

Cambodia: the EU grants EUR 12.7 million to deliver safe, drinking water to some of Phnom Penh's poorest neighbourhoods



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- **European union grants EUR 12.7 for the construction of 500km of water pipes, supplying affordable and safe drinking water to the poorest population in Phnom Penh ;**
- **The EIB and AFD invest EUR 185 million in the construction of Bakheng Water Treatment Plant and additional water distribution networks;**
- **Some 700,000 people in Phnom Penh to gain access to piped drinking water;16 000 jobs to be created during the implementation phase;**

The European Investment Bank secured a EUR 12.7 million grant from the European Union for the construction of the Bakheng Water Treatment Plant and 500km of water distribution network in the Cambodian capital, Phnom Penh. The infrastructure will bring safe, drinking water and improve quality of living for 700,000 people from some of the poorest neighbourhoods in the city. It is a long term investment in country`s resilience to pandemic such as Covid-19 as it provides steady access to clean drinking water, critical for effective crisis mitigation.

The EU grant will expand the water distribution network to the poorest areas of the city. It complements an earlier EUR 185 million investment from the European Investment Bank (EIB) and the Agence Française de Développement (AFD). Blending of the EIB, the AFD and the EU financing will provide treated potable water to the fast-expanding Phnom Penh, where the demand for piped water is expected to nearly double from current needs by 2030.

Around 86,000 households, in some of the poorest neighbourhoods in Phnom Pen,

will gain access to city`s piped water for the first time ever, and help reduce certain types of diseases by as much as 26%. The project will have a positive economic effect on the poorest households as it will reduce daily expenditure for bottled drinking water. Today, close to 70% of the Cambodians do not have access to piped water supply, including 28 % of people living in Phnom Pehn.

Andrew McDowell, the Vice President of the EIB said: “The EIB welcomes the EU grant for the Bakheng Water Supply project as it will significantly improve the quality of living for thousands of people in the city. This project testifies the power of European cooperation and solidarity with Cambodia and its people. Our support and cooperation with the Royal Government of Cambodia is empowering us to look forward to further partnership and EIB support in the country to contribute to a sustainable development of Cambodia.”

H.E. Hem Vandy, Under Secretary of State of the Ministry of Economy and Finance, Royal Government of Cambodia said: “The Royal Government of Cambodia welcomes the contribution from our European partners as it will have a major impact on the quality of life for hundreds of thousands of Cambodians. The projects we implement with the EU and the EIB like Bakheng Water and SAAMBAT are important for Cambodia, as they support our sustainable development and growth. We look forward expanding this cooperation for the benefit of the people of Cambodia and its economy”

Ambassador Carmen Moreno, the European Union`s Ambassador to Cambodia said: “Water is the main source of life and access to water is a basic human right; living without safe water can cause illness and poverty and it is also a threat to public health, particularly during the current pandemic. Bakheng is the largest European investment project in Cambodia co-financed by several European and Cambodian partners, in which the EU grant will help guarantee the right of Phnom Penh Poorest Communities to have access to safe and affordable water. This massive project is expected to have a major impact in terms of people getting access to clean water but also it will create jobs, which is also very important during this crisis! I am very proud that the European partners will make this project possible, at a time when it is most needed!”

The EIB experience from financing water and waste-water infrastructure around the world shows that access to improved water supply, sanitation, and hygiene results in:

- economic development and poverty reduction;
- increased food safety and better food and nutrition security as well as livelihoods;
- improved protection of the environment;
- reduced health and time burden which frees up the time of carers;
- improved school enrolment and retention rates, especially for girls;
- improved safety of women and girls, as the main water collectors;
- more time up women to engage in other activities with reduced work and water collection time; and,
- empowered communities and new opportunities for women where they are involved in their management.

