



ANNUAL REPORT 2018



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Cambodia Microfinance Association

Our Sponsors:



GLOSSARY OF ACRONYMS

ABC	Association of Banks in Cambodia
ADA	Appui au Développement Autonome (Luxembourg)
ADB	Asian Development Bank
AFD	Agence Française de Développement
CAFE	Consumer Awareness and Financial Empowerment
CBC	Credit Bureau Cambodia
CCC	Cambodia Chamber of Commerce
CEO	Chief Executive Officer
CMA	Cambodia Microfinance Association
CPP	Client Protection Principle
FSP	Financial Service Provider
F2F	Face to face
GDT	General Department of Taxation
IMF	International Monetary Fund
IT	Information Technologies
LC	Leasing Company
MDI	Microfinance Deposit Taking Institution
MEF	Ministry of Economy and Finance of Cambodia
MFI	Microfinance Institution



Mol	Ministry of Interior of Cambodia
MoU	Memorandum of Understanding
MSP	Mekong Strategic Partners
M-CRIL	Micro-Credit Rating International Limited
NBC	National Bank of Cambodia
PAR	Portfolio at Risk
PPI	Progress out of Poverty Index
RIM	Risk Management Initiative
RCI	Rural Credit Institution
RMGM	Risk Management Graduation Model
SPM	Social Performance Management
TA	Technical Assistant or Technical Assistance
UNCDF	United Nations Capital Development Fund
USD	United States Dollars
VoC	Voice of the Clients

TABLE OF CONTENTS

1 > **Chairman's Message**

3 > **Executive Director's Message**

5 > **Vision and Mission**

13 > **Organizational Structure**

14 > **Stakeholders**

15 > **Board of Directors**

19 > **Cambodia's Economic Performance in 2018**

24 > **The Development of Microfinance in Cambodia**

Workshops and Events 27

Microfinance Information Exchange 33

Advocacy and Representation 34

Financial Inclusion and Social Impact 34

Financial Statements 38

Clubs and Committees 44

CMA Members 48

Donors and Partners 72

CHAIRMAN'S MESSAGE



It is indeed a great pleasure and honour as Chairman, to bring you the 15th Annual report of our Association. CMA continues to serve its members, vigorously represent their interests and ensure that their voices are heard. With a current membership of 103, I am confident that CMA will continue meeting the needs of its members and the wide range of their customers in the microfinance industry for the years to come in line with its clear mission. I would like to take this opportunity to welcome new members and invite all members to continue to contribute to our historic and highly productive working relationship. Since the establishment of CMA, Cambodia has seen significant growth in the microfinance sector of the economy, helping and enabling the poor and financially excluded through access to the range of financial services provided by our members to help them achieve a better quality of life. A robust and

responsive microfinance industry is an essential ingredient in Cambodia's banking system.

This healthy Microfinance component within the overall financial and banking environment is as important today, and probably more so, as ever before. This is particularly apparent in rural communities due to the geographic reach of members beyond that possible for the larger and less flexible banking institutions in the economy. The industry provides responsible lending and integrated financial services in locations where only it can reach.

The following summary of highlights once again reveals the strength of the microfinance sector in Cambodia during the year of 2018:

- The Loan Portfolio increased by 1,184 million and reached 5,440 million USD (21,760,000 million KHR)
- The Deposit Balance increased by 41% and reached 2,819 million USD (11,276,000 million KHR)
- The Portfolio At Risk after 30 days (PAR30) decrease to 1.15% in 2018 from 1.31% in 2017
- The Number of Offices increased by 3% rising from 1,365 to 1,400 offices
- The Number of Borrowers at year's end was 2,005,601, a rise/fall of 1.15%
- The Number of Depositors increased by 11% to 2,170,666 total depositors
- Total Numbers of employees increased from 28,839 at the end of 2016 to 31,748 by the end of 2018

Through Partnership between CMA and Good Return the Consumer Awareness and Financial Empowerment (CAFE) Initiative has been implemented across 8 provinces with two members: KREDIT and Samic Microfinance.

This program supports Kredit and Samic and consumers working together to strengthen client protection and responsible money management, ultimately enhancing the financial wellbeing of low-income households. Using curricula and tools focused on behavioral change, CAFE training enables learners to use new-found skills and knowledge creatively, so that they can experiment with different behaviours, and make tailored financial choices that enhance their overall wellbeing. The initiative includes three

behaviour-changing courses: Foundations, Applied, and Coaching. Together, these aim to build confidence and improve the money management skills of vulnerable clients. Foundations and Applied curricula are designed for larger groups of up to 25 clients over 10-20 weeks. Financial Coaching provides more individualized support by helping clients identify financial priorities and goals over 6 weekly conversations. All use simple tools to help learners' practice and develop their money management skills.

In 2018 MFI members Kredit and Samic ran foundations and applied training for over 2600 learners, while KREDIT delivered financial coaching to 1000 clients. Follow up questionnaire reported strong improvement across two comments: In conclusion and on behalf of CMA and our members, I acknowledgment and offer a sincere thank you to our partners and stakeholders, namely the National Bank of Cambodia, the Ministry of Economy and Finance, the Ministry of Interior, the Association of Banks in Cambodia, Appui au Développement Autonome, Agence Française de Développement, Good Return, and all the other actors supporting our association and its mission. Also I would like to acknowledge the active contribution of all our members and thank them for improving the microfinance sector each and every day. Finally, I offer my gratitude and appreciation to all my fellow members of our Board of Directors, clubs and committees for their active contribution and participation, as well as the CMA team of managers and staff for their efficiency, effectiveness and professionalism. I thank you one and all and I am sure that CMA will continue to represent the microfinance sector in Cambodia with focus and attention to detail to overcome all future challenges the industry may face in meeting its mission.

INDICATOR	FINANCIAL FOUNDATION & APPLIED	FINANCIAL COACHING
Knowledge & Awareness	58%	41%
Behavior	61%	49%
Confident	69%	42%
Wellbeing	43%	13%
Average	58%	35%

May this report provide you, the reader, with interesting, relevant and thought provoking information about CMA's progress towards its vision and on the microfinance sector so integral to the Cambodian financial landscape.

May the new year bring success for you.

Kea Borann
Chairman

EXECUTIVE DIRECTOR'S MESSAGE



I am pleased to introduce a new edition of the annual report to brief all relevant stakeholders of the progress and achievements of the microfinance sector in 2018. All of these progresses should be viewed in the context of the work of CMA on behalf of all members. CMA always strives to play a leading role in the ongoing growth of the industry. Our chairman has highlighted many of our actions for 2017. These happen in conjunction with CMA core activities, which include, but not limited to:

- Facilitating new sources of funding, local and international,
 - Ensuring smooth relations between CMA members and key stakeholders,
 - Promoting and advocating for the interest of the sector at both national and international levels, providing our members and partners with networking opportunities,
- Providing our members with capacity building and training opportunities, promoting fair competition, client protection, prevention of over-indebtedness, and financial inclusion.

Looking ahead to 2018, I am confident that the industry will continue to perform strongly if we continue to ensure professionalism and lend responsibly – putting the interests of our clients at the heart of what we do. I believe “it isn’t the mountains ahead that wear you out, it’s the pebble in your shoe” that we should pay attention to risks to microfinance in Cambodia, and to remain vigilant. Our main challenges lie in the promotion of financial inclusion while ensuring sustainable growth of the sector with an increased level of financial literacy. It encompasses many areas where improvement has to be made in the face of slow growth – yet, maintaining it at a sustainable level, promoting transparent competition between FSPs, promoting social performance, and improving the implementation of Client Protection initiatives.

In this report, you will find information related to the structure of our governance, including the committees and clubs [advisory committees] established to guide and ensure the objectives of CMA are being met. You will also find updates about the main activities and projects we have implemented together with our partners.

On behalf of the management and staff, I warmly welcome our new members to the CMA family. Moreover, I would like to express my sincere gratitude to our outgoing Chairman, Oknha Hout Ieng Tong, our new Chairman, Mr. Kea Borann, and all members of the Board of Directors for their leadership and tenacity for the well-being and representation of the sector. I also thank Agence Française de Développement and Appuis au Développement Autonome, our main funding partners that have enabled us to go from strength to strength.

All in all, I would like to thank all of our members, partners and stakeholders for their support to CMA and to the microfinance industry in general. I sincerely hope this cooperation will be maintained, in order to continue to strengthen our association and industry that we may, in turn, bring our nation closer to a Cambodia free of poverty.

Please feel free to contact us if you have any questions, comments or feedback.



Yun Sovanna
Excutive Director

CMA STRATEGIC PLAN 2018

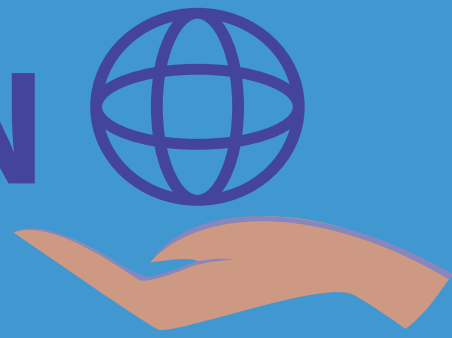


VISION

Shaping the future in which CMA is the Centre of Excellence for microfinance & all Cambodians receive timely & affordable financial services in a sustainable system



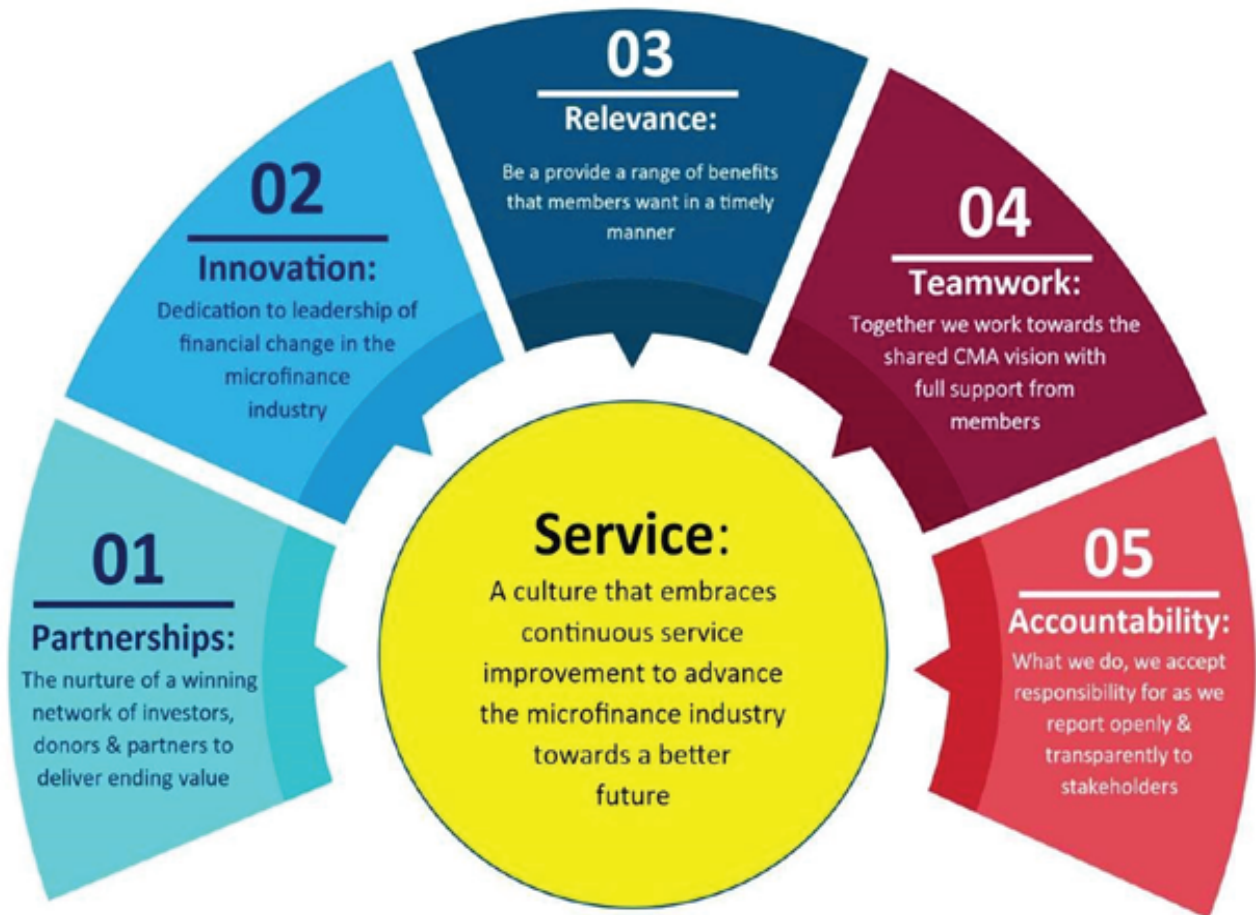
MISSION



- To facilitate microfinance operations & enhance partnership with authorities, national & international donors, creditors & investors
- To support microfinance operators in their social & sustainability mission to alleviate poverty & contribute to social prosperity for all
- To improve financial knowledge & financial access to all



CMA VALUES



2018-2022 Strategic Pillars

Ensuring operational & financial sustainability & good governance

2018-2019 Business Objectives

Ensure that internal planning, policies & procedures are concise, consistent, updated & well executed

Develop & implement an effective & efficient monthly reporting, monitoring & evaluation process

Assess, develop & implement additional revenue generating projects or activity

Ensure highest accountability, standard & good governance are in place & adhered to

2018-2022 Strategic Pillars

2018-2019 Business Objectives

Representing members & advocating for the interest of the microfinance sector

Develop members relationship management platform and ensure members' challenges are well addressed

Undertake policy advocacy & engagement to ensure the interest of the sector is well represented & promoted

Communicate & participate in dialogues, channels & partnership to ensure the key messages are delivered & well accepted

Creating a center of excellence for microfinance, information & research

Ensure highly capable & adequate staff & strong partnership to deliver services that impact

Create enabling environment for recognized & continuous professional development & competency building for the financial sector

Develop research hub for study and analysis related microfinance sector & provide regular update to the public & key stakeholders

Creating a center of excellence for microfinance, information & research

Ensure highly capable & adequate staff & strong partnership to deliver services that impact

Create enabling environment for recognized & continuous professional development & competency building for the financial sector

Develop research hub for study and analysis related microfinance sector & provide regular update to the public & key stakeholders

Working toward financial inclusion & sustainability for all Cambodians

Promote & align with government/partners for the financial inclusion

Develop & implement strategy for financial education development & a public awareness campaign

Promote ethical practices & client protection principles

CMA 2018 IN OVERVIEW



2002-2003

- A meeting in August 2002 between 7 MFIs including AMRET (formerly EMT), HKL, Seilanithih, VisionFund Cambodia, SATHAPANA (formerly CEB), PRASAC (formerly PCA), and HI/ADC resulted in an agreement to establish a microfinance association.
- From August 2002 until November 2003, a small sub-working group drafted a constitution for the association.
- In November 2003, the Cambodia Microfinance Association (CMA) was formed as an organization. Its governing structure included a General Assembly, Board of Directors, and an elected General Secretary and Board Chair.

2004

- CMA is formally established with seven member MFIs: SATHAPANA, AMRET, HKL, Maxima, Seilanithih, CREDO, and PRASAC.
- The team comprises a General Secretary (part time volunteer) and an Assistant Secretary.
- In October 2004 CMA was granted registration by the Ministry of Interior as a non-governmental organization.

2006-2007

- AFD becomes a donor for the first time.
- The system of CMA Committees is established in the areas of IT & Marketing, Advocacy, Training and Audit.
- ADA in Luxembourg provides a work- shop on Microfinance Performance Analysis for CMA members. and ADA agrees to support CMA until 2016.
- The CMA team grows to include two full time staff members: General Secretary and Finance & Administration Officer.

2008-2009

- CMA becomes a sub-division of ABC and is recognized by the NBC.
- The CMA team expands to four full time paid staff members: General Secretary, Finance & Administration Officer, IT & Project Assistant Officer and Admin Assistant & Driver. Funding for additional staff is provided by ADA and Planet Finance.
- CMA produces the first MOU of Healthy Competition.
- The Cambodian microfinance industry is severely affected by the Global Financial Crisis (GFC).
- CMA grows to six full time staff members: General Secretary, Finance & Administration Officer, IT & Marketing Assistant Officer, Training Manager, Admin & Training Assistant Officer and Cleaner.

2010

- CMA changes its membership structure to include “Ordinary Members” to accommodate for market conditions following the global market recovery from the GFC.
- CMA staff numbers grow to seven.
- Planet Finance agrees to support CMA’s SPM Project until 2012.
- CMA’s clubs are established including CEO Club, Operation Club, Finance Club and HR Club.
- CMA releases the second version of Healthy Competition MOU.
- CMA receives volunteer support from Australian Youth Ambassadors for Development.

2012-2013

- CMA staff numbers grow to eight.
- AFD commits funds to the CPI project until 2015.
- CMA receives volunteer support from Australian Youth Ambassadors for Development.

