transport connectivity of the Siem Reap Upper Ring Road corridor and dependent communities strengthened.

Outputs

Climate-resilient corridor infrastructure and protective systems implemented.

Climate-informed corridor asset preservation and adaptive maintenance strengthened.

Climate-resilient safe mobility and access continuity for vulnerable corridor users enhanced.

Geographical Location

Nation-wide

Poverty Reduction and Inclusion

Poverty Reduction and Inclusion Classification

Summary Poverty and Social Analysis

About 17.8% of Cambodia's population lives under the national poverty line, with poverty incidence concentration in the rural areas. According to national data reports, 26 percent of the population in Siem Reap the province where project areas are located live in poverty and rely primarily on agriculture as their main source of income. Lack of access to all-season paved roads has been identified as one of the reasons for persistent economic and social vulnerability among rural populations across the world, and it presents a significant challenge in the Cambodian context too where roads remain the primary mode of transportation across the country. Climate change-related extreme weather conditions pose a significant challenge to ensuring rural and semi-urban populations have access to all-season roads and floods and extreme weather-related road damages and blockages could result in physical isolation for rural populations. Damage to road infrastructure, including through climate change-related weather conditions, can also have spill-over detrimental effects on economic development due to increased costs for transportation, reduced capital and labor mobility, and reduced interregional trade. Development impact assessments of the Cambodia Rural Road Improvement project, conducted by IED, reveal that quality roads infrastructure resulted in increased economic activity in the project areas along with improved social outcomes (footnote 6). Poor and vulnerable populations in rural areas are particularly adversely affected by poor quality and damaged roads. For example, in the agriculture sector where many poor and low-income households are employed, road damage can significantly increase transportation time for farmers to transport their produce to the market, thereby limiting production income and reducing agricultural productivity. Poor road connectivity in rural communities due to lack of paved roads also pose significant barriers to accessing schools and healthcare facilities and for farmers to access markets. Physical isolation in rural areas due to lack of paved roads also limits employment opportunities among the local communities, leading to chronic poverty in these communities (footnote 10). Access to resilient rural transportation infrastructure is therefore also addressed in the UN Sustainable Development Goals (SDG 9). The project sets out to improve sections of the Siem Reap Upper Ring Road by making it climate resilient and by enhancing the overall quality and safety of the road, which will have spillover effects on other sectors, including agriculture sector, and offer both short-term and long-term economic benefits by facilitating sustained and uninterrupted trade and capital and labor mobility. The project also aims to connect rural communities to the Upper Ring Road by building access roads in adjacent villages which will allow them connectivity and access to the socioeconomic mainstream and offer diverse economic and livelihood opportunities. The access roads will also facilitate access to essential public services such as education and healthcare and broaden farmers access to markets by reducing mobility-related barriers, which in turn will improve the education and well-being outcomes and spur economic activities in the poorest areas and rural communities. The proposed classification of the project is Poverty Reduction and Inclusion Elements (PIE).

Environment and Social Requirements

Risk Classification

Substantial

Applicable Environment and Social Standards

- ESS1: Assessment and Management of Environmental and Social Risks and Impacts
- ESS2: Labor and Working Conditions
- ESS3: Resource Conservation and Pollution Prevention
- ESS4: Health, Safety, and Security
- ESS5: Land Acquisition and Land Use Restriction
- ESS8: Cultural Heritage
- ESS10: Stakeholder Engagement and Information Disclosure

Summary of Environmental and Social Aspects

The project will be processed using ADB's environment and social safeguards 2024. ADB roll-out of the new ESF 2024 is ongoing with Cambodia project teams trained in March 2026. Additional training on the new ESF 2024 requirements was delivered by the One ADB project safeguards team members specifically for the proposed project. Overall, there is a need for the ADB Team to maintain close

coordination and working relationship with the EA, PMU3 and the consultants during the preparation of the applicable safeguard standards.

Project Participation and Engagement

During Project Design

MPWT's existing communications and media action plans developed under RNIP2 will be reviewed and strengthened by the consultants with support from MPWT's in-house staff. ADB specialists in gender, social, and environment will provide expert support during the review and development process for a new project specific communications and media strategy by the ADB to ensure that both the government and ADB policies and regulations on communications and disclosures are aligned with the revised and updated communications strategy. MPWT and the PISC experts will undertake consultations with a focus on women and disadvantaged groups to (i) disseminate information and open lines of communication, (ii) raise awareness related to the project's intended development impact, and (iii) early resolution of any potential conflicts. The project will ensure the involvement and representation of the affected people and communities in the project design, implementation, monitoring, and evaluation. For meaningful consultation, (i) a stakeholder consultation and participation plan will be prepared; (ii) consultations will include local public representatives, and civil society organizations; and (iii) the project information booklet covering the benefits, components, resettlement entitlements, and grievance redress mechanism will be prepared in English and in the government approved local language.

During Project Implementation

MPWT through the project implementation support consultants will ensure that the project communication plan including stakeholder engagements in all aspects and activities under each project outputs and overall project are implemented, supervised, monitored, and reported regularly and progressively during project implementation. ADB will ensure that relevant and required documents and reports are prepared with quality and disclosed in line with the project agreement and ADB disclosure policy.

MPWT and GDR will be responsible for managing and addressing any potential risks that are related to the implementation of the environment and social requirements especially those related to land and resettlement of the affected persons along the project road corridor of impact. The Government through GDR is committed to provide financing for affected persons loss of assets as well as acquisition of land required for the purposes of the project. All affected persons grievances will be recorded and addressed using the GRM to be established under the project as part of the project and subproject agreements.

Contact

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Transport Sector Office (SD1-TRA)
Executing Agencies
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Timetable

Concept Clearance
16 May 2026
Fact Finding
01 Sep 2026 to 11 Sep 2026
MRM
-
Approval
-
Last Review Mission
-
Last PDS Update
29 Jun 2026

Funding

Project Page	https://www.adb.org/projects/59254-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=59254-001
Date Generated	31 July 2026

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