

Public Information Summary

Host Country(ies)	Kingdom of Cambodia
Name(s) of Borrower(s)/Guaranteed Party(ies)	Khmer Water Supply Holding Co., Ltd.
Project Description	The Borrower owns a portfolio of private water operators that provide access to clean and affordable piped water across rural and semi-rural Cambodia. The Borrower provides its customers with a cheaper, healthier alternative to water sources such as surface water and household wells, which often lead to consuming contaminated water and a host of related health risks. The Borrower provides a product that helps to improve the quality of life of underserved populations, specifically women and girls who are disproportionately responsible for water collection.
Proposed DFC Loan/Guaranty	\$7,000,000
All-Source Funding Total	\$10,500,000
Policy Review	
U.S. Economic Impact	This Project is not expected to have any negative U.S. effects.
Developmental Objectives	This Project is expected to have a highly developmental impact through a direct loan to expand the provision of clean, reliable, and affordable on-premises piped water service to rural and semirural communities. Through this work, the Project is expected to help diminish the incidence of waterborne diseases, while also reducing water-related expenditure and labor. As of 2020, 15% of Cambodia's population (2.5 million people) did not have access to improved water, and 23% (3.8 million people) did not have access to improved sanitation.
Environment and Social Assessment	<p>Screening: The Project has been reviewed against DFC's categorical prohibitions and has been determined to be categorically eligible. Loans to water treatment plants are screened as Category B projects under DFC's environmental guidelines because impacts are site specific and readily mitigated using good international industrial practices. Environmental issues associated with the Project include the need for a robust environmental and social management system to manage potential environmental and social risks from the operation of the water treatment plant processing facility, occupational health and safety, water management, and waste management, as well as the need to formalize and disseminate some existing processes and policies.</p> <p>Applicable Standards: Under DFC's Environmental and Social Policies, the Borrower is required to comply with applicable national laws and regulations related to environmental and social performance.</p>

	<p>DFC's environmental due diligence indicates that the Project will have impacts which must be managed in a manner consistent with the following International Finance Corporation's (IFC) 2012 Performance Standards (PS):</p> <ul style="list-style-type: none">• PS 1: Assessment and Management of Environmental and Social Risks and Impacts;• PS 2: Labor and Working Conditions;• PS 3: Resource Efficiency and Pollution Prevention; and• PS 4: Community Health, Safety, and Security. <p>Based on DFC's desktop review, all current facilities are located in established commercial areas. When the Borrower purchases new water treatment plants, the existing operators typically own the land on which they have built the water treatment production infrastructure. The value of the land is included in the final acquisition fee paid to the owner who transfers the assets, including relevant land titles, to the Borrower. Therefore, PS 5, 6, 7, and 8 are not triggered at this time.</p> <p>Environmental and Social Risk Mitigation Measures: The primary environmental and social issues associated with the Project include the need for an Environmental and Social Management System, appropriate Occupational Health and Safety measures, water management, and waste management. A detailed stakeholder engagement plan, contractor management plan and updated human resources policies including an internal grievance mechanism will all be required.</p>
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