2014-2015

- CMA enters a partnership with Australian development partner Good Return to implement the CAFE project. This includes two full time members of the Good Return team working from CMA premises.
- CMA creates a new documentary series with the purpose of financial education for the Cambodian public.
- CMA receives volunteer support from Australian Volunteers for International Development
- CMA supports the organization of the Social Performance Task Force's Annual Meeting in June 2015.

2016

- CMA launches the Preah Sihanouk MoU initiative, which consists of providing FSPs with sector-wide lending guidelines, in order to provide an overall framework within which FSPs can review and enhance their credit policies.

2017

- CMA launches Code of Equitable Microfinance Lending, which this Code is an initiative of the CMA with the main purpose of complementing the professional operations of the Institutions in order to enhance the quality and equity of microfinance lending by ensuring:
 - a) the provision of transparent and non-discriminatory services
 - b) the public's access to comprehensive information, especially on customers' rights and obligations
 - c) the affordability and suitability of services in accordance with the rules and regulations of the National Bank of Cambodia and the Client Protection Principles.

2018

- CMA launches a study with JICA on the impact of interest cap policy on the microfinance sector including both demand and supply side

Highlight of CMA activity

Overview of Executive office

LEGAL FOUNDATION

According to the Banking and Finance Law in Cambodia (Chapter 22, Article 72), there is scope for only one professional association, related to banking services in Cambodia. The National Bank of Cambodia has enabled CMA to operate as a subdivision of the ABC, as recognized by NBC on 29 January 2008. As a sub-division of ABC, CMA holds institutional membership with ABC and can negotiate relevant microfinance matters directly with NBC.

FUNCTION

The purpose of CMA is to ensure the prosperity and sustainability of the microfinance sector in Cambodia. CMA plays a vital role in providing training, networking, advocacy opportunities and promoting financial awareness. All of these activities are designed to support and strengthen the ongoing success of each member FSP.

Key Milestones

Cambodian Microfinance Association

2003 - 2004

Establishment of CMA

In November 2003, CMA was formed as the secretariat supporting the Microfinance Association with seven founding members.

Formal registration from Ministry of Interior granted in 2004

Members : 7

2006-2007

Donor support and growth

AfD and ADA in Luxembourg become donors and work with CMA to support development of Microfinance Sector
CMA committees established for IT&Marketing, Advocacy, Training and Audit

Members : 17

2008-2009

Recognition and membership growth

CMA receives recognition by NBC as subdivision of ABC

Further support from Planet Finance and Australian aid

CMA establishes Clubs for CEOs; Operations; Finance; and HR

CMA grows to six full time staff.

Members : 20

2010 - 2014

Consumer Protection

Partnership with Australian NGO Good return on financial education project
Funding from AfD for CPI project support until 2015
Created documentary series with purpose of financial education for Cambodian public

Members : 44

2015-2017

Self regulation and social performance

Supported organisaion of Social Performance Task force annual meeting in 2015
Launch of the Preah Sihanouk MoU initiative - providing FSPs with sector-wdie lending guildines and framework to enhance poilcies

Membrs : 95

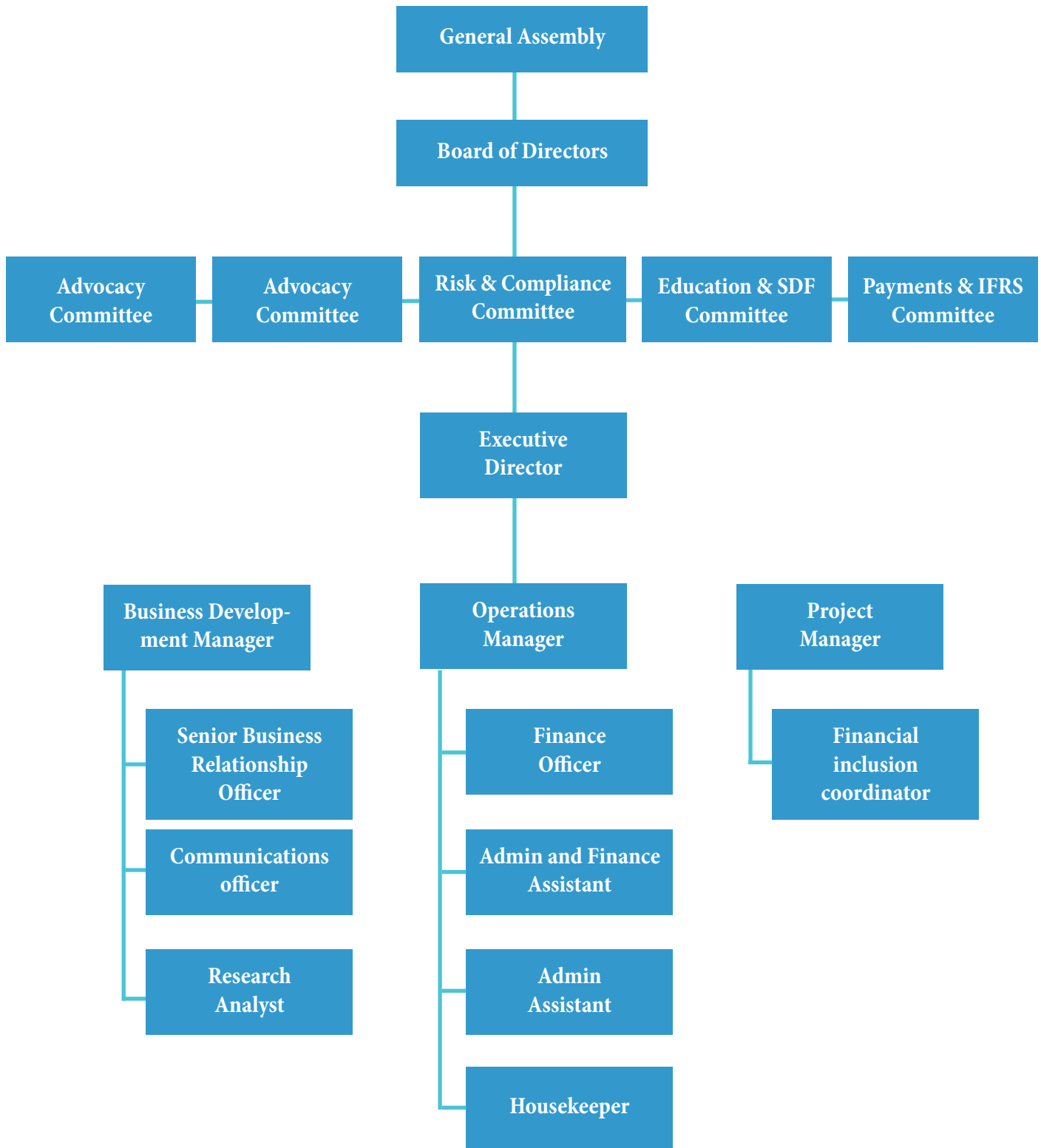
2018

CMA becomes Executive office

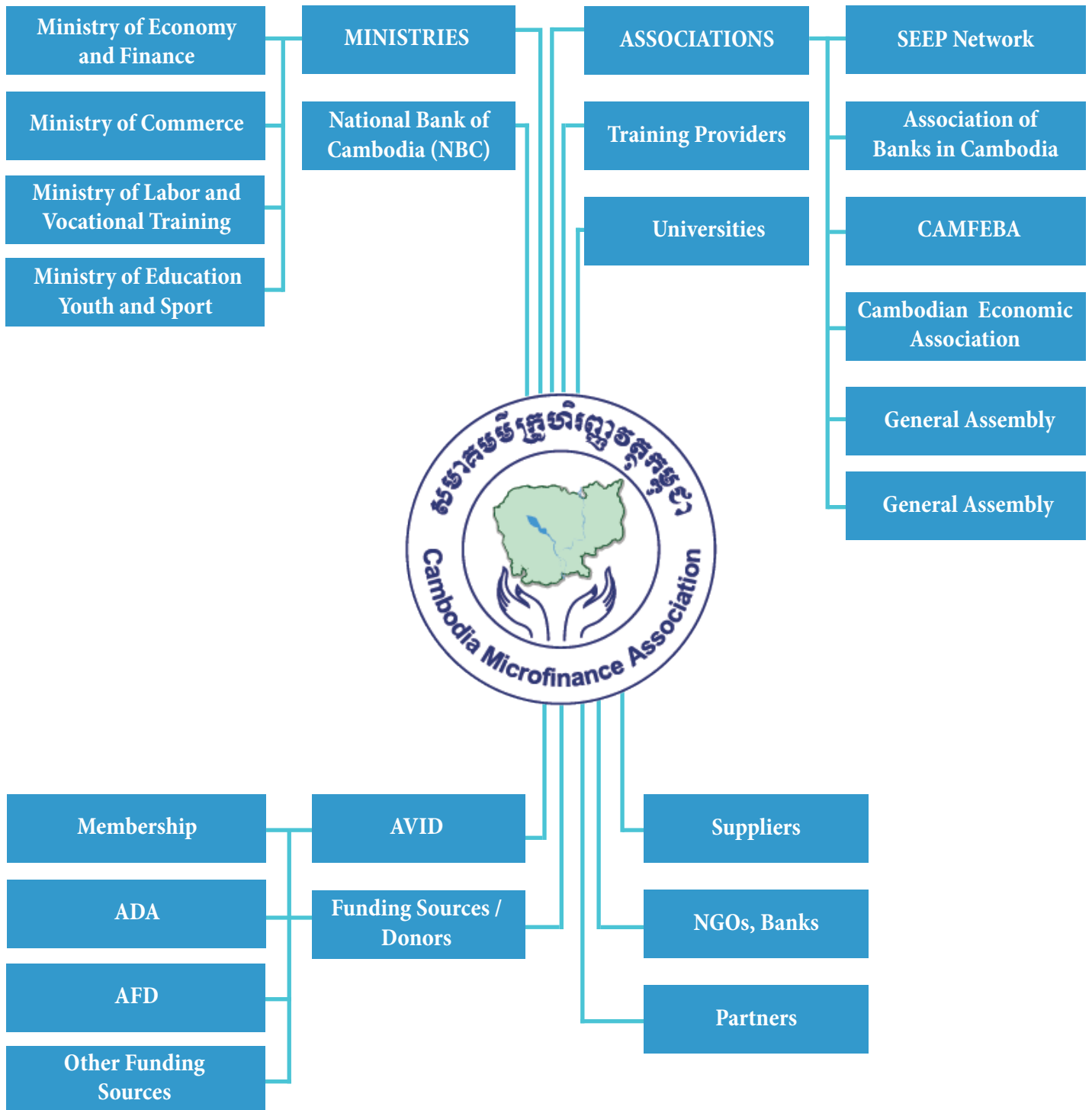
CMA becomes more independant. Business plan under four pillars is established
Creation of Staff Development Fund to aid professional knowledge and training in sector
CMA grows to 13 full time staff

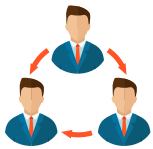
Members : 103

ORGANIZATIONAL STRUCTURE



SAKEHOLDERS





BOARD OF DIRECTORS

The Board of Directors is CMA's main policy arm to which all major decisions are submitted for approval. The Board is composed of 13 members chosen by the General Assembly, all of whom are important players in the microfinance industry. 11 members represent Microfinance Deposit Taking Institutions and Microfinance Institutions, 1 member represents Financial Leasing Institutions and 1 member represents Rural Credit Institutions.



Mr. Kea Borann

Chairman of the BoD
AMK Microfinance Plc.

Mr. Borann joined AMK as its Finance Manager in February 2004. Previously, Borann worked for World Relief Cambodia / CREDIT (Microcredit program) as the Finance Director.

Borann holds a BBA in Finance and Accounting, and received ACCA (Association of Chartered Certified Accountants) accreditation.



Oknha Dr. Bun Mony

Vice-chairman of the BoD
Vithey MFI

Oknha Dr. Bun Mony), Dr. Mony has 18 years experiences in microfinance after founding CCB NGO and then working for eight years as Executive Director of CCB. In 2003 CCB NGO became a licensed MFI. Dr. Mony is a field specialist in finance, accounting and management with a Bachelor of Business Administration from the National University of Management, a Master of Business Administration (MBA) from Utara University of Malaysia, and a Doctor of Business Administration (DBA) from Preston University, USA.



Mr. Chea Phalarin

Member of the BoD
Amret Microfinance Institution

Mr. Phalarin has worked with AMRET since 1997 and his responsibilities focus on training credit agents, supervising key managers in different departments, relating to local authorities, governments, donors and creditors, and managing relationships with the Board of Directors. In 1995, he worked with Ministry of Agriculture before joining AMRET. He holds a Bachelor of Business Administration from National Institute of Management (1991) and a Master of Business from University Utara Malaysia (2002).



Oknha Hout Iengtong
Member of the BoD
Hattha Kaksekar Limited

Mr. Tong obtained a Bachelor of Agriculture in Phnom Penh in 1991, and holds an MBA from Build Bright University. He worked as an economic researcher for three years and has 15 years management experience in microfinance. He has attended local and international courses in staff management financial management, planning, leadership, human resource management, credit management and microfinance management and has been to visits/workshops in many countries.



Mr. Sok Voeun
Member of the BoD
LOLC (Cambodia) Plc.

Mr. Voeun obtained his Master degree in Business Administration majoring in Finance and Banking at the Build Bright University in Cambodia in 2005. He received a Bachelor degree in Economic Science at the faculty of Law and Economic Science in 2000. He has attended microfinance training program at the Boulder Microfinance in Italy, and other pertinent training in USA, South Africa, India, Bangladesh and Thailand. He started working for TPC as Chief Operations Officer in April 2010 and he was promoted to be Deputy Chief Executive Officer in December 2012.



Mr. Chan Mach
Member of the BoD
KREDIT Microfinance Institution

MACH, the first local CEO of KREDIT, was promoted from his Operations Manager position in 2006. With a Bachelor of Mathematics and experience as a math teacher, Mach joined KREDIT initially in 1999 as the Auditor and Trainer. His managerial potential was recognized and he became the Phnom Penh Branch Manager in 2001. The branch flourished and in 2003 he was appointed the Operations Director. Under his leadership, KREDIT became sustainable and tripled the portfolio. Mach completed 2 Master Degrees: MBA and MFB. He attended nationally and internationally numerous courses related to microfinance and banking.



Mrs. Dith Nita
Member of the BoD
CAMMA MICROFINANCE LIMITED

Mrs. Dith Nita graduated in her Bachelor Degree of Commerce in 2003 and Master degree of Finance Management in 2005 at Australian National University. She has experience in business management and credit management since 2008. Prior to establish CAMMA Microfinance Limited, she owned and managed the Construction Company. At the same time, she also operated the Credit Operator and then registered it as Microfinance Institution, which recognized officially by National Bank of Cambodia since 2010.

Mrs Dith Nita is a founder and Chief Executive Officer of CAMMA Microfinance Limited.



Mrs. Top Sok Samphea

Member of the BoD
WB Finance

Mrs. Samphea has been in her position since 2007, after joining VisionFund as Finance and Administration Director in 2002. She has spent more than 10 years in finance, accounting, management, auditing and communications. Her career started with Ernst & Young and PricewaterhouseCoopers as senior auditor. She has bachelor and master's degrees from the NUM, Cambodia and a diploma of Accounting and Administration from Noisy Le Grand College, France. She also has certificates from International Financial Accounting, Ernst & Young Vietnam, Auditing Skills I,II, III, Auditing Senior Essentials, Business Plan, Operacy, and Risk, Asset & Liabilities and Treasury Management.



Mr. Sim Senacheert

Member of the BoD
Prasac Microfinance Institution

Senacheert holds masters and bachelor degrees in Business Administration and a diploma in Accounting and Finance. He has attended several training courses related to microfinance operations and management and is an accredited Microfinance Trainer. Senacheert started working with PRASAC in 1995 as a Credit Officer and was promoted to various positions such as accountant, Branch Manager, MB Trainer and Supervisor and Finance Manager. From mid-2002, he held positions such as Branch Manager, Operation Manager, and Deputy CEO with another MFI before rejoining PRASAC as General Manager in late 2003. He currently holds the position of President and Chief Executive Officer.



Ms. Hoy Sophea

Member of the BoD
BNKC (Cambodia) PLC

Ms. Hoy Sophea General Manager of BNKC (Microfinance Institution Plc Before joining BNKC in April 2015 she was a General Secretary of Cambodia Microfinance Association (for 9 years and an Information Documentation Officer of Action on Disability and Development (for 4 Years and an Agriculture Officer for Home

Gardening and Nutrition of Chamroen Chiet Khmer (CCK)/Helen Keller International organization for 3 years.

She had experience in managing the CMA's operation and promoting the financial and non-financial services in public as well as loan, saving, micro insurance, Social Performance Management (Client Protection Principle (and Financial Education in microfinance sector. Additionally, she also managed and implemented the several projects of ADD and CCK/HKI organization including disability right, agriculture for home gardening and nutrition.

