



AIIB-000849

Cambodia: National Restoration of Rural Productive Capacity Project - II
(NRRPCP-II)



Quick Facts

Countries	Cambodia
Specific Location	Kampong Chhnang, Tbuong Khmum, Prey Veng, Battambang, Kampong Thom, Kandal, Takeo, Svay Rieng, Kampot, Kep
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-12-16
Borrower	Government of Cambodia - Ministry of Rural Development
Sectors	Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 80.00 million
Project Cost (USD)	\$ 88.00 million



Project Description

According to the Bank's website, the objective of this project is to enhance all-weather accessibility and the livelihoods of population in selected rural areas.

In December 2020, NRRPCP was approved to sustain the rural economy and livelihood of vulnerable rural population and returning migrants affected by the COVID-19 pandemic. It focused on the generation of short-term employment opportunities by rural infrastructure (roads and community ponds) improvements and strengthening the capacity of local laborers and contractors. Under that project, a total of 270 km of rural road was rehabilitated.

NRRPCP-II will scale up most of the NRRPCP activities. In particular, the project will support the rehabilitation and climate proofing of an additional 420 km (approximately) of rural roads in the following 10 Cambodian provinces: Kampong Chhnang, Tboung Khmum, Prey Veng, Battambang, Kampong Thom, Kandal, Takeo, Svay Rieng, Kampot and Kep. In addition, NRRPCP-II will support the design and delivery of capacity building programs for rural people and national contractors.



Early Warning System Project Analysis

AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List (ESEL), the Environmental and Social Standards (ESSs), including ESS1 (Environmental and Social Assessment and Management), ESS2 (Involuntary Resettlement), and ESS3 (Indigenous Peoples), will apply to this project. The project has been categorized as B because it is expected to have limited adverse environmental and social (E&S) impacts that will be site-specific, largely reversible, and can be managed using good practice in an operational setting. To select the preliminary road sections to be funded under the project, it was requested that they will not cause (i) involuntary land acquisition required; (ii) cultural heritage affected; (iii) major long-lasting negative E&S impacts; (iv) impact to natural water bodies; and (v) significant impacts to priority biodiversity values.

Environment Aspects: During the construction phase, the impacts may include noise generation and air emissions from, but not limited to, the hauling of earth materials from borrow sites to the project areas, operation of concrete batching facilities, and operation of construction vehicles and machinery. There is also potential risk of contamination of surface water and groundwater from construction stockpiles and materials (especially during the rainy season), inappropriate discharge of domestic wastewater (from construction workers or worker camps), and/or construction wastewater. Solid and hazardous waste generation is similarly expected, including the use of hazardous materials, such as fuel and oil. There is also potential risk and impact of stormwater during the construction and operation phases. The upgrade of roads increases the amount of impermeable surface area, which increases the rate of surface water runoff, and high stormwater flow rates can lead to stream erosion and flooding.

Social Aspects: As the road rehabilitation will be undertaken within the existing right of way (ROW), involuntary land acquisition is not required for the main carriageway. However, for the construction and improvement of drainage and climate-proofing infrastructure, some roadside households could face minor impacts, such as cutting back driveways and roofs, shifting temporary kiosks, or trimming of a few trees. For those cases, following the Government policy on land acquisition and resettlement, and the approach adopted for NRRPCP, a voluntary donation mechanism will be applied. The donation eligibility criteria, involved agencies, and planning, implementation, and monitoring arrangements are specified in the updated RPF. The established procedure aims to promote that land donation will be voluntary, transparent, conducted after meaningful consultations, and the livelihoods of the affected households will not be adversely impacted. However, if the affected households are not willing to voluntarily donate, compensation shall be made following the entitlement matrix of the updated RPF. While there are some ethnic minority groups residing in the project areas, no land acquisition, loss of cultural heritage, or social disruption are anticipated impacting them.

Occupational Health and Safety (OHS), Labor and Employment Conditions: During the construction phase, potential OHS risks include, among others, unexploded ordnance (UXO) for operating vehicles and heavy equipment, collisions with moving machinery, prolonged exposure to dust, noise, and vibration, working at heights (e.g., slopes or bridges), electrical safety, and OHS issues in worker camps. Some potential risks to communities include unauthorized access to work areas (which may result in injuries and accidents from contact with machinery and heavy equipment) and issues pertaining to labor influx.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

According to the Project's Executive Summary, the total project cost is approximately USD88 million, of which the Asian Infrastructure Investment Bank (AIIB) will finance RMB569.1 million (approximately USD80 M) through a sovereign-backed loan, and USD8 million will be provided by the Government of the Kingdom of Cambodia.



Contact Information

CONTACT INFORMATION

PROJECT TEAM LEADER

Asian Infrastructure Investment Bank
Tomás Herrero Diez - Senior Investment Officer
tomas.herrero@aiib.org

BORROWER

Kingdom of Cambodia
Pen Thirong - VP, Under Secretary of State, Ministry of Economy and Finance
thirong_pen@mef.gov.kh

IMPLEMENTING ENTITY

Ministry of Rural Development
San Visal - Secretary of State
sanvisal1970@gmail.com

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes. Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>



Bank Documents

- Environmental and Social Management Planning Framework (ESMPF)
- Gender Equality and Social Inclusion Assessment (GESIA)
- Indigenous Peoples Planning Framework (IPPF)
- Project Document (December 19, 2025)
- Project Summary (December 16, 2025)
- Project Summary (October 22, 2025) [Original Source]
- Resettlement Planning Framework (RPF)
- Stakeholder Engagement Plan (SEP)



Other Related Projects

- AIIB-000446 Cambodia: National Restoration of Rural Productive Capacity Project