

## **EDCF to support the construction of the Landmark Bridge in the central Phnom Penh in Cambodia**

- *EDCF Loan \$246 million to the Cambodia-Korea Friendship Bridge Project and EDCF Loan \$70 million to the Grid Reinforcement Project in Sihanoukville.*
- *First achievement after renewal of the increase to \$1.5 billion in the Framework Arrangement between Korea and Cambodia*

Seoul, December 11, 2022 - The Export-Import Bank of Korea ([www.koreaexim.go.kr](http://www.koreaexim.go.kr), "Korea Eximbank") announced on December 11, 2022 that Economic Development Cooperation Fund ("EDCF") provides a total of \$316 million EDCF loans to the Cambodia-Korea Friendship Bridge Project and the Grid Reinforcement Project in Sihanoukville.

In the presence of Cambodian Prime Minister Hun Sen, Deputy Prime Minister of Ministry of Economy and Finance Aun Ponomoniroth and Minnie Chey, Country Director of Phnom Penh Office of Korea Eximbank signed the EDCF loan agreement for the Cambodia-Korea Friendship Bridge Project in Phnom Penh, Cambodia on December 9, 2022.

EDCF will finance \$246 million to build two cable-stayed bridges connecting Phnom Penh capital and Kandal province over Tonle Sap River and Mekong river, which is expected to be a landmark bridge in central Phnom Penh. Currently, ferries are the only means of transportation between the two regions. Once the bridges are constructed across the rivers, they will be able to reduce urban traffic congestion in downtown of Phnom Penh and improve connectivity between Kandal province and Phnom Penh. In the long term, the new bridges will contribute to people's living standard in the eastern part of the Mekong River.

In particular, the loan agreement of the Cambodia-Korea Friendship Bridge Project is also meaningful in that it is the first achievement since the two governments has signed EDCF Framework Arrangement of \$1.5 billion for the years 2022 through 2026.

In order to support energy sector in Cambodia, EDCF also provides \$70 million loan to the Grid Reinforcement Project in Sihanoukville to build transmission lines and substations for stable power supply in Sihanoukville province. It is the first EDCF loan to support Cambodia's energy sector and is expected to expand opportunities for Korean companies to enter the Cambodian electricity market.

A Korea Eximbank official said, "Cambodia is one of the key ODA partners of Southeast Asia and has abundant economic cooperation potential with Korea. We will strengthen supporting EDCF loans in areas of large-scale infrastructure development in Cambodia and Southeast Asia as the basis for expanding our presence in the region."

*Economic Development Cooperation Fund (EDCF): It is a form of Korean official development aid established by the Korean government in 1987. Korea Eximbank has been entrusted by the Ministry of Strategy and Finance to operate and manage the EDCF. It provides long-term low-interest loans to support industrial development and economic stability in developing countries and promote economic exchanges between developing countries and Korea.*