She obtained a bachelor's degree and a master's degree in field of General Management from National University of Management (in 2005 and 2008 She also attended the vocational training skills in abroad with several topics such as 1 Microfinance Management Concentration in Turin Italy, 2 Microfinance Building Inclusive Financial Sectors and Support for Legal and Regulatory Frameworks in Sydney Australia, 3 TOTs on Social Performance Management in Hanoi Vietnam, and 4 Industrial Relationship and Human Resource Management in Tokyo Japan.



Mrs. Sokna Kolap Bopha

Member of the BoD

Sonatra Microfinance Institution Plc.

Mrs. Sokna Kolap Bopha is a Director and Deputy CEO of Sonatra Microfinance Institution Plc. She joined the institution since its' incorporation in 2010 and has led the institution till present. From 2010 to 2015, she served at Financial Institute of Cambodia as Chief Financial Officer and she is also the Founder of Soben Hostel Group. From 1995 to 2003, Mrs. Sokna Kolap Bopha attended primary and secondary school education in Singapore in Dunman High School of Singapore.

She later moved to Australia to join Wesley College where she completed the International Baccalaureate Diploma Program. After college, she went on to complete a Bachelor Degree, majoring in Accounting, Banking and Finance from Monash University, Australia.

During the time she spent in Cambodia, Mrs. Sokna Kolap Bopha actively participates in social activities. In 2013, she was appointed by His Majesty the King to be adviser to the Vice Chairman II of the National Assembly of Cambodia. She involved in social events such as donation activities to schools, hospital, pagodas and to armies along Cambodia Border. In 2016, she was awarded a royal medal (Preah Reacheanachak Kampuchea- Mohasena) by His Majesty the King of Cambodia. Currently, she seeks to involve in as many social events as possible.



Mr. Lim Socheat

Member of the BoD

Mega Leasing Plc.

Mr. Lim Socheat, He's Chief Executive officer of Laksmi Prime Investment Co., Ltd. Which a capital investment company and provide loan to financial institution. Currently, He is managing 3 investment companies such as Mega Leasing Finance Plc, Trop Khnhom Microfinance Institution and Bamboo Finance Plc. Besides, he also Chief Executive Officer of Century 21 which the company that manage and organize the properties and manager of Audit firm and consultant NAS in Cambodia.

Mr. Socheat graduated from England and Australia of ACCA and CPA in 2010 and 2009. Additional he also obtained the certificate of CAT from England in 2017. His success of studied started from the graduated of Bachelor degree of Economy in 2002 from Royal University of Law and Economics.



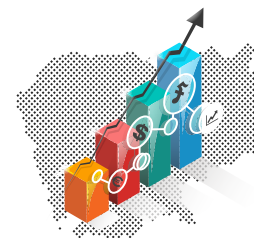
Ms. Ya Vantheang

Member of the BoD

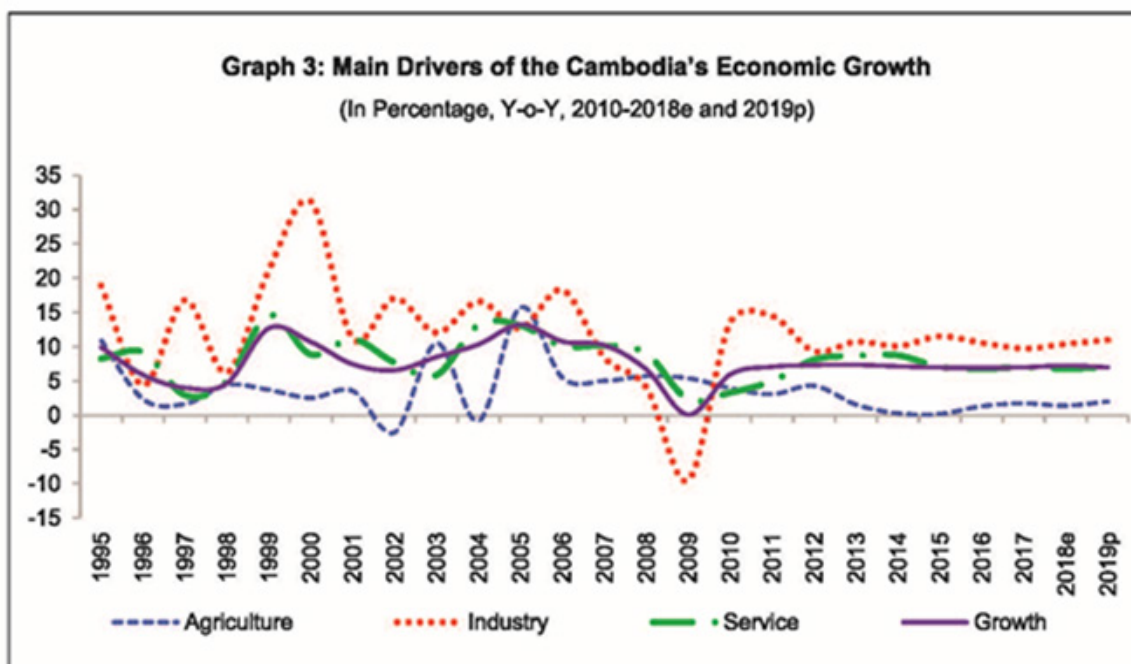
CMK

CMK finance department was, literally, built around Ms Vantheang She joined the CMK team in 2009 as the lone finance officer, centralising the financial operations of our network of branches A year later, she was made Finance Manager and has since overseen the development and maintenance of our internal financial frameworks, policies and procedures Ms Vantheang now heads a team of four finance officers at CMK headquarters. She holds a Master in Banking and Finance.

CAMBODIA'S ECONOMIC PERFORMANCE IN 2018



The favorable global economic conditions have supported the development of the main economic sector in Cambodia, bolstering investors' confidence and outlook. An increase in export, construction, and tourism remain the main drivers of economic growth while the agricultural sector continued to recover at a slow pace. Under these favorable conditions, Cambodia economic growth is estimated at around 7.3%



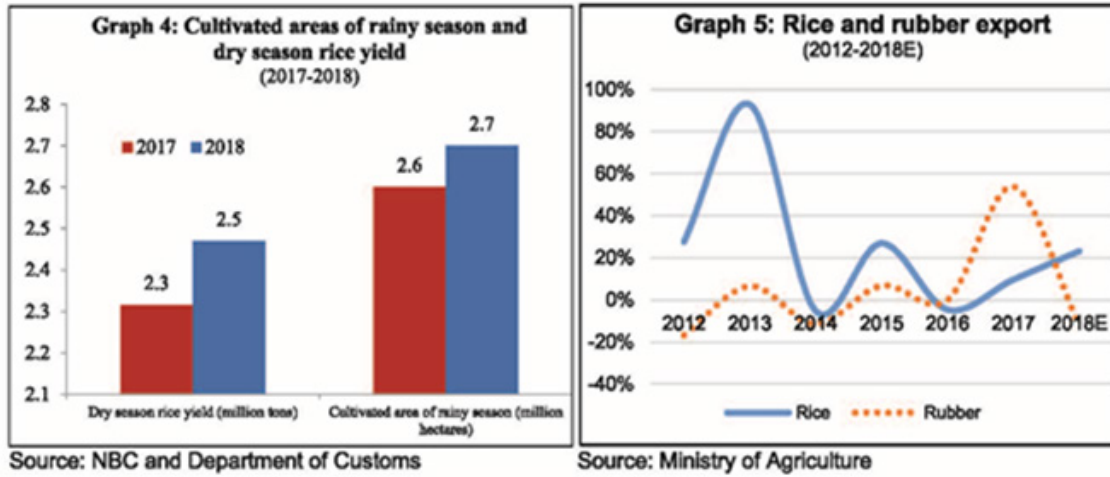
Source: NIS and NBC staff's calculation

1.1. Agricultural Sector

The agricultural sector, which contributed 18.1% of GDP, has continued to grow at a slow pace and is estimated to grow by approximately 1.3%, lower than last year (1.7%) due to the impact of floods and water shortages in some areas, affecting crops and livestock, whereas fishery production rose moderately. Water shortage and the flood in the Mekong River resulting from the Lao dam collapse and heavy rainfall have damaged up to 230.6 thousand hectares of rice-cultivated areas, 4.3 hectares of secondary crops, as well as negatively affected livestock.

The dry rice outputs were 2.5 million, increasing by 6.7% compared with the corresponding period, and the rice yield per hectare augmented from 4.47 tons in 2017 to 4.51 tons per hectare. At the same time, cultivated areas of industrial crops and secondary crops increased by 2.4 times and 40.6%, respectively. Meanwhile, the cultivated area of wet rice and industrial crops increased by 4.5% and 5.8%, respectively, compared with the last year, while the cultivated areas for other crops decreased by 4.5%. The harvest in the rainfall season amounted to 3 million tons (32.4% of the cultivated areas), increasing by 9.8%. The fisheries sector continued to grow at a modest pace with the rate of 8.6%.

The value of rubber exports is estimated to decline by 12% as rubber prices dropped in 2018, but in terms of volume exports went up by 22%. Cambodia's main rubber export markets are Japan, Korea, Malaysia, Vietnam, Singapore and China. Exports of rice in terms of value rose by 28%, and by 22% in terms of volume, with most exports going to China, France and Malaysia.



In 2019, the agriculture sector is expected to grow slightly higher than this year at 2%, as a result of rising inflows of foreign direct investment, mechanization, and the government policy to support developments in the sector. However, there are remaining challenges in the sector such as rising production costs, volatile commodity prices, and labor-intensive farming techniques.

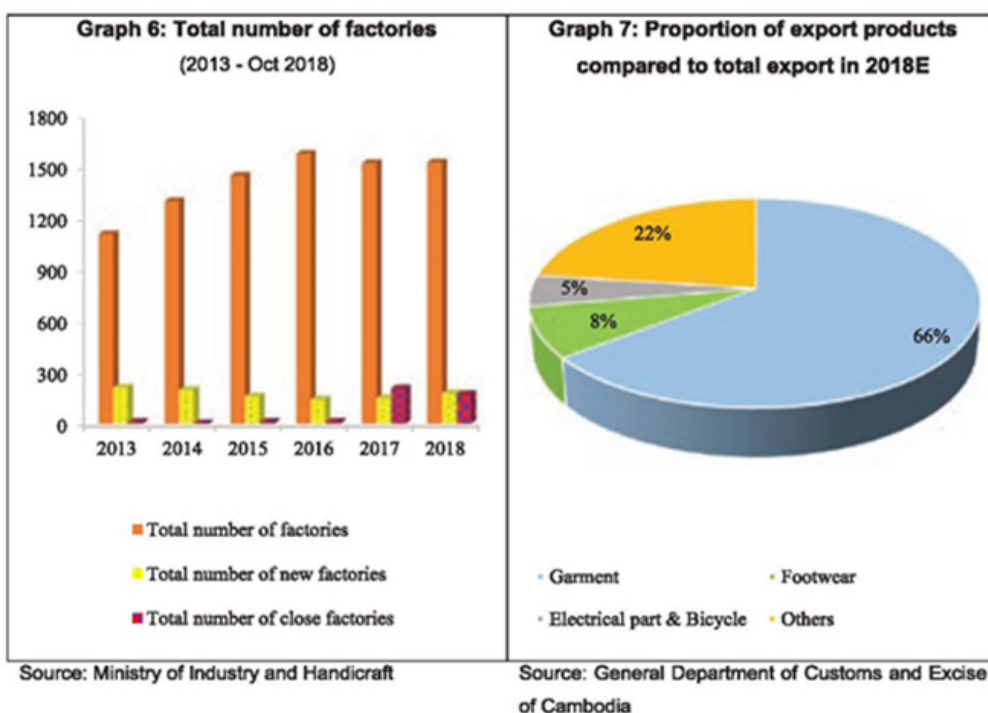
1.2. Industrial Sector

Industrial sector is mainly supported by the growth of manufacturing and construction sectors. The industrial sector increased by 10.4% compared with 9.7% in 2017, accounting for approximately 34.9% to GDP.

1.2.1. Manufacturing Sector

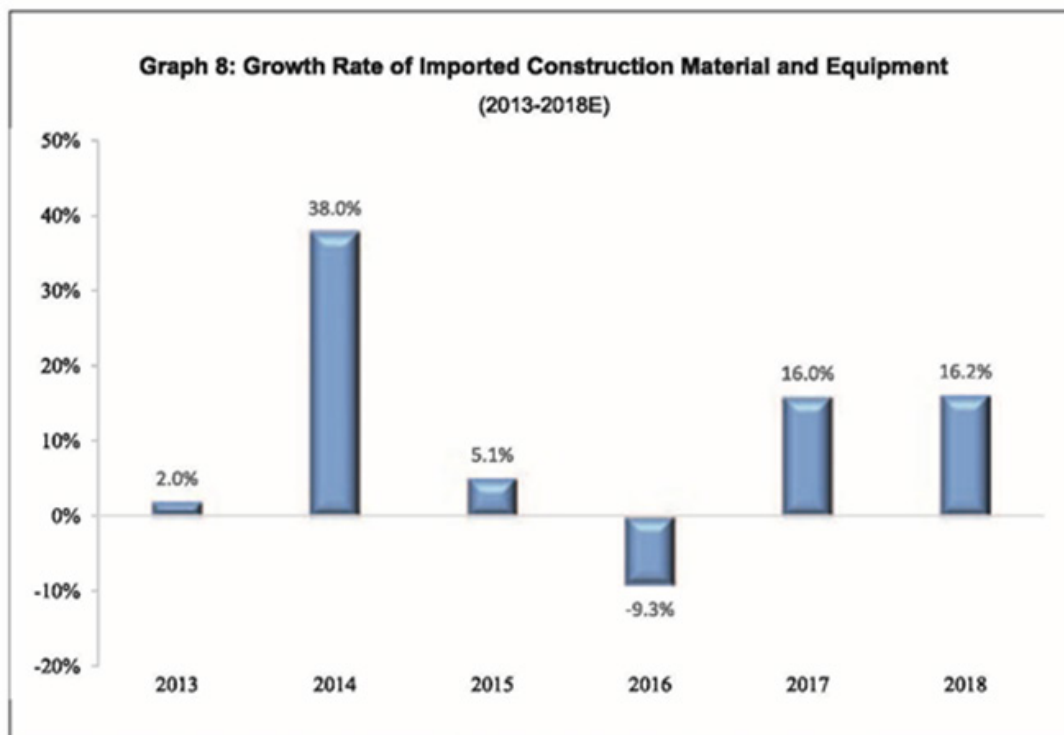
The manufacturing sector has played an important role in maintaining economic growth in Cambodia and employs around 1 million Cambodians, of which roughly 880,000 are working in the garment and footwear sectors. Furthermore, the number of factories slightly increased in comparison with that in 2017, reaching 1,528.

Exports of garment and footwear in 2018 amounted to US\$ 9.5 billion (72.3% of total exports) and increased sharply by 18.8%, while the exports of other non-garment products continued to increase as well, such as bicycles (12.5%). The growth of garment and footwear are attributed to favorable global economic environment, especially Cambodia's export markets, such as European Union (29.9%), the United States (23.1%), China (9.3%) and ASEAN (8.4%).

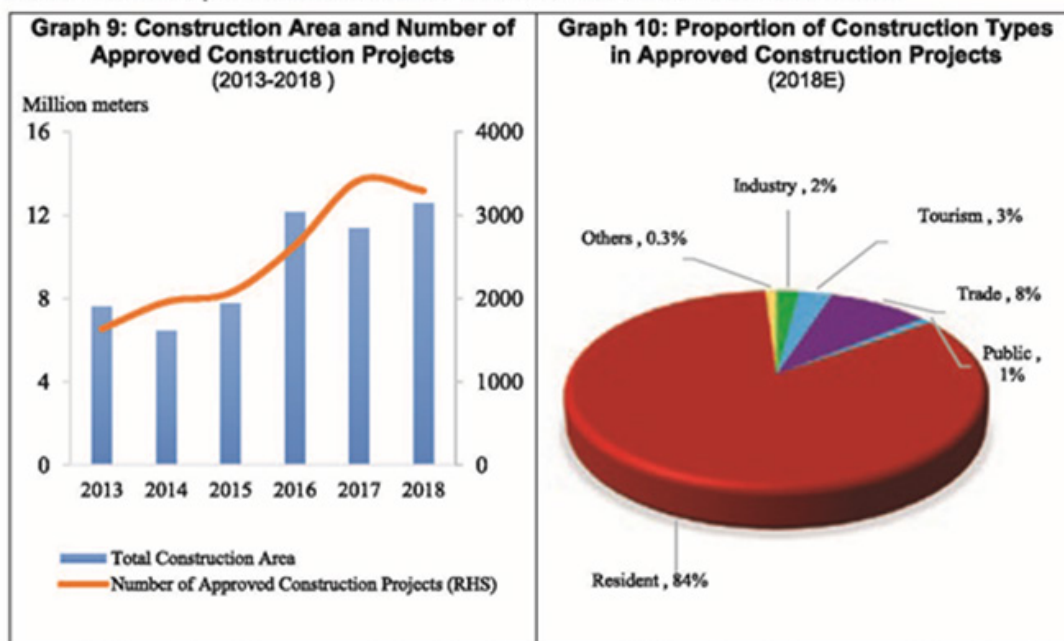


1.2.2. Construction Sector

Over the last decade, the construction sector has grown strongly, attracting more investors and further contributing to economic growth. In 2018, the construction sector was estimated to register a slightly slower growth of 17% (18% last year), which contributed approximately 1/5 to the economic growth. The development of this sector is reflected through some main economic indicators, such as construction material imports (up 16.2%), credit growth to construction sector (23%) and total construction areas (10.4%). However, the number of investment projects in this sector decreased slightly by 3.6% (84% of which are housing projects)³ and the value of construction projects declined by 15.3%. The construction sector has created jobs for 220,000 skilled and unskilled workers in the nationwide. The major foreign investors were from China, Korea, Japan, Thailand, Taiwan, Singapore and England.