Long-term commitment to the sustainable development of Cambodia

In December 2019, the EIB invested EUR 51.5 million in Sustainable Assets for Agriculture Markets, Business and Trade project (SAAMBAT) to provide year-round-reliable and safer road networks improved vital rural infrastructure and better food supply for some 200,000 Cambodian families living in rural areas. SAAMBAT was launched on 3 February 2020 in Phnom Penh as a USD 125m rural development partnership project between the International Fund for Agricultural Development (IFAD), the EIB and Royal Government of Cambodia; the project.

SAAMBAT works to improve roads, road safety and resilience to natural hazards, as well as other key rural infrastructure, such as local markets, vital to Cambodia, where two-thirds of all rural households annually face seasonal food shortages due to underdeveloped infrastructure. It is also key contribution to country's resilience to crisis and emergencies such as Covid-19 enabling easier circulation of supplies and access to hospitals.

The project will also create up to 4,500 jobs and 500 new SMEs, and train 25,000 Cambodians on use of digital technologies to improve their businesses and increase trade. Special emphasize will be on creating business and employment opportunities of the rural youth.

Luca Lazzaroli, Director General and Deputy Head of Operations of the EIB said: "Projects like SAAMBAT and Bakheng Water Treatment Plant are a proof of the EIB's and European Union's commitment to Cambodia. The EIB is proud to use our financial resources and technical and financial expertise to blend in resources from different sources, support sustainable development of Cambodia and improve the quality of lives for the people. The EIB looks forward new projects in Cambodia where we have already invested EUR 140 million."

Kaushik Barua, IFAD Country Director, Cambodia said: "With this project we are focusing on building sustainable and inclusive rural infrastructure, including roads and marketplaces; building rural capacity; and linking rural communities, especially young people, to relevant skills and technologies. We are grateful to our national partners including the Ministry of Economy and Finance, the Ministry of Rural Development and the rural communities and youth who provided their ideas and feedback to IFAD. And of course to the European Investment Bank for investing in this partnership with IFAD."

About the EIB in Asia:

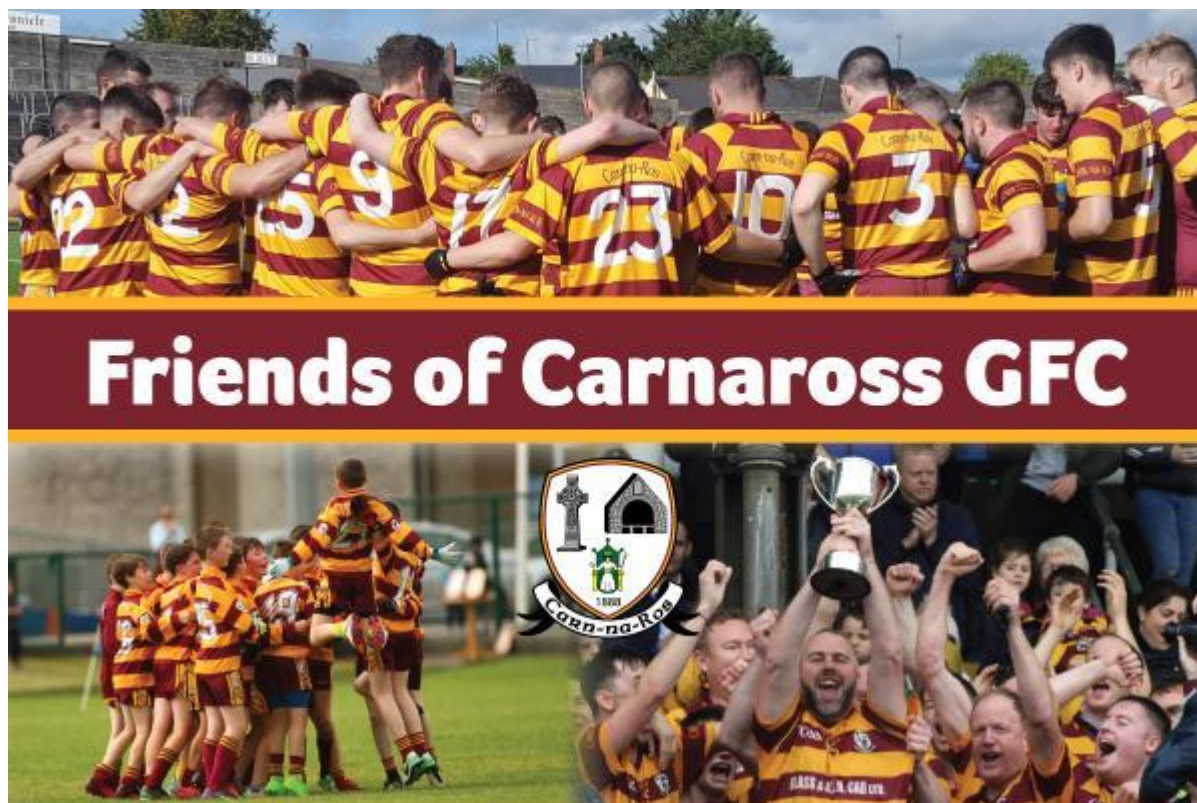
For 25 years, the EIB has supported economic development in Asia and the Pacific region through projects ranging from cutting travel times for people of Bangalore with a new metro line, to providing cheaper, cleaner energy to western Nepal.

