



Project Summary Information

		Date of Document Updated: December 16, 2025
Project Name	National Restoration of Rural Productive Capacity Project - II (NRRPCP-II)	
Project Number	P000849	
AIIB member	Cambodia	
Sector/Subsector	Transport	
Alignment with AIIB's thematic priorities	Green infrastructure; Connectivity and Regional Cooperation	
Status of Financing	Approved	
Objective	To enhance all-weather accessibility and the livelihoods of population in selected rural areas.	
Project Description	<p>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.</p> <p>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, Tbuong 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.</p>	
Expected Results	<p>The following indicators will be monitored to assess the achievement of the project's objective:</p> <ul style="list-style-type: none"> ▪ Improved all-season accessibility to economic, health, and social facilities (number of facilities). ▪ Rural population that benefits from increased employment and income generation opportunities (number of people). This indicator will be disaggregated by gender. <p>In addition, to verify that the project is progressing in accordance with the implementation plan, the following project intermediate results indicator will be measured periodically:</p> <ul style="list-style-type: none"> ▪ Rural roads upgraded with climate resilience measures (km). ▪ Percentage of rural road segments with universal access features in areas serving key socio-economic facilities (percentage). 	

	<ul style="list-style-type: none"> National contractors that benefit from capacity building to deliver high-quality and resilient rural roads (number of contractors).
Environmental and Social Category	B
Environmental and Social Information	<p>Applicable Policy and Categorization. AIIIB'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.</p> <p>E&S Instruments. A framework approach has been adopted for this operation considering (i) the phased nature of the rehabilitation of rural roads across ten provinces; (ii) the need to have flexibility to finalize the list and designs of the road sections to be included under batches 2 and 3 of the project; (iii) that the roads to be supported under the project will not have high/significant E&S impact; and (iv) that the updated E&S Management Planning Framework (ESMPF) includes comprehensive provisions on E&S risk and impact assessment and E&S Management Plans (ESMPs) preparation, when the final list of the road sections and respective designs become available. The ESMPF has been updated to strengthen the E&S risk screening, assessment, management, consultation, information disclosure, and monitoring, considering lessons learned from NRRPCP implementation, especially the recommendations from the third-party E&S auditor. Similarly, the Resettlement Planning Framework (RPF) and the Indigenous People Planning Framework (IPPF) have also been updated and strengthened. The contractor's ESMPs (C-ESMPs) will be developed, implemented, and monitored following the provisions of the updated ESMPF.</p> <p>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</p>

	<p>impermeable surface area, which increases the rate of surface water runoff, and high stormwater flow rates can lead to stream erosion and flooding. These potential risks and impacts are typically localized, short-term, and low in magnitude, and mitigation measures are to be covered in the ESMPs.</p> <p>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. As specified in the updated IPPF, even without any adverse impacts, an Indigenous People Plan (IPP) will be prepared for those road sections where ethnic minority group(s) are residing to properly monitor the beneficial impacts on them.</p> <p>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. The corresponding mitigation measures will be included in the ESMPs and their compliance will be strictly requested to the contractors. In addition, the contractors will be required to continue developing an enforceable code of conduct applicable to all workers (including within the workers' camps).</p> <p>Stakeholder Engagement, Consultation, and Information Disclosure. The Ministry of Rural Development (MRD) has conducted several consultations with the key stakeholders during the preparation of the project. Furthermore, a Stakeholder Engagement Plan (SEP) has been prepared for the project outlining, among others, the activities and communications to be undertaken and the distribution of responsibilities among the agencies involved. The updated E&S instruments, including ESMPF, RPF, IPPF, SEP, and the Gender Equality and Social Inclusion Plan (GESIP), will be disclosed on the MRD and AIIB websites. Summaries of the E&S documents in the Khmer language will be disclosed in easily accessible public places</p>
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	<p>for the local communities. The applicable E&S instruments (ESMPs, IPPs, RPs), once prepared, will also be disclosed in the same manner.</p> <p>Project Grievance Redress Mechanism (GRM). Given that the Project GRM established for NRRPCP works effectively, it will be replicated for NRRPCP-II. GRM was presented and discussed during the stakeholders' consultations and included in the SEP and updated ESMPF. The procedure for grievance redressal is culturally appropriate and gender sensitive and includes steps for complainants to lodge their grievances verbally and/or in writing. GRM provides the contact details of the focal person (who is assigned to receive and file the complaint/grievance), and a timeframe for the case to be reviewed and responded. The records of grievances received, corrective actions taken, and outcomes shall be adequately maintained and shared with the Bank. GRM for the workers to cover workplace-related complaints has been proposed in the ESMPF and will be in place before the contractors' mobilization. The information of established GRM and Bank's Project-affected People's Mechanism (PPM) will be disclosed in an appropriate manner.</p> <p>Monitoring and Reporting Arrangements. The PMU under MRD will be responsible for implementing the project and conduct monitoring of the E&S assessment and management. The Bank will undertake semi-annual review missions to supervise the implementation progress of E&S instruments. Semi-annual E&S monitoring reports will be prepared by the PMU based on an agreed format and shared with AIIB for review. The status of E&S planning, implementation and monitoring, as well as E&S issues will also be reflected in the project progress reports that will be shared with AIIB quarterly. A third-party monitoring consultant will be engaged to conduct external audits on E&S assessment and management for the last two years of the project.</p>
Cost and Financing Plan	The total project cost is USD88 million, with USD80 million from AIIB and USD8 million from the Government of the Kingdom of Cambodia.
Borrower	Kingdom of Cambodia
Implementing Entity	Ministry of Rural Development
Estimated date of loan closing (SBF)	December 2031
Contact Points:	<div data-bbox="691 1293 983 1334">AIIB</div> <div data-bbox="1208 1293 1545 1334">Borrower</div> <div data-bbox="1635 1293 2149 1334">Implementation Organization</div>
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Date of Single Review Decision	October 22, 2025		
Date of Financing Approval	December 16, 2025		

Independent Accountability Mechanism	The PPM has been established by AIIB to provide 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 its ESP in situations when their concerns cannot be addressed satisfactorily through project-level GRMs or AIIB management's processes. For information on how to make submissions to the PPM, please visit: How We Assist You - Project-Affected People's Mechanism (aiib.org) .
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