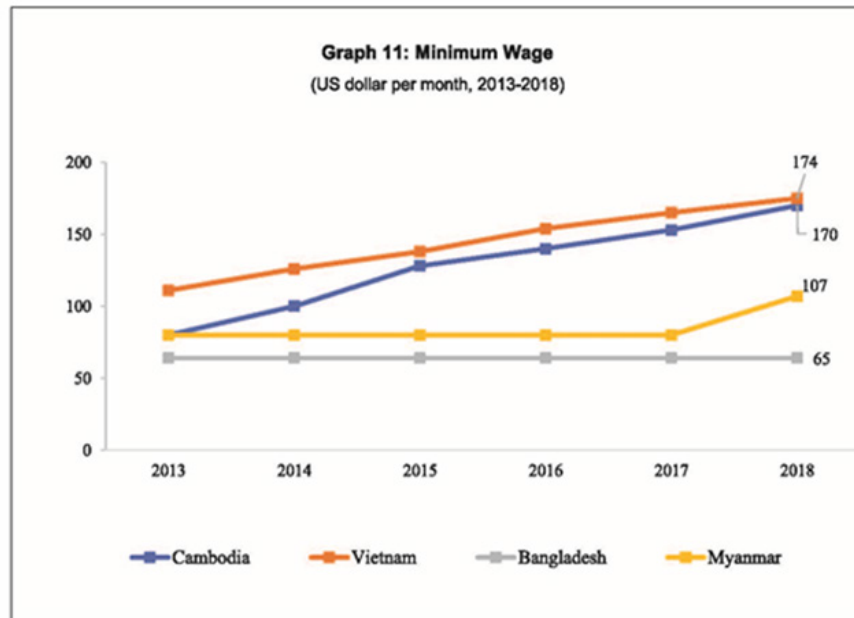
Source : General Department of Customs and Excise of Cambodia and NBC staff's calculation



Source: Ministry of Land Management, Urban Planning and Construction

Source: Ministry of Land Management, Urban Planning and Construction

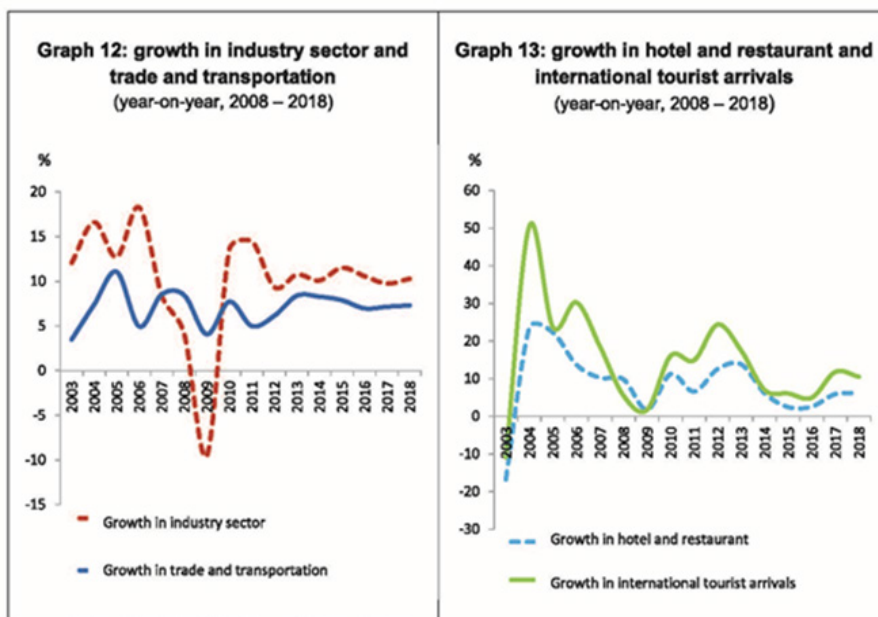
In 2019, the industrial sector is expected to grow at a rate of approximately 11%, strongly supported by the growth in manufacturing and construction sector. However, the industrial sector, in particular the garment and footwear sector, continues to face some challenges, such as erosion of competitiveness in the region (Vietnam, Bangladesh, and Myanmar) due to the rapid growth of the minimum wage in Cambodia, the possible loss of the Everything but Arms (EBA) preferential trade access to the EU, the implementation of Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and bilateral agreements between European Union and the United States with countries competing for Cambodia's export markets. Cambodia's minimum wage was raised from 153 US dollars per month in 2017 to 170 US dollars in 2018, like in Vietnam, yet higher than in Bangladesh and Myanmar. In 2019, Cambodia's minimum wage will be raised to 182 US dollars per month.



Source: Ministry of Labor and Vocational Training and Trading Economics

1.3. Service Sector

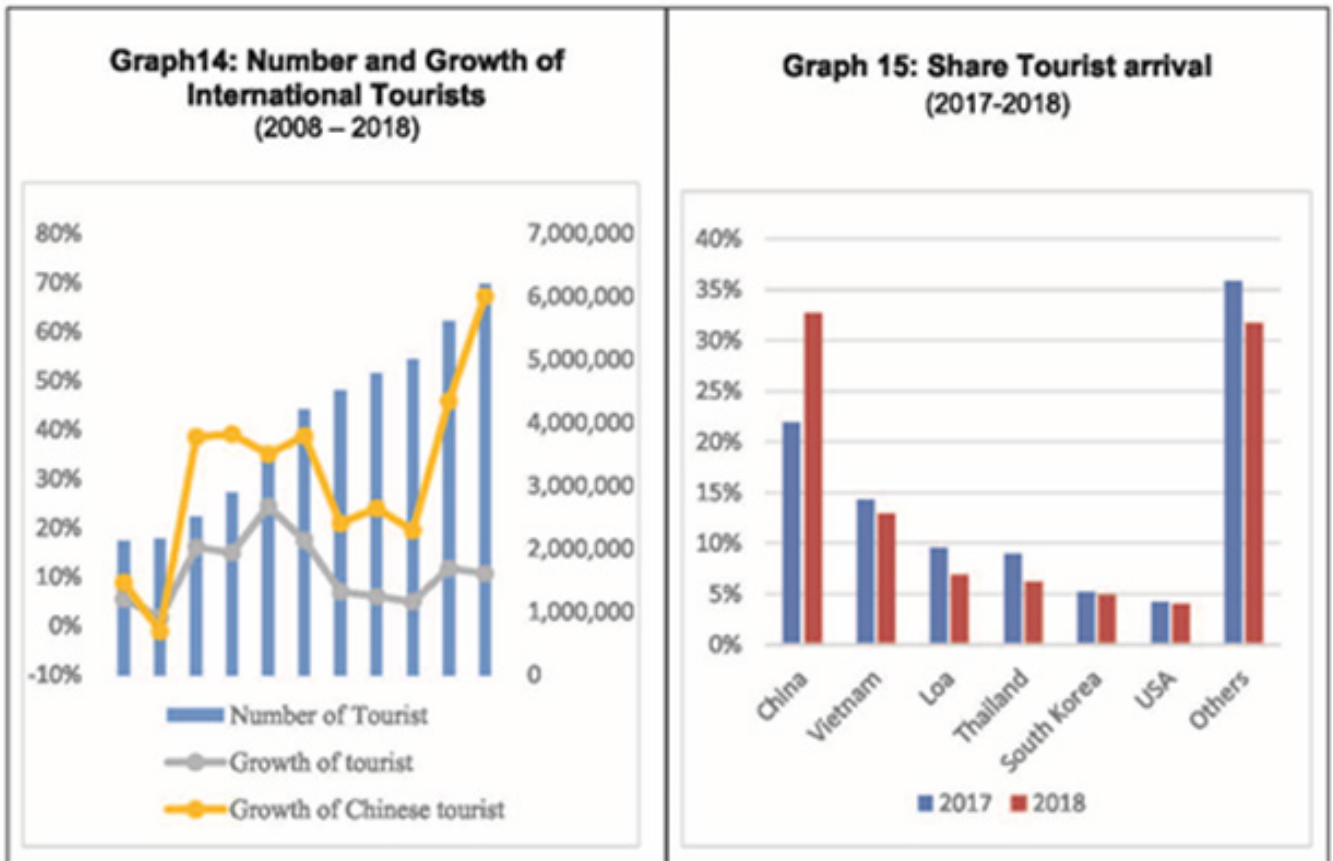
The service sector, accounting for 39.4% of GDP, has steadily grown at around 6.8% although it slightly slowed down compared to the previous year (7%). This growth was driven by the increasing demand in subsectors such as trade and transportation support to the development of the industrial sector, as well as demand in hotel and restaurant as supported by the growth in tourism.



Source : National Institute of Statistics and Ministry of Tourism

The international tourist arrivals increased to 6.2 million, increasing by 10.7% but slower than the last year (11.8%). The constant flow of visitors from China which increased to 67% (46% in the previous year) has contributed to the growth of tourists in Cambodia. Chinese tourists ranked number 1, while tourists from Vietnam (down 4%) and Laos (down 15%) ranked number 2 and 3, respectively. The greater economic and financial cooperation between Cambodia and China is one of the important factors attracting Chinese tourists in addition to the increase advertising of Cambodia's tourist destinations in China, the development and enhancement of Cambodia's hospitality for Chinese tourists and the growing number of direct flights between several regions of China and Cambodia. However, the number of tourists from other countries especially from Europe, America and Oceania have decreased to 5%, 4% and 13%, respectively. Phnom Penh is the main tourist destination, attracting about 48% of the international tourists, followed by Siem Reap (37%), the coastal areas (14%) and the eco-tourism areas (1%). The growth of tourist arrivals in Angkor areas has slowed down to around 6% in comparison to 12% last year, while ticket sales reached around 105 million USD (up 9% compared to 73% in 2017). It is worth noting that the proportion of international business travelers has increased to 11% from 7% in 2017.

In 2019, the service sector is expected to continue to grow at around 7% supported by the favorable condition in the tourism, real estate and industrial sectors. The number of tourists is expected to increase to around 6.6 million tourists, mostly from China. However, the service sector still faces some issues such as lack of diversification in terms of tourist nationality and tourist destinations, and lack of high-income tourists and infrastructures.



Source: Ministry of Tourism

THE DEVELOPMENT OF MICROFINANCE IN CAMBODIA



BEFORE 1990: LIMITED FINANCIAL SERVICES

In the late seventies, the Khmer Rouge government eradicated Cambodia's local banking system. Only in the early nineties did the banking system recovered, with financial services being only provided by commercial banks in Cambodia's urban centers. However, the great majority of the Cambodians were living in rural and remote areas. Without access to formal, sustainable and timely accurate financial services, Cambodians typically relied on informal money lenders that provided them with unregulated financial services with high usury interest rates.

1990-1995: THE FIRST MICROCREDIT SEEDS ARE PLANTED

In the early 1990s, microfinance emerged in Cambodia from non-profit microcredit projects initiated by international donors, NGOs and other institutions, designed to fill the financial gap and meet the demand for credit. Organizations such as GRET (1991), World Relief (1992), ACLEDA and CRS (1993) started to run microcredit projects by handling cash transfers. This initiative was lately recognized by the new Cambodian Government and international aid started to pour into the country, with a strong emphasis on community rehabilitation projects. However, despite the progress, microfinance initiatives failed to reach the population on a big scale, with approximately 44,000 recipients in 1994.

1995-2000: GOVERNMENT SUPPORTED INSTITUTIONALIZATION

To support development of the sector, in 1995 the Royal Government of Cambodia established the Credit Committee for Rural Development (CCRD), with financial support from the UNDP and ADF. Their goal was to formulate a strategy for rural credit expansion, strengthen its overall management and secure funding.

In 1997, the NBC set up the Supervision Office of Decentralized Banking System Bureau, that later was divided in two branches: the Specialized Bank and the MFIs Supervision Office, whose aim was to oversee the coordination, supervision and regulations of the sector and to support capacity building programs.

By 1998, the sector had undergone a strong growth and had served 214,000 individuals. Nevertheless, this growth was accompanied with new risks for clients and promoters, which encouraged the government to design a regulatory framework.

In 1999, given the impact on rural populations, the Royal Government of Cambodia adopted a two-tier system under the Law on Banking and Financial Institutions for supervising microfinance.

2000-2005: COMMERCIALIZATION DRIVES THE SECTOR UP A NOTCH

The year 2000 brought several milestones to the sector. A Prakas on microfinance regulation was enacted and implemented by the NBC. Moreover, the Government support of a free-market economy and a more stable political environment allowed MFIs to attract an increasing number of foreign private investors. ACLEDA was the first MFI to transform from an NGO to a specialized microfinance institution.

As a result, taking ACLEDA as a rolemodel, other NGOs started to transform into commercial MFIs. This eventually led to stronger growth of the sector and increased competition. This commercialization brought positive effects such as a drop from 42 to 32 % of the average annual interest rates charged to clients between 2003 and 2004, improvements in financial products and services design, and diversification to new innovative products.

In that context, the establishment of CMA by seven MFIs in 2004 encouraged internal collaboration among the sector's main actors, including information sharing and the design of tailored training programs. CMA started to operate as a sub-division of the ABC in accordance with the legal framework, enabling direct nego-

tiation channels with the NBC on relevant microfinance topics.

2005-2015: MICROFINANCE AS AN INTEGRAL ECONOMIC PLAYER

Since 2005, the microfinance field has undergone significant changes. In 2006 the NBC, with technical assistance from the ADB, established a Credit Information System (CIS) designed to collect and share negative credit information from commercial banks.

Between 2006 and 2013, microfinance activities fostered a healthy lending environment, with the number of borrowers.

This growth was impacted by the global financial crisis of 2008, which had detrimental impacts on all Cambodia economic sectors as seen in the following year. In the microfinance sector, this was reflected by a rising PAR; although, the sector showed rebound in 2010.

December 2007 was characterized by a big milestone: eligible MFIs received the authorization to attract deposits from the general public, which provided MFIs with cheaper sources of funds primarily in the local currency at a time when foreign investment contracted significantly and which was a highly valued service by clients themselves. This whole period was also characterized by the offering of new innovative financial products, such as mobile banking technologies.

Up to 2015, the tremendous growth of the microfinance sector was perceived by most as a sign of performance, with MFIs providing financial services to underserved clients. But some experts started to argue that the microfinance sector in Cambodia has become overly profitable for both existing and new entrants. In 2015, the number of loans kept on increasing by 13.5% and the portfolio volume by 39.6%, as compared to previous year. Cambodia's credit growth ratio has started to substantially diverge from a path considered as sustainable. This eventually led to a situation of market saturation, highlighted by Mimososa Report. Indeed in the great majority of Cambodian provinces, the MIMOSA score indicates that loan penetration has exceeded capacity. Since an infinite growth is not possible in a finite world, the detrimental consequences can be diverse; reduction of information sharing between MFIs, relaxed criteria for obtaining a loan, aggressive sales practices and so on. This might in turn ultimately bring increased over-indebtedness problems.

Stabilising the credit growth is now a priority. Credit growth in 2016 has slowed to 23% (including the small loan portfolio of Sathapana, which has been reclassified as commercial bank) and should be seen as a positive development. However, the reasons behind it might not be positive. The reclassification of Sathapana from a MFI to a commercial bank might be the main reason. Indeed, Sathapana had nearly USD 600 million in outstanding loan portfolio at the end of 2016, which was not included in the end-of-year portfolio. If this has been included in the total calculation of MFI credit, it would have led to a much stronger growth. However, the increased competition between MFIs, leading to relaxed lending criteria might become common practice. Indeed, the first financial service providers to lower their lending standards are the private and unregulated moneylenders, meaning more credits might be informal and therefore not accounted for. On the demand side, reason for lower credit growth might be a lower demand for credit from farmers, given the slowdown in the agricultural sector. The slowdown of the growth might then come from different sources simultaneously, and might be illusory, linked to external factors or the switch of a share of the clients towards informal sources of credit. It is now too soon to tell if this trend will persist over the long run to talk about credit growth stabilization. This situation needs constant monitoring and a host of issues need to be addressed to ensure growth stabilization.