In Asia, the EIB focus is our lending on climate action across all sectors. Through our financing, we act as a catalyst to attract the funding needed to meet the UN's Sustainable Development Goals for 2030. We also work to include gender equality in our projects, ensuring that women, men, girls and boys can benefit from projects equally and equitably.

About the EIB in Cambodia:

The European Investment Bank has been actively supporting the sustainable development of Cambodia since 2012. To date, the EU bank has invested EUR 140 million in the country improving water supply and rural development in the country, and with it the quality of lives for millions of Cambodians. The EU Banks works together with the European Union, the Royal Government of Cambodia and other development partners in the country.

[Social Finance Foundation announces two funding initiatives for community organisations and social enterprises in Ireland](#)



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- €44m in additional low-cost funding from Irish banks
- €25m in Loan Guarantees from European Investment Fund

The announcement today by Social Finance Foundation, of two new Agreements will mean greater access to social finance loans for organisations in the social sector. The announcement has been welcomed by An Taoiseach, Leo Varadkar TD.

Under the first Agreement, the Irish banks (AIB/EBS, Bank of Ireland, permanent tsb and Ulster Bank) will make available an additional €44 million in low cost funding to the Foundation over the period 2021 to 2025.

Under the second Agreement, the European Investment Fund has agreed to provide loan guarantees totalling €25m to support new lending by the Foundation. The €25m Loan Guarantee is being made available under the European Union's Employment and Social Innovation programme, part of the Investment Plan for Europe.

The bank funding is in addition to a €25 million gift originally provided to the Foundation by the Irish banks in 2007, as well as in addition to an existing €72m low cost loan facility made available by the banks during the period 2009 to 2020. All financial support from the banking sector has been facilitated through the auspices of Banking & Payments Federation Ireland (BPMFI) – the sector's representative body.

The European Investment Fund guarantee will cover 60% of any loan losses and the Foundation and its partners will take the remaining 40%. The guarantee covers loans up to a maximum of €500k and is valid for the first ten years of the life of the loan. Until now, some social finance loans could not be funded because of the risk involved. Now with the EIF guarantee agreement, the Foundation through its partners can offer social finance to a greater range of social sector organisations. This Guarantee Scheme is one of many examples of the EU's commitment to the social economy under its Employment and Social Innovation (EaSI) programme.

