

## HLC Infrastructure Brief from AusAID for RGoC Counterparts

**Background:** Australia has provided assistance through three main projects under its Greater Mekong Subregional Program:

- Cambodia Road Asset Maintenance Project (A\$6 million): a joint project between ADB, World Bank (WB) and Australia, that intends to assist the RGC with periodic maintenance of national and provincial roads administered by Ministry of Public Works and Transport (MPWT). Under the project, periodic road maintenance of about 950 kilometres will be assisted, capacity of the MPWT will be built to improve the management and maintenance of its roads network, and private sector involvement in competitive bidding and performance quality will be increased.
- Southern Coastal Corridor Project (A\$11 million): the project, co-financed by Australia and ADB, and is implemented by the MPWT, will complete the Greater Mekong Subregion Southern Coastal Corridor (GMS-SCC) Corridor in Cambodia. The project aims to rehabilitate 15 km of national road 33 at the Cambodia-Vietnam border, build new cross border facilities at the Cambodia's borders with Thailand and Vietnam, raise the awareness of HIV/AIDs, trafficking issues and prevention campaign, as well as maintain national road 33 between Kampot and Kampong Trach, and the section of national road 31 between Kampong Trach and the junction with national road 3.
- Cambodia Rural Energy Services (A\$12 million): Australia is co-financing the Cambodia Rural Energy Services project with the WB to improve power sector efficiency and reliability, while reducing electricity supply costs. The project document is now being prepared in consultation between the WB and relevant Government ministries and agencies.

Apart from these three regional projects, in response to the RGC's request, Australia is considering the possibility of providing supplementary financing for the Rehabilitation of the Railway in Cambodia project (RRCP), an ADB-supported railway restructuring project. AusAID has commissioned a consultant to join the ADB fact-finding mission to consider the Government proposal of a \$22 million grant. Further studies and participation in fact-finding missions are required. AusAID will make its decision on the proposed financing between August and December 2009, in anticipation of a number of conditions required by the ADB for its internal loan approval, such as the formal conclusion of the concession agreement, resettlement plan, the railway links with Thailand, etc.