For now, the implementation of preventive measures to avoid the negative effects of market saturation, such as building the capacity of the sector, regulatory guidance on clients protection, reporting mechanisms as well as the promotion of healthy and responsible lending practices are highly valuable and should continue to be a priority.

2017

The Ministry of Commerce announced that private banks and MFIs using logos similar in appearance to the branding of the Finance Ministry or the National Bank of Cambodia (NBC) would be required to change their logos. Prime Minister Hun Sen spoke at a graduation ceremony in Phnom Penh and gave instructions to media outlets and mobile phone companies to publicize the message: “All microfinance institutions are private, not state-owned.” On 13 March 2017, the National Bank of Cambodia (NBC) announced Prakas B7-017-109 P-K on the setting of interest rate ceiling on loan of 18 percent per annum for microfinance institutions, deposit-taking MFIs and licensed rural credit institutions to protect consumers from excessive interest rate charged by the institution and to effectively promote the use of affordable loan. The measure was set to come into effect on 01 April 2017.

WORKSHOPS AND EVENTS

12TH ANNUAL GENERAL ASSEMBLY 2018



On 22 February 2018, CMA held its 12th Annual General Assembly (AGA) which was attended by 84 member representatives to review the achievements of the previous year, approve CMA's strategic plan 2018-2022, and discuss the work plan for 2018. During the AGA CMA's statute was discussed and amendments approved, including an increase to the number of CMA Board of Directors from 11 to 13 members – composed of 11 representatives of microfinance institution members, 1 representative of Financial Leasing Institutions and 1 representative of Rural Credit Institutions.

During the 12th AGA **Mr. Kea Borann**, representing AMK MFI, was elected as Chairman and **Oknha Dr. Bun Mony**, representing Vithey MFI, as Vice-Chairman. The elected Board of Directors

Mr. Kea Borann
AMK Microfinance Plc.

Chairman of the BoD

Oknha Dr. Bun Mony
Vithey MFI

Vice-chairman of the BoD

Mr. Chea Phalarin
Amret Microfiance Institution

Member of the BoD

Oknha Hout Iengtong
Hattha Kaksekar Limited

Member of the BoD

Mr. Chan Mach
KREDIT Microfinance Institution

Member of the BoD

Mrs. Dith Nita
CAMMA MICROFINANCE LIMITED

Member of the BoD

Mrs. Top Sok Samphea
VisionFund (Cambodia) Ltd

Member of the BoD

Mr. Sim Senacheert
Prasac Microfinance Institution

Member of the BoD

Ms. Hoy Sophea
BNKC (Cambodia) PLC

Member of the BoD

Mrs. Sokna Kolap Bopha
Sonatra Microfinance Institution Plc.

Member of the BoD

Mr. Lim Soheat
Mega Leasing Plc.

Member of the BoD

Ms. Ya Vantheang
CMK

Member of the BoD

ANNUAL MICROFINANCE CONFERENCE 2018



On 14 December 2018 at Sokhalay Angkor Hotel in Siem Reap Province, CMA organized the Annual Microfinance Conference (AMC) 2018. Over 350 participants, primarily senior executives of member microfinance institutions, National Bank of Cambodia, Ministry of Economic and Finance, Royal Academy of Cambodia, investors, funders, partners and related stakeholders attended this exciting one-day conference under the presidency of H.E Rath Sovannorak, Assistant Governor and Director General of Supervision of National Bank of Cambodia.

The theme for the 2018 Conference was “Managing Change for a Sustainable Future” and continued the discussions begun at the AMC 2017, with the focus on recent and significant changes and impacts which could potentially alter the fundamental role and the business of microfinance in Cambodia as we know it today. The conference explored strategies for microfinance institutions to manage: upcoming new policies and regulations; intense competition; technological advancement and entrance of unconventional financial players. The main topics for discussion allowed us to dive deeply into an examination of current business models which have spurred phenomenal growth over the last decade and whether these models can continue to be relevant and drive the sector toward sustainability.

CMA, as industry representative, introduced its recent and on-going initiatives – such as the self-regulated code of practices, client protection, and financial education – aimed at setting the backdrop of the discussion. The conference wrapped up with the signature AMC Industry Leaders Dialogue on “Perspectives of the Pioneers” offering the participant a direct opportunity to listen and ask questions on what matters most to the industry going forward, what are the lessons, and strategies to manage sustainable growth in times of change.

PROVINCIAL BRANCH NETWORK MEETING



From 2008 until 2018, CMA set up and facilitated 325 provincial Branch network meetings, funded by ADA, at provincial level for members within 15 provinces and total participants of 4,278. The participants were regional managers, provincial managers, branch managers and other representatives of MFI members.

The purpose of the provincial network plan is to strengthen communication among members and local authorities, create a platform for branch managers to voice their concerns, define the key challenges and agree solutions, exchange experiences of best practice, discuss organizing workshops with local authorities. Benefits are building good relationships among members, identifying issues and solutions, information & experience sharing, status updates and also promoting CMA.

Particularly, in 2019 CMA has facilitated provincials network meeting within 2 provinces, 2 times and total participants 60.



WORKSHOP ON MICROFINANCE AWARENESS

On 04 September, 2018, at KM hotel, Pursat province, Cambodia Microfinance Association (CMA) coordinated with the authority of Pursat Province conducted a workshop on “Microfinance Awareness”. The workshop was presided over by Mr. Yun Sovanna, Executive Director of CMA, Mr. Soun Pisey, Chairman of CMA’s Operation club, Mr. Sok Ousa, Deputy Director of On-site Supervision Department of National Bank of Cambodia, Mr. Tong Tithanou, Deputy of Department of Marketing and Finance of Ministry of Economic and Finance, H.E Cheng Lay, Deputy governor of Pursat province.

The purpose of this workshop was to promote financial awareness and build the strong relationship between local authorities and financial institutions, especially to promote and enhance Financial Education and understanding of local authorities to prevent over-indebtedness.

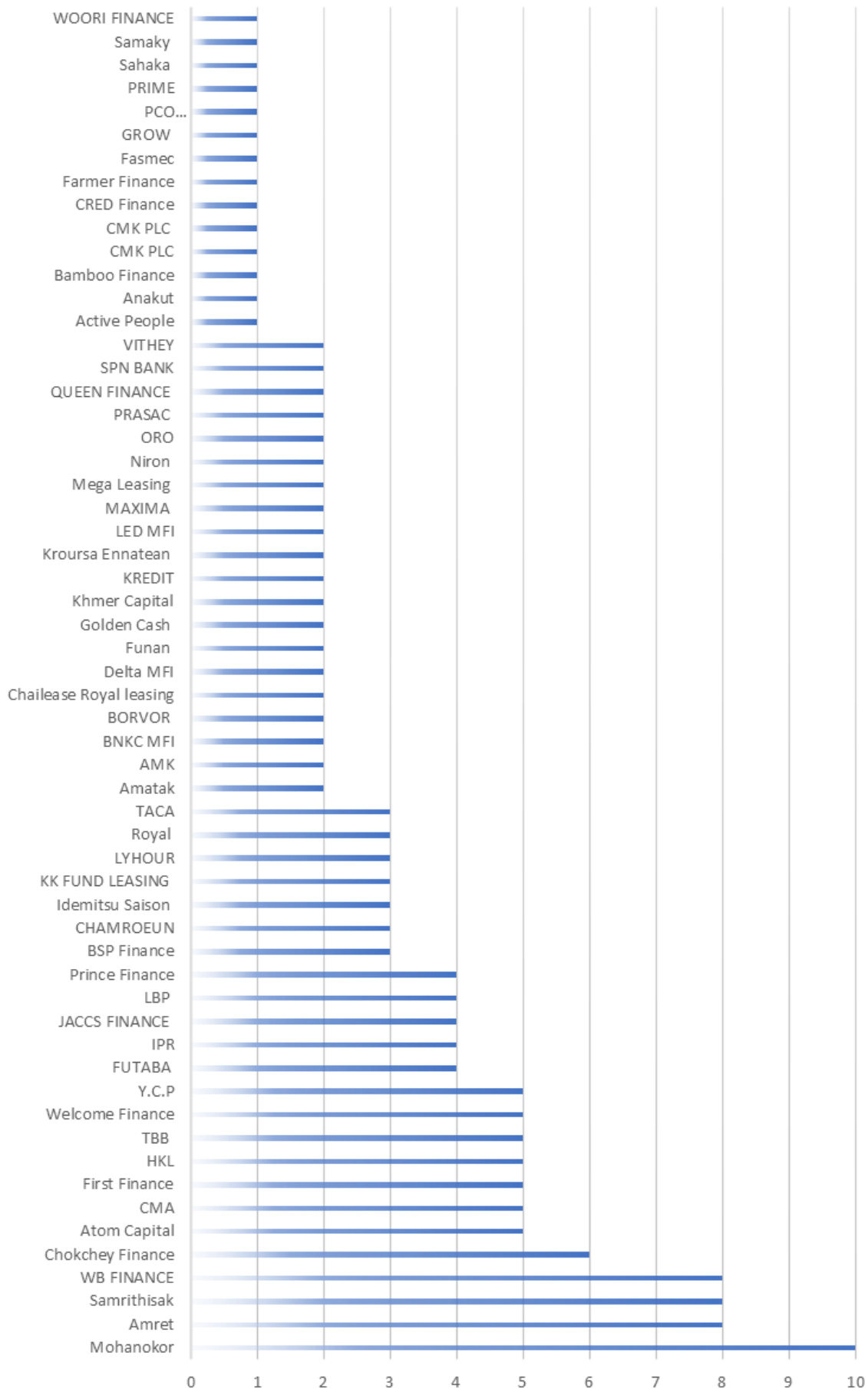
The workshop was attended by more than 120 participants; from Branch managers of Banks and MFIs in Pursat province, 11 district governors, a district commissioner, 49 Chief Commune officers from Pursat province.



TRAINING 2018

NO	TOPIC	DATE	#OF PARTICAPANTS
1	KICPAA-AFA Conference, “Digitalization of Accounting: Supporting ASEAN MSMEs”	18 May 2018	75
2	Public Consultation workshop with National Accounting Council of Ministry of Economy and Finance	30 May 2018	28
3	Workshop on Collateral Registration for Moveable Assets	6 June 2018	26
4	Seminar on “Cloud based Core Banking Solution”	22 June 2018	63
5	Training Workshop on Prakas on Credit Risk Grading and Impairment Provisioning	15 August 2018	236

THANKS TO MEMBERS ATTENDED TRAINING 2018



Cambodia microfinance institutions have continued to rapidly grow: there have been large increases in the number of loans and borrowers, as well as portfolio volume. Competition among MFIs has continued to tighten with the National Bank of Cambodia noting the “highly competitive market of the (domestic) banking sector”. Further to this, unemployment in Cambodia is estimated to be as low as 0.5 per cent in 2015.

There has been strong growth in staff numbers across MFI institutions and there are industry concerns that labor market competition is tight and staff turnover levels are high. This is impacting on training and development of staff. These concerns are pronounced among small and medium size MFIs.

In response to the lack of technical skills and training for staff across the MFI sector, CMA proposes to support the development capacity of members by creating a microfinance-focused Staff Development Fund. This fund will be designed to contribute to staff training and development of the whole microfinance sector. This fund would be supported by contributions from microfinance institutions that engage in staff movement.

It is important to note the response to the same concerns from another stakeholder in the financial sector. The Association of Banks in Cambodia has decided to implement a Banking Staff Development Fund supported by a staff poaching penalty. The role of the microfinance fund would be to provide an alternative, low cost model to the Banking Staff Development Fund, with the microfinance staff development fund to work in parallel to reduce staff poaching and meet the particular needs of the microfinance sector.

RESEARCH CLUB

CMA organized two meetings of the Research Club during 2018.

The first Research Club meeting was held on 22 March 2018 with 12 participants. At the commencement of the meeting, members present elected Mr. Vong Pheakyny, Head of Research of AMK, as Chair of CMA Research Club. The Research Club meeting discussed and agreed the Terms of Reference for the Club as following:

Objective of Club:

- 1) Sharing knowledge and experiences each other
- 2) Sharing Data and information
- 3) Promoting the benefits of the microfinance sector
- 4) Contributing and strengthening MF position in partnership and dialogue mechanism.

The Club is responsible for:

1. To be advisory committee of CMA on research function
2. To Identify key risks related to microfinance
3. To provide input into research design (develop tools, methodologies and data collection template)

A second meeting of the Research Club meeting was conducted on 10 August 2018 with 17 participants at CMA Office. The Research Club is in charge of carrying out useful studies for MFIs e.g. an assessment of the impact of regulatory interest rate ceiling. The members identified several important topics for continuous future study and future discussion.



Microfinance Information Exchange 2018



CMA regularly collects and consolidates information from members such as: amount of loans outstanding, number of borrowers and depositors, balance of deposits, number of provinces, districts, communes, and villages where MFIs operate, PAR and number of staff. Some key statistics collected from the year were:

At the end of 2018, 7 MDIs, 73 MFIs, 15 LCs and 273 RCIs registered were operating within 25 of Cambodia's capital and provinces

- Total loans outstanding amounted to 5,440 million USD, an increase of 28.82% on 2018
- The number of borrowers increased to 8.10%, equating to 2,005,601 people
- The PAR ratio decreased from (1.31% 2017) to (1.15% 2018)
- Total deposit balances have increased 41.02% to 2,819 million USD, which is contained in 2,170,666 savings accounts. This equates to an increase of 11%
- In 2018 microfinance provided jobs to 31,748 staff, an increase of 10.09% over the past year.

Note: Data Calculated only 7 MDIs, 63 Microfinance and 6 RCIs

ADVOCACY AND REPRESENTATION



Interest rate cap policy has become a hot topic for the microfinance sector in Cambodia. With the good intention of bringing down the interest rates provided by microfinance institutions, the policy has potentially backfired on rural and low-income clients who mostly consume smaller loans, which usually required high operation cost.

CMA in partnership with JICA have conducted a study on the impact and implication of interest cap policy on both demand especially rural and low-income clients and demand side such as microfinance institutions.

FINANCIAL INCLUSION AND SOCIAL IMPACT

In this pillars, CMA commits to achieve 4 objectives (Financial Inclusion, Financial Education, Client Protection, and Code of Ethic) in which we seek to reach each of these business objectives to Promote & align with government and partners to promote financial inclusion, to develop & implement strategy for financial education development & a public awareness campaign, and to promote ethical practices & client protection principles.

Highlight of Achievement

- Supported 13 MFIs and 8 certified on Client Protection through Smart-Campaign certification
- Endorsement (26 Institutions) +30 new endorsers
- Smart Assessment (13 Institutions)
- Technical Assistants (12 Institutions)
- CPP Certification (8 Institutions)
- Supported LOLC success mid-term and other MFIs are doing by themselves
- Client Protection has been broadcasted every week through Radio and TV
- Through AFD fund, CMA managed to support 5 MFI on Management information System
- Support CAFE under Client Protection Initiative Fund
- Feasibility study, business plan and curriculum development for Training Center
- Curriculum Development
- CMA Website Development
- Microfinance Apps Development
- One research club conducted on 10/08/2018 with 17 participants
- Two desk review conducted-Interest Rate cap study and Client Drop out survey
- One workshop on Risk Grading and Impairment Provision; Regular meetings with NBC, World Bank, the Banks association have been done
- CMA annual conference has been conducted in December 14th. There were 351 participants joining this event including 80% are MFIs and some other from NBC, MEF, Local authorities, and Sponsors.
- Partners with JICA on IR study
- One workshop and CPP training have been conducted at Nong Hip
- One training on SPI4 conducted
- Contract with Good Return on Financial Coaching

CLIENT PROTECTION PRINCIPLES



During the project life cycle funded by AFD, CMA has supported 13 MFIs to achieve certification. This support has covered the entire process from endorsement, smart assessment, technical assistant to improve current practice, and certification process. The 13 MFIs supported have been LOLC, HKL, PRASAC, AMRET, AMK, SATHAPANA, WB FINANCE, KREDIT, CHAMROEUN, SHEILANITITH, NORNG HIP, IPR, AND MAXIMA. As a result of the program, 8 MFIs have successfully achieved their prestigious CPP certification. These are LOLC, HKL, PRASAC, AMRET, AMK, SATHAPANA, WB FINANCE, and KREDIT. Since receiving certification one MFI, SATHAPANA, has transformed itself into a fully accredited bank.

A list of the continuing activities undertaken by CMA to support its member MFIs to achieve CPP certification follows.