Welcoming today's announcement, An Taoiseach, Leo Varadkar TD, stated:

"This announcement is good news for community groups, sports organisations, charities and social enterprises around the country. This finance is specifically targeted at projects that deliver a social benefit to their local communities. It is important in these challenging times that we do our utmost to help social organisations, as they seek to build better communities and help some of our most vulnerable people. I would like to acknowledge the ongoing commitment of Irish banks to this initiative, and the new loan guarantees provided by the European Investment Fund towards a range of social and community projects."

SFF CEO, Brendan Whelan said:

"These two agreements will not only enable the Foundation to continue to provide social finance to community groups and social enterprises but also to increase such funding to local communities and projects. The Foundation is deeply grateful for the continuing support of the Irish banks, without which it could not operate. We also wish to acknowledge the commitment of the EU (through the EIF) to the social economy, whose importance has never been more evident than in these difficult days".

Andrew McDowell of European Investment Fund said:

"The European Investment Bank Group is stepping up support for social

investment at a time when the sector is facing unprecedented challenges and increased demand. Our first partnership with the Social Finance Foundation, in cooperation with Irish banks, will strengthen the long-term impact of social projects within vulnerable communities across Ireland in the months and years ahead. This innovative initiative demonstrates the real impact of the European Investment Bank and European Investment Fund engagement to improve lives and opportunities in Ireland.”

Brian Hayes of Banking and Payments Federation Ireland stated:

“Through the provision of low-cost finance to Social Finance Foundation, our member banks are very pleased to indirectly finance a myriad of social and community projects that would otherwise find it difficult to qualify for mainstream funding. Now more than ever it’s critical that people are supported in rebuilding the fabric of their communities. Our banks are delighted to help deliver the projects that will greatly facilitate that rebuilding process.”

About Social Finance Foundation

Social Finance Foundation was established as a Government initiative in 2007. It is an independent organisation and provides loan funding through its lending partners Clann Credo and Community Finance Ireland to social organisations, which do not meet the credit criteria of mainstream financial institutions. Loans of over €120m have been granted to over 1,000 social projects around the country since inception in 2007. Typical projects include social enterprises, community centres, community sports clubs, community arts and tourism initiatives, social care organisations (children, elderly, disabled), playgrounds, niche housing associations etc. Some of the projects deal with the most vulnerable in Irish society in some of the more disadvantaged areas.

The Banking Industry in Ireland is a critical partner of the Foundation. Their provision of €25m by way of gift to SFF in 2007 as well as a total of €116m in low-cost funding between 2009 and 2025 has been and remains critical to the sustainability and success of social and community projects all over the country. This funding will enable even greater levels of financial support to the social sector in the coming years.

Background information:

The Social Finance Foundation was established in 2007 by the Government to address the needs of community organisations and social enterprises for loan funding which does not meet the credit criteria of mainstream financial institutions. Using low-cost finance provided by banks the Foundation in turn provides funding to its lending partners, Clann Credo and Community Finance Ireland.

Microfinance Ireland (MFI) is a subsidiary company of the Foundation which provides loan funding of €2,000 to €25,000 to help start-ups and established micro businesses to get the finance they need for their business. Since start up in 2012, MFI has approved loans of €34m to over 2,300 micro businesses

supporting over 6,000 jobs. The Foundation has also played a critical role in the Personal Microcredit initiative with the Credit Unions to address the excessively high interest rates charged by licensed money lenders.

While a larger number of BPF member banks contributed to the initial funding of the Foundation, this latest tranche of funding is supported by AIB, Bank of Ireland, EBS, permanent tsb and Ulster Bank.

Two examples of the type of community-based activities supported.

Headway, Dublin, Cork & Limerick – supported by SFF / Clann Credo

Headway is a Not for Profit Irish Charity that provides rehabilitation services to adults (18+) who are affected by brain injury. Acquired brain injury is often referred to as the hidden disability because its long-term problems are often in the areas of thinking and behaviour and are not as easy to see and recognise as many physical disabilities.

