(a) Background and Necessity
The economy of Cambodia has maintained stable growth in recent years and is expected to continue growing at a high rate going forward. With this economic growth, the demand for power is also rising rapidly, such that the volume of power sales increased by a rate averaging approximately 20 percent each year from 2003 to 2013. The power sector is an important field in the “Development of Physical Infrastructure,” one of the four pillars of the Rectangular Strategy formulated by the Royal Government of Cambodia.

The population of the Phnom Penh metropolitan area exceeds 1.7 million people and is the country’s economic core, accounting for 70 percent of the domestic power demand. Providing stable power in the region is one of the top challenges for the power sector in Cambodia. Currently, the power supply facilities are unable to keep pace with growing demand, the scope of power outages due to an inadequate power grid control is growing, and recovery from outages requires a great deal of time so that strengthening the power facilities is an urgent priority.

(b) Objective and Summary
This project will augment existing transformer substations and construct new ones, along with laying transmission and distribution lines in the Phnom Penh metropolitan area to enhance the power supply stability there, contributing to economic development in Cambodia.

Loan funds will be allocated to the public works required for the construction of the transformer substations, the procurement of equipment and materials, and consulting services for phase 2 (I) of the project.

(c) Executing Agency
Electricité du Cambodge
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Phone: +855-23-723-971, fax: +855-23-426-018

(d) Planned Implementation Schedule
(i) Completion of project: February 2020 – when the facilities are put into service
(ii) Issuing of letters of invitation for consulting services (including detailed design work): May 2015
(iii) Tender announcement of initial procurement package for international competitive bidding on project construction:
    Procurement package title: Transformer Substation Construction
    Release date: September 2016