On-going impact

- Supported by AFD on an Over-Indebtedness workshop in 2016, MFIs self-regulation has been developed and implementing by all CMA members (Lending Guideline) incorporating client protection best practice
- Each year research is undertaken on Voice of the client implemented partnership with Smart Campaign
- 56% out of CMA members surveyed are embracing Client Protection Principles and 10% are implementing the Universal Standard for Social Performance (USSPM) through SPI4
- In addition, some banks also implementing client protection principles especially Acleda bank has received the prestigious SMART Certification

LENDING GUIDELINE APPLICATION

One of the biggest concerns related to the CPPs in Cambodia is over-indebtedness. The stakes are high for the MFIs and their clients, but over the past decade, all stakeholders have been exposed to the consequences of over-indebtedness in some ways. Thus, the reputational risk for all stakeholders is very high. We need to work together to prevent this. The Cambodian microfinance sector, under the umbrella of the Cambodia Microfinance Association (CMA), signed a memorandum of understanding agreeing to implement a set of responsible lending practices. At the last CMA board meeting, the members decided to limit high risk loans to a maximum of 5% of total monthly disbursement by December 2018. The average for the industry is now at 7%, while some of the aggressive MFIs are at 12%. Compliance with the guidelines is monitored through a monthly “Lender Guidelines” dashboard, generated by the Cambodia Credit Bureau of Cambodia. The Smart Campaign has instigated Lender Guidelines for all certified institutions from this year. This is the first self-regulating experiment of its kind. The first few phases of this initiative were co-financed by ADA, Incofin, PROPARCO, and FMO. Additional financial support is needed to continue the work and ensure success in preventing an OID crisis.

MANAGEMENT INFORMATION SYSTEM:

The project provides MIS support to 5 MFIs (Maxima, AEON, Prime, Farmer Finance, and Amatak) for 80% of the total budget to purchase banking software. As a result, the 5 MFIs have a proper banking management information system which can automatically report to CBC and NBC. As part of this initiative, CMA has partnered with 12 foreign companies to provide and to disseminate information using this system for MFIs and allowing them to use local software to assist them to deliver their periodic reporting effectively and on time to CBC.

FINANCIAL EDUCATION AND CONSUMER AWARENESS (CAFÉ)



The CAFE initiative supports FSPs and consumers working together to strengthen client protection and financial behaviours, ultimately enhancing the financial wellbeing of low income households.



This Certified financial education has been developed and delivered since 2016 to 14 CAFE Trainers. 2,765 customers have received Financial Education training under the CAFÉ initiative. A Training of Trainer (ToT) course has been established with targeted Course materials developed, contextualized, translated and printed out for both Trainers and learners using the new Learning Management System (LMS) software application developed, tested and implemented with our partner, Good Return over recent years and the ToT

is now offered to our MFI members for delivery on to their customers, new and old. The Learning Management System (Cornerstone) has been an important joint initiative undertaken in partnership with CMA since March 2016.

FEASIBILITY STUDY FOR MICROFINANCE TRAINING CENTER

microfinance has been identified as one of the strategic actions most needed. The sector currently employs 26,000 people and there is a strong demand for continuous improvement and a need to train new employees with relevant practical financial and management skills; a critical challenge that Cambodia's current education market struggles to meet. At the time of the Financial Sector Development Strategy mid-term review and update for 2016-2025 at the end of 2015, the desired training facility for the microfinance market had not been achieved.

One of the other challenges is that most of the training facilities are focusing only on financial and business-related training curriculum rather than responsible social inclusivity. Given that microfinance is uniquely positioned to provide access to affordable financial services to the rural population, the majority of whom are poor and vulnerable, microfinance related training courses should instill social responsibility and inclusivity. These social skill sets, necessary for long term viability and to match the industry vision, are usually left unaddressed by current financial training programs

To address this situation and meet the current needs of the sector, CMA has made a decision to pursue the establishment of a potential, high-quality training center to bridge the gap between the demand for a responsible microfinance related skilled workforce and the training services currently supplied by Cambodia's education institutes. Many members have expressed a strong desire to see the establishment and operation thereafter of a training center; with a long-term objective of self-sustainability. It is expected that this training center will be set-up and begin operation in 2019.

CMA NEW WEBSITE DEVELOPMENT

CMA has been developing a new website that will contribute to the capacity development of the microfinance sector under the project fund component C3. The current website is very difficult to navigate and is not attractive enough with poor layout. This is hard to use for both users and website administrators who are struggling to customize and update the information. The current site is not clean and friendly. CMA has selected a new

website company who will solve the existing problems with a new website. CMA hopes the new site could increase visitors and provide an easy navigation tool for CMA site masters. Now, website layout design is done for testing and website company Biz Solutions requested for CMA contents for testing and look around. Membership feature was completed in December 2018. The feedback has also been given to the web company to improve for the next phase.

FINANCIAL APPS DEVELOPMENT

CMA works to promote financial inclusion, improve financial education and encourage responsible practices for both operators and clients. Currently more people are accessing the websites from smartphones and tablets than PCs and notebooks combined. A typical person spends about four hours per day using a smartphone and only about 1 hour per day using a personal computer. Therefore, users will spend more time using a mobile app than a website. Because apps are installed on smartphones and tablets, they are always accessible. To support these works this big step in CMA's commitment to provide financial services in a timely fashion through a sustainable financial system and evolution, CMA now needs to develop a smartphone application. We require the services of competent and professional technology firms to work with us to meet our project specifications and required features. The tasks of the mobile app development service provider or smartphone application development consultant will be to develop, design and assist in the launch of a multi-platform CMA financial education mobile application for users, including existing clients of microfinance service providers and the general public, to assess basic information about the range of microfinance services and information offered to enhance knowledge of personal financial management.

RADIO PROGRAM ON FINANCIAL EDUCATION

CMA has produced a radio program for value the sharing of rural people/ radio listeners about saving, loan management and other financial literacy related topics . Often listeners share their personal experiences, views, and ask questions of the guest speaker. Moreover, every session of the program has been video recorded for re-broadcast through the CMA website and CMA member's Facebook page. The radio program produced 32 weeks with 12,000 listeners

TV PROGRAM ON FINANCIAL EDUCATION

CMA has also produced a TV program that offers an interactive forum for awareness to microfinance clients and the public on microfinance services. An audience of around 4,800 has watched the program on CMA website and Facebook page.

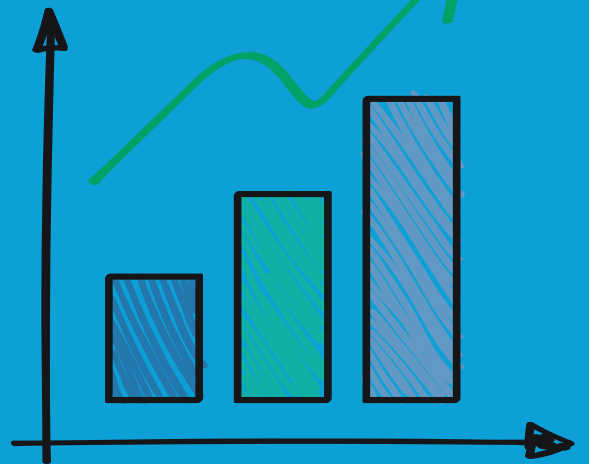
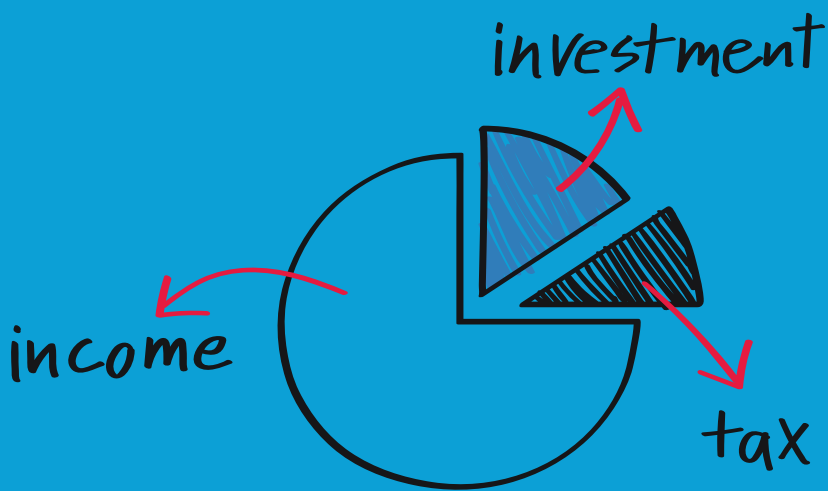
CURRICULUM DEVELOPMENT

Since 2006, CMA has been working towards building the capacity of its members to help increase MFI efficiencies as well as introduce international best practices in the delivery of microfinance to low income families in Cambodia. It has done this by conducting and organizing various training programs for its members as well as other sector stakeholders. Starting with three programs in 2006 with 101 participants, in 2016 CMA conducted or organized 35 training programs and trained close to 600 MFIs and sector stakeholder staff. The training courses have ranged from general topics such as training of trainer programs to more complex and technical subjects such as risk management, International Financial Reporting Standards, and SME lending.

FINANCIAL STATEMENTS



Financial Plan



Deduction

\$\$\$

TAX

Bills

Planning



CAM ACCOUNTING & TAX SERVICE CO., LTD.

A global network of independent accounting firms



Certified Public Accountants and Auditors
Tax Agent License (GDT Member)
Audit Firm License (KICPAA Member)

Address: V Trust Center, Room 1FB, Street
 109, Khan 7 Makara,
 Phnom Penh, Cambodia
 Tel: (855) 93 33 51 58
 (855) 12 75 32 57
 E-mail: info@cam-at.com
www.cam-at.com

Independent Auditor's Report

To the Management of Cambodia Microfinance Association

Opinion

We have audited the financial statements of Cambodia Microfinance Association ("the Organisation"), which comprise the statement of financial position as at 31 December 2018, statement of income and expenditure for the year then ended, and notes to the financial statements, including significant accounting policies as set out on pages 6 to 15.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organisation as at 31 December 2018, and the statement of income and expenditure for the year then ended in accordance with the accounting basis and accounting policies as set out in note 2 to the financial statements.

Basis for opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (CISAs). Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia Accounting Law, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information obtained at the date of this auditors' report is the information included in the Management Report as set out on pages 1 to 2, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is directly inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting basis and accounting policies as set out in note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organisation's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Cam Accounting & Tax Service Co., Ltd.
Kreston International Ltd Member Firms
Certified Public Accountants and Auditors



Keat Heng, CPA, ACCA
Partner

Phnom Penh, Kingdom of Cambodia
Date: 14 June 2019

Statement of financial position As at 31 December 2018

	Notes	2018		2017	
		USD	KHR'000	USD	KHR'000
Assets					
Current assets					
Cash and cash equivalents	3	550,053	2,224,964	418,938	1,694,604
Other receivables	4	44,312	179,242	46,949	189,909
		594,365	2,404,206	465,887	1,884,513
Non-current assets					
Property and equipment	5	19,473	78,768	20,124	81,402
Investment in Credit Bureau	6	34,800	140,766	34,800	140,766
		54,273	219,534	54,924	222,168
Total assets		648,638	2,623,740	520,811	2,106,681
Liabilities					
Deferred grants	7	70,210	283,999	57,459	232,422
Staff benefit payables	8	12,660	51,210	26,479	107,108
Other payables	9	96,626	390,852	42,707	172,750
Total liabilities		179,496	726,061	126,645	512,280
Net assets		469,142	1,897,679	394,166	1,594,401
Fund balance as at 01 January		394,166	1,594,401	301,494	1,219,543
Surplus of income over expenditure		74,976	303,278	92,672	374,858
Fund balance as at 31 December		469,142	1,897,679	394,166	1,594,401

The accompanying notes are an integral part of these financial statements.

Statement of income and expenditure for the year ended 31 December 2018

	Notes	2018		2017	
		USD	KHR'000	USD	KHR'000
Income	10	502,939	2,034,388	468,281	1,894,197
		502,939	2,034,388	468,281	1,894,197
Expenditures					
Staff costs	11	166,741	674,467	138,326	559,529
Training and workshops	12	55,876	226,019	48,871	197,683
Administration expenses	13	22,411	90,652	21,162	85,600
Membership and professional expense	14	6,644	26,875	5,901	23,870
Other expenses	15	176,291	713,097	161,349	652,657
		427,963	1,731,110	375,609	1,519,339
Surplus of income over expenditure		74,976	303,278	92,672	374,858

The accompanying notes are an integral part of these financial statements.



CLUBS

CLUBS AND COMMITTEES

The purpose of CMA's Clubs is to build and encourage strong relationships among members, and to define common issues and seek inclusive resolutions for the industry as a whole.



CEO CLUB

The purpose of the CEO Club is to build strong relationships between CEOs across all of CMA's members, to find issues that related to the whole sector that other clubs cannot solve and to devise strategies to overcome the issues.

The CEO Club members are a selection of CMA members in top management level positions. The CEO Club meets twice a year with additional meetings if there are major issues that need to be addressed. This is the highest level of CMA's clubs.

Chairman

Mr. Kea Borann, CEO of AMK

Members

Chief Executive Officers

from each member



RESEARCH CLUB

The Research Club meets in four times a year to be in charge of carrying out useful studies for MFIs each year and targeting following objectives: Sharing knowledge and experiences each other, Sharing Data and information, Promoting the benefits of the microfinance sector and Contributing and strengthening MF position in partnership and dialogue mechanism.

Chairman

Mr. Vong Pheakyny, Head of Research of AMK

Members

Representative from 17 members



FINANCE CLUB

The Finance Club meets four times a year to encourage strong relationships between Finance Managers/Chief Finance Officers by providing networking opportunities in a variety of settings. Members of the Club share examples of best practice related to finance/accounting management, define key issues regarding the application of national and international standards and policies (IAS, CAS, CFRS, NBC regulation, Taxation Law) and other applications for respective institutions.

Chairman

Mr. Ohm Sareth, Head of Finance of AMRET

Members

Finance Managers/Chief Finance Officers from each member



OPERATIONS CLUB

The Operations Club meets four times a year to encourage strong relationships between Operations Managers. Members meet to share experiences and examples of best practice, define the key issues, create strategies to deal with these issues and prevent future occurrences.

Chairman

Mr. Suon Pisey, Chief Retail Business Officer, AMK

Members

Operations Managers from each member



HR CLUB

The HR Club meets four times a year to encourage strong relationships between Human Resources Managers from member MFIs. The members share their experiences, examples of best practice, define key issues and discuss compliance with labor laws and PRAKAS. All of these activities are designed to strengthen the human resource management of member MFIs in order to ensure they work effectively and professionally.

Chairwoman

Ms. Peaing Pisak, Head of HR Department, AMK

Vice-Chair

Mrs. Leng Thavy, Head of HR of LOLC

Members

Human Resource Managers from each member



SOCIAL PERFORMANCE MANAGEMENT (SPM) CLUB

The club meets twice a year, including additional meetings if necessary, to build strong relationships among SPM department heads across all of CMA's members. Their role is to promote and enhance tools in the sector including Social Performance Management, Client Protection Principles, and Universal Standards for SPM, SPM tools and other targeting tools (PPI, PAT...) in the sector, and to share their experience on best practice of SPM.

Chairman

Mr. Soeum Kiry, Senior Manager, Customer Services and SPM, AM-RET

Members

SPM heads of department from each member



FINANCIAL LEASING CLUB

The Financial Leasing Club meets four times a year to encourage strong relationships among financial leasing members, discussion on issues that related to the financial leasing sector and devise strategies to overcome the issues.

Chairman

Mr. Lim Socheat, BoD member of Mega Leasing Plc

Vice-Chair

Mr. Srey Vibol, Manager, Finance & Accounting of Toyota Tsusho Finance (Cambodia) Plc

Members

Representative from each Financial Leasing member

COMMITTEES

CMA's network of committees was established in 2006 and in 2008 four additional clubs were created. Each committee and club are structured around a unique MFI business function, such as: HR, Finance, Audit, training, operation etc. The groups allow MFI staff from each discipline to network, discuss key issues regarding their function such as new regulatory requirements, share examples of best practice and brainstorm strategies for industry-wide issues.



EDUCATION & SDF COMMITTEE

This Committee meets twice a year (with extra meetings if required) to assess training needs and hence develop skill training programs for member organizations' staff, ensuring the success of their own institutions and contributing to the long-term sustainability of the microfinance sector in Cambodia

Chairwomen

Mrs. Dith Nita, CEO of CAMMA

Members

Oknha Dr. Bun Mony, BOD Chairman of Vithey

Ms. Hoy Sophea, General Manager of BNKC (Cambodia) Plc.

Non-Vote members

Mr. Hoeun Honey, (VP & Manager of Personnel Department of PRAS-AC

Mr. Tho Sroy, VP & Director of Staff Development of HKL



ADVOCACY COMMITTEE

This Committee meets quarterly (with extra meetings if re- quired) to discuss how to work effectively with stakeholders, including government institutions and policy makers, including removing barriers to allow MFIs to grow smoothly.

Chairman

Mr. Kea Borann, CEO of AMK

Members

Mrs. Dith Nita (CEO of CAMMA)

Mrs. Top Soksampha, COO of WB Finance

Ms. Ya Vantheang, Finance Manager of CMK

Mr. Sok Voeun, CEO of LOLC



AUDIT COMMITTEE

This Committee meets twice a year (with extra meetings if required) to ensure transparency and proper management of the daily financial operations of CMA in compliance with policy and by-laws.