Headway was founded in 1985 as a support group by families and interested professionals to address the needs of people with brain injuries and their carers and families. The Charity now has centres in Dublin, Cork, Kerry and Limerick along with an Information and Education service in the South East. The Acquisition of the Dublin and Cork premises was supported by Social Finance Foundation and Clann Credo. Headway provided services to 1,342 people in 2019. Services include a Lo-call National Information and Support Helpline, Day rehabilitative services, Group Work, Individual Client Work Involving key workers working with clients, Rehabilitative Training Services, Psychological Services and a Community Integration Service providing one-to-one support.

Carnaross GFC Co. Meath – supported by SFF / Community Finance Ireland

With a current membership of almost 450 this GAA club was beginning to run out of space and needed to modernize and build for the future. Its growing, diverse and vibrant membership recognized a new clubhouse was needed. One that could support both young and adult level requirements. This project was costed at €318K. The community and members came together, raised a significant amount of funds themselves and secured some grants. But they had a shortfall. Their term loan was the solution to this short-fall and Community Finance Ireland were delighted to help, as the management and the club was proof of a sustainable and viable community project. Today their new clubhouse is operational. It has all the modern facilities you would expect such as new dressing rooms for all plus the ability to support the ongoing community connections and foster the love of the game.

Article – Parliament this week: Covid-19 exit strategy and neighbourhood policy



On Monday, the [internal market committee](#) will discuss the EU coronavirus exit strategy with Internal Market Commissioner Thierry Breton. The debate is expected to cover the gradual lifting of lockdown measures taken by member states, the implementation of the recovery fund dedicated to the Covid-19 crisis and its impact on the EU's long-term budget.

On the same day, the [environment and public health committee](#) will discuss how to ensure that safe vaccines and treatments for Covid-19 are approved quickly in the EU with Guido Rasi, executive director of the European Medicines Agency.

Neighbourhood policy

The [foreign affairs committee](#) will on Tuesday exchange views with Olivér Várhelyi, Commissioner for Neighbourhood and Enlargement, on the Eastern Partnership policy and vote on a [report](#). The policy concerns six countries from the EU's neighbourhood: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The vote comes ahead of a summit in June.

Migration and security

Nina Gregori, executive director of the European Asylum Support Office, will attend a meeting organised by the [civil liberties committee](#) on Monday to present the Office's work on Covid-19, especially in Greece. Catherine De Bolle, executive director at Europol, will also give a presentation on her agency's work in combatting Covid-19 pandemic-induced criminal behaviour.

On Tuesday, the [petitions committee](#) will look into a number of Covid-19 linked petitions including the management of cancellations by the travel industry and the protection of rights of people with intellectual disabilities.

[EUIPO website: issues with opposition eActions](#)

May 18, 2020 [Website](#)

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We apologise to users for any inconvenience caused.

[Press release – COVID-19: MEPs to discuss way forward with Commissioners Breton and Gentiloni](#)



The COVID-19 exit strategy, including gradually lifting lockdown measures and agreeing on the recovery fund, will be the focus of the debate with Internal Market Commissioner Thierry Breton, on Monday (today), from 14.00. MEPs are also likely to ask Mr Breton about the impact of the revised Multiannual Financial Framework (MFF), due to be presented by the Commission on 27 May, on the Single Market Programme for 2021-2027.

In the debate with Economy Commissioner Paolo Gentiloni on Wednesday, from 17.00, MEPs are set to address, among other topics, how the pandemic will affect customs-related initiatives that were planned by the Commission and the foreseeable evolution of the negotiations on the two MFF customs proposals, on which Parliament already adopted its position.

The debates in the committee will be [web-streamed here](#) (Parliament's Multimedia Centre).

Internal Market Committee MEPs already discussed the EU response to the COVID-19 outbreak with Commissioner Breton on 2 April, as well as with Commissioner Didier Reynders (Justice), on 14 April, and with Commission Executive Vice-President Margrethe Vestager (Europe Fit for the Digital Age), on 4 May.