Chairwomen

Mrs. Top Soksampha, COO of WB Finance

Members

Mr. Sok Sophal, CFO of LOLC

Mr. Nop Saravoan, CFO of NH finance



PAYMENT & IFRS COMMITTEE

This Committee meets twice a year (with extra meetings if required) to ensure the mode of payment within financial institutions are safety and smoothly. And the members are ability to apply the new standard of International Financial Reporting Standard.

Chairwomen

Mrs. Sokna Kolapbopha, Deputy CEO of SONATRA MFI

Members

Mr. Sok Voeun, CEO of LOLC



COMPLIANCE & RISK COMMITTEE

This Committee meets twice a year (with extra meetings if required) to ensure microfinance sector is fully comply with the rule and regulation and find the ways to mitigate any risks which unexpected to happen in the whole sector.

Chairman

Mr. Dos Dinn, CEO of AMRET

Members

Mrs. Sokna Kolapbopha, Deputy CEO of SONATRA MFI

Mr. Chan Mach, CEO of KREDIT

Mr. Sok Voeun, CEO of LOLC



CMA MEMBERS

MICROFINANCE DEPOSIT TAKING INSTITUTIONS



AMRET Microfinance Institution. (AMRET) In 1991, GRET, a French NGO, set up an experimental project to deliver microcredit to the rural population of Cambodia. The experiment was successful and became known in 1995 as Ennastien Moulethan Chonnebat (EMT) which became a Private Limited Company in 2000 and received an MFI license in 2001. EMT was renamed as “Amret” on June 14, 2004.

www.amret.com.kh



AMK Microfinance Institution Plc (AMK) is a licensed Microfinance Institution (MFI) dedicated to the efficient provision of financial services for the poor. AMK originated from the savings and credit components of Concern Worldwide Programmers in Cambodia. In accordance with Cambodian microfinance regulations, AMK became a separate company in 2003 and obtained an MFI license from the central bank in 2004.

www.amkcambodia.com



Hattha Kaksekar Limited (HKL) started as a food security project by OCS/D/OXFAM-Quebec in Pursat province in 1994. In 1996 it registered as an NGO and in 2001 HKNGO transformed to a private limited liability company owned by four shareholders. HKL is now an MFI licensed by the NBC.

www.hkl.com.kh



LOLC (Cambodia) Plc. was established in 1994, and began offering microfinance services as part of Catholic Relief Services (CRS)/ Cambodia’s strategy for rural reconstruction and poverty alleviation. In 2002, LOLC successfully spun off from CRS and was registered as a limited liability company, and was licensed by the National Bank of Cambodia (NBC) in 2003 to operate as a regulated microfinance institution (MFI). As LOLC continues its sustainable growth in financial sector, LOLC was licensed by NBC to conduct deposit-taking business (MDI) in 2015. LOLC has a social vision and a business orientation that provides entrepreneurs and families at the base of the socio-economic pyramid with the economic opportunities to transform the quality of their lives and their communities through the provision of effective and sustainable client empowering financial services.

www.lolc.com.kh



PRASAC MFI, Ltd. (PRASAC) is a private limited liability company registered with Ministry of Commerce and licensing from National Bank of Cambodia (NBC). Started in 1995, PRASAC, Cambodia's largest microfinance deposit taking institution, offers a wide range of sound financial solutions for the growth such as loans, deposits, local fund transfer, international fund transfer, foreign exchange, bill payment, internet banking, mobile banking, ATMs, POS and others. As of 31 December 2016, PRASAC operating in nationwide with 181 office, 115 ATM and 6,162 staff, loan portfolio of more than USD 1.03 billion, 347 thousand borrowers, deposit balance of USD 619 million and 572 thousand depositors.

PRASAC commits to improve the living standard of rural people and contribute to sustainable economic development by being a financially viable microfinance institution. For more information, please call us at 023 999 911 or 086 999 911 or visit www.prasac.com.kh



KREDIT has had solid growth, good profits and continues to make strong contributions to client and community development. In late 2010, the National Bank of Cambodia granted Micro Deposit-Taking-Institution (MDI) license to KREDIT. As of Dec 2016, with a total asset of some USD175 million and 1, 679 staff, we are operating in 20/25 provinces and cities using 83 offices. Our products and services include loan, deposit, local money transfer, ATM, Payroll Service, and FAST Payment. Additionally, KREDIT also implements many social and community development programs, including financial training, agriculture training, parenting training and need-based programs. Currently KREDIT has two shareholders: Phillip MFIs Pte Ltd, a member of the Phillip Capital Group and World Relief, an international humanitarian and economic development NGO".

www.kredit.com.kh



WB Finance Microfinance Institution, we have a clear purpose to help make financial lives better through the power of every connection. We fulfill this purpose through a strategy of responsible growth, which includes a focus on the developing Cambodia's wealth and the economic potential

Every day, we provide unmatched convenience in Cambodia, serving approximately 153 000 clients. WB Finance is a family member of Woori Bank, a leading commercial bank in Korea established in 1899. WB Finance, the operating in 106 provincial and district branches covering in 25 provinces, it employed over 1,400 highly trained employees.

Address: Building 398, Preah Monivong Blvd, Boeung Keng Kang I, Chamkamorn, Phnom Penh, Cambodia. P.O. Box 47

Tel: 023 96 3333

Fax: 023 216 220

E-mail: info@wbfinance.com.kh

Website: www.wbfinance.com.kh

MICROFINANCE INSTITUTIONS



Active People's Microfinance Institution Plc is incorporated in the Kingdom of Cambodia as a limited liability company. The company is registered with the Ministry of Commerce under registration number Co.0665E/2011, dated 21 March 2011. The National Bank of Cambodia (NBC) granted the Company a permanent license to conduct business as a microfinance institution commencing from 18 August 2011.

www.apmfi.com.kh



Begin with the positive views of Cambodian Economic Development, Anakut Microfinance Institution was founded in mid-2016 with great effort from the beginning until we had our head office and received National Bank of Cambodia License.

#House 245, Monivong Boulevard, Sangkat Orussey 4, Khan 7 Makara, Phnom Penh, Camodia.

www.anakutmfi.com



Apple Finance Plc is licensed by the National Bank of Cambodia to operate as a Microfinance Institution. Operations started on 07 July 2015.

www.applefinanceplc.com



Asia Pacific Finance Plc. (APF) is a Micro Finance Institution which obtained the license from National Bank of Cambodia for carrying out the official business. By cooperation between Japanese and Cambodian investor, APF was established with the initial registered capital in National Bank of Cambodia also. With this capital, we have the purposes to provide the loan products to you with the best service. As well as, we are catering your business and personal needs because we understand precisely regarding your financial needs.

www.apf-mfi.com



Micro Finance Institution Atom Capital, Ltd invested by Japanese investors of its Chairman, Mr. Takahashi Akihiro, was licensed by the NBC on 24th April, 2016 and opened to the public on 23rd June, 2016 to provide loans to small and medium sized enterprises, as well as to individuals on various of sectors. The aim of Atom Capital is not only to be the first option for clients in term of quality, convenience and trust, but also to participate in reducing the poverty on society with Cambodian government and will get itself to be the top MFI with others.

Address: #A43, La Seine, Sangkat Tonle Bassac, Khan Chamkarmorn, Phnom Penh.

Tel: 023 999 345 / 010 85 00 10



BAITANG MICROHIRANHVATHO PLC was granted an official license from the National Bank of Cambodia on November 4, 2016. The institution has been providing credit to its clients including members of the community, farmers, and general customers. BAITANG MICROHIRANHVATHO PLC continues to expand and broaden its scope to potential services and operational areas to serve all clients, contributing to improving the living conditions as well as the local community of local people.



Bamboo Finance PLC was established in Cambodia on 22 March 2015. Bamboo Finance PLC aims to become one of the leading microfinance institutions (MFIs) in Cambodia, with offices in 3 provinces. We are providing all types of loan products to clients. No. 71 BEo, St. No 2 (BOREY PIPHUP THMEY Veng Sreng), Sangkat Chaom Chau, Khan Pursenchey, Phnom Penh



Bayon Credit Microfinance Institution was established in 2011, initiated by an investor team with the purpose of contributing to economic development. Bayon Credit Microfinance Institution was registered with Ministry of Commerce on July 21 2011, and registered with NBC on November 21, 2011. Bayon Credit Microfinance Institution employees many people and provides credit to many farmers and entrepreneurs who live in rural communities, towns and urban centers. Bayon also provides loans to employee in any institution. info@bayoncredit.com.kh



BNKC (Cambodia) Microfinance Institution Plc. former name KBSC (Cambodia) Microfinance Institution Plc. is a Public Limited Company which received official license from National Bank of Cambodia on 07th May, 2015. BNKC has a paid-up capital of USD 10 Million and 100% shareholder-BNK Financial Group. The aim of BNKC is to provide job opportunities and the best financial services to Cambodian people as well as to contribute to Cambodia's economic development.

Telephone Number: (855) 23 213 900, www.bnkcmfi.com



BORRIBO Microfinance Institution Plc., licensed by the National Bank of Cambodia on 30 December 2011, our business focuses on small enterprises and poor people that have low incomes and no ability to get finance from banks or other kinds of businesses. Our vision is “to help everyone own a house by improving the standard of living of the poor and small enterprise.” Our management philosophy is to “support customer’s business and enable each household business to get the maximize profit at the future by providing financing to them all”.

www.borribo.com.kh|facebook.com/borribomfi
email:bmimfi@borribo.com.kh



Cambodian Labor Care Plc. (CLC) is a limited company licensed by the NBC as a microfinance institution since 31st Oct 2016. We are financing to Garment Factory worker and those who need the financial services across the country to help ease the daily life and start up, operate their business.

Address: #13, Kampong Pring Village, Sethbo Commune, Saang District, Kandal Province.

Phone: 098 300 111

Email: info@clcmfi.com; sowath@clcmfi.com



Camma Microfinance Limited (Camma) is a limited company licensed by the NBC as a microfinance institution since 29th July, 2010. It has full permission to provide loan services to all Cambodian people who are micro, small and medium entrepreneurs and who want to expand or establish a new business. camma.mfi@gmail.com



Chailease Royal Finance PLC Granted an MFI operating license in June, 2015 by the National Bank of Cambodia, Cellcard Finance offer innovative and diversified financial product that meet the financial needs of the growing urban and peri-urban poor Cambodia families living in Phnom Penh Capital, suburban areas, and major provincial towns, by combining the general MFI micro business credit with specialized micro mortgage, consumer finance, and Insurance premium funding. With the multiple products available, Cellcard Finance was join venture with Chailease Holding, Changed name officially to Chailease Royal Finance PLC since September 2018.



Chamroeun Microfinance Limited (Chamroeun) was launched in March 2006 as a project of Entrepreneurs du Monde (EdM) an international French NGO who provide financial and non-financial services to families in urban depressed areas in Cambodia. In 2009, Chamroeun was registered as limited liability company with the Ministry of Commerce, and also recognized as Rural Credit Operator by the NBC. With thanks to the strong commitment and hard work of its staff, Chamroeun was recognized by the NBC on August 03, 2011. www.chamroeun.com



ChokChey Finance Plc. was established in 11 July, 2015. It was registered with Ministry of Commerce as public limited company under registered license No. 00002952, issued on 2nd March, 2016 with Paid Capital of USD 1 million. The institution received its country-wide microfinance approval from National Bank of Cambodia, No. M.F-70, 27th April, 2016. Primary Activities are to provide micro finance services to all people in order to contribute to the Cambodian socio-economic development with the aims of improving living standards of the people in the communities focusing on increasing income through the promotion of business activities of small and medium enterprises, trades, and rural agriculture using lending and saving services with rational interests so as to ensure long-term sus-

tainability of the Institution and the clients through its Head Office in Phnom Penh.

The registered head office of the institution is located at #9-11, St. Vengsreng, Sangkat Stung Meanchey, Khan Meanchey, Phnom Penh, Kingdom of Cambodia.



City Microfinance Plc., is public company licensed by the NBC as microfinance institution since August 21, 2012. City Microfinance Plc., has full permission to provide loan services to all Cambodian people who are micro, small and medium entrepreneurs and who want to expand or establish a new business. www.citymfi@yahoo.com



From 2004 until 2017, CMK built its reputation as one of the most trusted financial cooperative in Cambodia, amassing a base of more than 30,000 loyal clients from all sectors of society and all parts of the country.

In 2018, we moved beyond the non-profit model to become a fully-fledged Cambodian MFI in order to keep pace with a rapidly developing economy, society, and investment landscape. We proudly have a strong and professional management team with years of experience working together and abundant financial resources to lead CMK toward a prosperous future.



COLLECTIVE WIN (Cambodia) Plc. is a microfinance institution registered with the Ministry of Commerce under registration number 7126 ពណ.ថ្ងី៧, dated on 23 June 2015 and obtained a license from National Bank of Cambodia (NBC) number ម.ហ៊-១ to conduct business as a micro finance institution commencing from 28-Oct-2015. COLLECTIVE WIN (Cambodia) Plc. provides microfinance services to Cambodian helping them to expand their business, enhancing employment opportunities, and creating wealth. Contact Number 023 900 969



Delta Microfinance PLC (“Delta”) started its operation in Cambodia in Feb 2014 when it was approved by the NBC. The principal activity of the Delta is to provide microfinance services such as loans, savings and other forms of financial services permitted by NBC.

Delta provides various types of loan products such as micro loan, small and medium loan, housing loan to people in the urban city and rural community with a reasonable and affordable price for the sustainability. Delta also provides student loan to help students pay for university tuition, books, and other materials.

www.info@delta-plc.com



Entean Akpevath Pracheachun (EAP) is an MFI owned by 16 shareholders who obtained an MFI license from NBC on 10th January, 2007. EAP's mission is to contribute to the socio-economic development of Cambodia by providing microfinance services to customers and entrepreneurs who wish to create or expand small and medium enterprises to increase employment opportunities and raise the standard of living within rural and urban communities.
www.eapcredit.com



Farmer Finance Ltd was founded in September 2007 by a group of investors with the objective of providing financial services to low income clients through small loans to individuals, groups and small to medium-sized enterprises (SMEs) with a focus on the agricultural sectors. FF's vision is to improve the livelihood of the people of Cambodia through its mission of providing affordable credit to smaller business people, especially in rural areas.
leenamster@gmail.com



FASMEC had one of the fastest growing economy within ASEAN and between 2004 to 2007, enjoyed a double digit growth second only to China prior to the Global Banking Crisis of 2008. Such strong economic performance also benefitted tremendously from business friendly policies implemented by the Royal Government of Cambodia such as the bi-annual Government Private Sector Forum (GPSF) being an avenue for the Private Sector to air its grievances to the relevant public institutions.
www.fasmec.com



First Finance Plc is a joint venture company established between Cambodia-based First Home Plc, Singapore-based Phillip Capital, and Luxembourg-based Investor Fund. The company was granted its license on 23rd April, 2009 by the NBC and became the first financial institution to specialize in housing finance in Cambodia. The company is focused on providing long-term home loans and medium-term home improvement loans to underserved low and middle income Cambodian households who do not have access to formal commercial lending.
www.firstfinance.biz



FUNAN is a microfinance institution in Cambodia performing with professional, trustable and dignity manner, by focusing on diversified customers and paying much attention on legal activities through provision of financial service and financial counseling.
www.funan.com.kh

FUTABA Microfinance Plc. has been established in the purposes and dreams of a shareholder. It received a formal license Microfinance Institution from National Bank of Cambodia (NBC), No M.F – 64 on December 16, 2015. The purpose of FUTABA is to offer the most reliable Financial Services to Medium, Small and Micro – Enterprises and Individuals by creating sustainable market to support current and succeeding generation and social performance to achieve their goal with better life in the future.

www.futabamfi.com.kh



Golden Cash PLC. Was firstly created as Srov Meas Organization recognized by local authority in letter No. 868 dated 25 November 2014. On 14 December 2015; the Golden Cash MFI obtained is first commercial certificate from the Ministry of Commerce to operate as Golden Cash Microfinance Institute Plc. Under the Certificate of Incorporation No. 0018 ពណ្ណ. ប៊ីប៊ី. The Golden Cash Microfinance Institute Plc. received in-principle approval from the Nation Bank of Cambodia in letter No. TH7-015-873 dated 12 December 2015 and licensed to conduct Microfinance Business No. M.F-69 dated 27 April 2016.

Address: #684, Road No:7 Makara, Chunlong village, Sangkat Salakamrek, Siem Reap municipality, Siem Reap Province, Kingdom of Cambodia

Tell: 087 700 666/ 087 700 555



Grow Microfinance Institution PLC was established and granted a microfinance

license in September 2016 from National Banking of Cambodia to provide the convenience financial products and services to improving living standards of the Cambodian poor people.

Address: #21, Street 1986, Sangkat Phnom Penh Thmei, Khan Saen-sokh, Phnom Penh, Cambodia.

Tell: 023 23 15 67

**Idemitsu Saison
 Microfinance (Cambodia) Plc.**

**អ៊ីដេមីតស៊ី សេហ្សង់
 ម៉ាយក្រូហ្វាយនែន (ខេមបូឌា)**

IDEMITSU SAISON MICROFINANCE (CAMBODIA) PLC. was licensed by the NBC on 20th January, 2016 and covered its own operation areas all over the country. Currently, we have two offices located in Battambang province as main head office and Phnom Penh capital city as branch office. Our productions are 1) SME Loan, 2) Famer Loan, 3) Instalment Service, and 4) Individual Loan.

Official Contact Address:

1. Battambang Head Office:(855) 53-953-503 / 53-953-504
 2. Phnom Penh Branch Office: (855) -23-953-503 / 23-953-504.
- E-mail: idemitsusaison.financedesk@idemitsu.com;



Intean Poalroath Rongroeurng (IPR). The company Intean Poalroath Rongroeurng Ltd. (meaning Credit, Population, Prosperity in Khmer) was founded by two private Cambodian individuals, Mr. Oknha Phou Puy and Ms. Hao Simorn, in 2003. It was founded as a credit unit of the Federation of Cambodian Rice Millers Associations, to alleviate the capital constraint of rice mill entrepreneurs who lacked access to credit to expand their production.
www.iprmfi.com



JC Finance Plc (JCF) is the “One and Only” Financial service provider focusing on “Agi-Sector” to support Cambodian farmers, receive micro finance license from National Bank of Cambodia (NBC) in January 2018. JCF was established by management and investors from Japan. “JC” mean “Japan & Cambodia”, representing our concept of good service and product “made by Japan and Cambodia”.

As a result of investigating the economic situation in Cambodia carefully, we felt the promising future for Cambodia’s agriculture. JCF broadens the possibility of financing farmers in Cambodia through proposing a repayment plan commensurate with the actual situation of Cambodian farmers.

JCF provide a wide range of agriculture cooperative finance to Cambodian farmers, for purchasing agriculture machinery and equipment, agriculture materials, etc. to enhance Cambodia farmer’s life and wealth and share the benefit together.

Address: St. 376, Sangkat Boeung Keng Kong III, Phnom Penh
Tel: 023 214 481



Jet’s Cash Box Finance Plc. is the institution that got license from National Bank of Cambodia on 16th June 2016, it helps the economic growth by provide loan to poor people that have low income and small entrepreneur for develop their business. Now we have one branch is head office for operating.

Address: No 124, Sothearos Blvd, Sangkat Tonle Basac, Khan Chamkamorn, Phnom Penh, Cambodia.
Tel: 023 900 623



Khemarak Microfinance Institution Limited (Khemarak Limited) was licensed as a microfinance institution by the NBC on 27th October, 2010. Khemarak Limited’s main business is to deliver credit, saving and other financial services and products to various types of individuals especially micro, small, regular and medium entrepreneurs.
www.khemarak-mfi.com



Khmer Capital Microfinance Institution Plc is registered in Cambodia with the Ministry of Commerce under the registration number 00019250, date 4th October, 2016. On 28th July 2017, the Khmer Capital Microfinance Institution PLC obtained license from the National Bank of Cambodia to carry out banking operation and officially commenced its operation on 27th November, 2017 in Cambodia with Capital base on two million to cover the Microfinance Institution PLC provides a wide range of services such as small and medium loan products in USD and KHR Riel to fit the customer's needs. WE offer competitive products and services, and our pricing is flexible among the Microfinance in Cambodia.

Address: 502 C&D, 93 Preah Monivong Blvd, Phnom Penh
Tel: 023 214 388



LBP MICROFINANCE Plc is a public limited company that was established and funded by two local Cambodians, Lok Onkha Lay Bun Pa and Lok Jumteav Lay Chunny. LBP MICROFINANCE Plc formally received its operating license from the National Bank of Cambodia on the 31st August 2016.

LBP MICROFINANCE Plc is a private institution that provides financial services to Cambodian entrepreneurs and SMEs with a competitive interest rate and flexible loan terms to ensure the best deals to its customers. Furthermore, it aims to improve the living standard of Cambodians in a sustainable manner.

Address: Phnom Penh 12253
Tel: 023 884 005



LED MICROFINANCE INSTITUTION PLC. is a financial institution that established by 15 members of board of director through various meeting and formulation since 03 September 2015. The ground work for LED Operation is led by Mrs. Samreth Cheng, currently the CEO of LED MICROFINANCE INSTITUTION PLC, as a result, LED received temporary license on 27 of January 2016 to operate under the supervision and evaluation from National Bank of Cambodia (NBC). LED was granted full license from NBC on 16 of June 2016.

Address: Phnom Penh
Tel: 023 660 0998



LY HOUR Microfinance Plc. is a subsidiary of LY HOUR Group. It was established as the 37th licensed MFI by the NBC in late 2012. We provide opportunities to Cambodian people to start up or expand their businesses to improve the living standard of the community through appropriate microfinance services.

www.lyhourmfi.com.kh



Maxima Microfinance Plc. was found in March 2000 by a group of friends with the objective of achieving social and economic progress by providing affordable finance to rural poor and low-income people in order to improve their living standards and realizing their business goals. MAXIMA is a socially and environmentally responsible MFI with strong ethical values and working within the framework of the client protection principles.

In December of 2001, MAXIMA registered with the Ministry of Interior as MAXIMA Organization for Household Economic Development, as an NGO. In June 2008, the National Bank of Cambodia granted MAXIMA a permanent license to operate as an MFI in Cambodia. In 2014, Gojo & Company, Inc, joined MAXIMA as shareholder. In July 2015, MAXIMA transformed into a corporation and was renamed MAXIMA Microfinance Plc.

www.maxima.com.kh



Microfinance Amatak Capital Plc received its microfinance license from the NBC on 14th January, 2013. The institution was founded by two Cambodian-Australian brothers who believe they can make a difference and contribute to Cambodia's social development and the alleviation of poverty. Since its commencement, Amatak has been well received by its customers. The company's superior services and transparent policy makes it highly distinguishable. As well as providing micro loans to the underprivileged, Amatak also offers other loans to improve the standard of living of Cambodians, for example we offer purchasing financing that caters to the young and upcoming Cambodian workforce.

inquiry@amatakcapital.com.kh



ជាតិសេដ្ឋកិច្ចសម្រាប់អ្នកក្រីក្រ

MOHANOKOR is a private Institution; was established as a Cambodian non-government organization (NGO) in 2014 that provides financial service to poor rural with the economic opportunities to transform the quality of their lives and their communities through the provision of effective and sustainable client empowering financial services

MOHANOKOR's goal is focusing purely on Micro loan and Small loan services to borrowers as a group and individual in a convenient and cost effective way.

Due to interesting and supporting from many people, MOHANOKOR continue to build on its success and further expand its operation areas around the provinces and cities of Cambodia.

www.mohanokor.com



Given the Cambodian economic growth mainly in the area of financial sector then our Japanese shareholders has decided to contribute its capital to invest in this area. Mothers Financial Japan Plc. (MFJ) comprises several financial experts both international and local levels to serve its customers. Highly skilled and in-depth Management Team with a plentiful products and services will bring MJF to be an outstanding MFI in Cambodia. MFJ is legally a registered Institution at MOC on 30 April 2015, got a license from National Bank of Cambodia on 02 February 2015, and registered at the General Department of Tax on 4 July 2015.

www.mfjapan.com



NIRON Agency Development Economics Community (NIRON ADEC) was first established and operated in 08-08-2008 with a Paid-up Capital of 5,000 USD and 3 Staffs, specializing in delivery of loan services to Cambodian's economically poor. In early 2009, NIRON ADEC was registered as a Cambodian Non-Governmental Organization (NGO) under the Association and NGO Law in 2009 from Ministry of Interior and by 2013, NIRON ADEC has transformed to NIRON MIKROHERANHVATHO PLC., which is a public limited company with a Paid-up Capital of 1,500,000 USD, licensed by National Bank of Cambodia. Due to its rapid and sustainable growth, NIRON MIKROHERANHVATHO PLC has been merged with one local NGO and changed its name to NIRON Microfinance Plc.

www.niron.com.kh



NongHyup Finance (Cambodia) Plc. NongHyup Finance received a license from the National Bank of Cambodia on 8 August 2018 to operate the microfinance after NongHyup Bank had acquired 100% shares from SAMIC Plc. It is currently operating in Phnom Penh and 8 provinces of Kandal, Kampong Speu, Takeo, Kampot, Kep, Preah Sihanouk, Siem Reap and Kampong Thom. These operating areas are expected to grow in the future.

Address: #C59-61, St. Cheerfulness, Sangkat Teuk Thla, Khan Sen Sok, Phnom Penh

Website: <http://www.nhfinance.com.kh>



ORO Financecorp Plc. (MFI) was found by ventures of Japanese and Cambodian investors into a private limited company, licensed by NBC (No M.H 41) on 3rd December, 2013. ORO Financecorp PLC. has set up a new strategy and established up-to-date products and services within Cambodia's MFI market. Our aim is to contribute to the development of Cambodia by helping to reduce poverty through financial development related to interaction sectors of triangle strategy of Government of Cambodia.

www.orofinancecorp.com



PG DEVELOPMENT MICROFINANCE PLC.

Tel: 098 999 111



Prasethpheap Finance (PF) is one of the many projects of the Mengly J. Quach Foundation, a nonprofit organization. It functions as a social corporate responsibility body of the Mengly J. Quach Education. PF was established in 2005 for the purpose of providing zero interest loans to students, staff, families and people from all walks of life. Clients are mostly from poor and vulnerable families. Since its foundation, PF has been lending loans to the amount of over three million USD. To reach our vision, "...making life better", in 2013 PF transformed itself into a financial institute providing low interest loans to the public in order to ensure the sustainability of its operations. It is now a separate entity from the Mengly J. Quach Foundation. www.prasethpheapfinance.com



PRIME MF Microfinance Institution Ltd (Prime) is a newly established MFI in Cambodia with 100% foreign shareholders. It was granted a license for its microfinance business operation from the NBC on 17th December, 2010. PRIME MF is providing loan products and services to various types of businesses especially micro, small and medium entrepreneurs. www.primemf.com



Piphup Thmey Microfinance Plc

Email: piphupthmeymfi@gmail.com

Phone: (855) 12 322 922

Address: #288, St.1003, Phnom Penh Thmey Commune, Sen Sok District, Phnom Penh



Prince Finance Plc obtained an MFI license from the National Bank of Cambodia "No: M.F-58" to provide financial services to individuals, groups, and small or medium-sized enterprises (SMEs). Prince Finance's vision is to provide professional financial solution to promote small and medium-sized enterprises (SMEs) as well as people who are confronting financial issues for the living; and to promote social development through the engagement in social, environmental, and educational activities. www.princeplc.com.kh



QUEEN FINANCE PLC.

On February 02, 2012, National Bank of Cambodia (NBC) officially granted a license for KEY Microfinance Plc. (KEY) where located at a house #1E, Street 2004, Sangkat Kakab, Khan Dangkor, Phnom Penh; and made a commercial registration No. Co. 1305 KH/2012 on May 21, 2012 as a public Limited Company. Later on, on March 16, 2018, NBC has permitted KEY to change its name into QUEEN FINANCE PLC. Whose new location is at a building No. 42, Mao Setong Blvd., Beong Trabek, Chamkar mon district, Phnom Penh under the new commercial registration No. 00016512 as a Public Limited Company. (+855) 23 966 789



Royal Microfinance PLC (RMF) is a newly established MFI with approval letter from National Bank of Cambodia in Feb 2015, number: ៥៧ ០១៥ ១៣៨ សជណ, and company registration with Ministry of Commerce as a public limited company via number ៣០៣២ ៣៧៧ ៥៥៧. Royal Microfinance is being completing necessary steps and requirements for a full license from National Bank of Cambodia.

Royal Microfinance has a strong commitment to a standard professional operation for both management and MIS. A strongly competitive products and processes have been designed in responding to the rising demands of various micro finance services. The key core value of RMF's to provide a fair and transparent microfinance services to client for mutual benefit and growth.

www.royalmicrofinance.com



SACHAK MFI Plc. Started as NGO in Takeo Province Namely Khmer People Development Organization registered with Ministry of Interior in 2011. It transitioned to a public limited company registered with Ministry of Commerce and was granted with a permanent license by the NBC to operate as a Microfinance Institution on 30th

September, 2013 and operations started on 9th October, 2013. Sachak provides sustainable micro finance services to poor people and communities in urban and rural areas so that they can have a better standard of living by providing loans with reasonable interest rates. At SACHAK, your growth is our commitment.

keo-maly55@yahoo.com



SAHAKA Microfinance Institution Plc, is recognized as a public limited liability company which is registered with Ministry of Commerce under registration number Co. 4361E/2015, dated on 08th December 2015. The institution was granted official license from National Bank of Cambodia (NBC) in April 2016.

SAHAKA Microfinance Institution Plc has committed to provide best financial services and professional operation to fully cater to Cambodian's demands with the aims of boosting and contributing social development and family living standard sustainability.

www.sahakamfi.com



Sahakrinpheap Microfinance Plc., is one of the new microfinance institutions (MFIs) in Cambodia that provide lending services to Cambodia's poor people in the urban and rural area. In May, 2015, Sahakrinpheap got Micro Finance Institution (MFI) license from National Bank of Cambodia (NBC).

Sahakrinpheap focus on serving the poor to have access to the formal financial services to start a micro business or daily emergency needs. Sahakrinpheap is planning to put best effort to help serving the public to improve their standard of living through such a convenient financial services and to contribute to the development of the Cambodian economy.

www.sahakrinpheap.com.kh



Samaky Microfinance Institution Plc (“the Company”) is a public limited company, was incorporated with the Ministry of Commerce on 18 March 2015 and having its business operations in Cambodia. On 15 September 2015, the Company obtained a license from the National Bank of Cambodia to conduct micro-finance business. The Company started its commercial operations on 1 November 2015.

Our principally activities is to engage in all aspects of micro-finance business and the provisions of related financial services. We provide loans to middle and low income families to build their life and improve their standard of living.

83AB Street 1986, Sangkat Phnom Penh Thmey, Khan Sen Sok, Phnom Penh

Telephone: +855 23 666 5959/ +855 23 633 6811

Email: info@samaky.com.kh

www.samaky.com.kh



Sambat Finance PLC is an emerging market with financial access mostly limited to established companies and middle income and wealthy individuals and families. To extend the reach of the majority of Cambodians and MSMEs to retail and institutional financial services, SAMBAT Finance has a dedicated team of experienced professionals who understand the challenges and needs of our customers and have developed solutions and products to serve them. We have a full range of products and services from loans and other banking solutions, which can be varied according to the customers' financial strength and needs. We also offer commercial banking services to customers throughout Cambodia and serve a range of organizations, including local corporations, individual, families, small businesses, institutions and governments.

Our strengths include our high customer-centric services, solid financial position, multi-discipline customer services strategy and local market experience. In partnership with our customers, SAMBAT Finance will bring about a change in the Microfinance and retail banking industry in Cambodia to make available our services to all Cambodians.

We believe all sustainable progress is driven by people with the imagination and determination to improve their future and the futures of those around them.

We empower people and organizations to realize their own vision for a better future – however modest or grand. Our purpose therefore is: Empowering people to build better lifestyle and future. Your Success is Our Success!

Address: #228JA, Street 598, Toul kork village, Sangkat Toul Sangker, Khan Russey Keo, Phnom Penh, Cambodia.
Phone: 087 997 783



SAMRITHISAK Limited (SAMRITHISAK) is a private limited micro-financial institution offering financial services in Cambodia. Samrithisak Limited obtained a license from the NBC on 25 May, 2010 and is legally registered with the Ministry of Commerce. It has recently been expanding to serve poor people in more remote areas, specifically farmers and small business owners. Areas of investment have included businesses sector such as agriculture, small and medium retailers, handicrafts and services.
info@samrithisak.com



SEILANITHIH Limited (SEILANITHIH) is a Cambodian licensed MFI. It was created by the 1996 merger of three CARE Projects. Seilanithih registered with the Ministry of Commerce on 18th September, 2003 and obtained an MFI license to provide financial services in Cambodia on 23rd December, 2003. Seilanithih's mission is to strengthen and extend the best financial services to poor people in order to expand their existing businesses or to start their new business legally through providing credit and savings services.
www.seilanithih.com.kh



Sonatra Microfinance Institution Plc. (SONATRA) obtained a license for operation from the NBC in January 2011 and has provides loan within the area of Phnom Penh City. In the upcoming years, Sonatra MFI plans to expand its operation through- out Cambodia. Sonatra MFI's mission is to encourage income independence and the alleviation of poverty. Sonatra MFI aims to become a leading MFI in providing responsible loans to low-income individuals and amall and medium enterprises.
bopha@sonatrafinance.com.kh



Serey Oudom Microfinance Plc. Was established on 23 January 2015 under a license obtained from the National Bank of Cambodia No. M.F-46. In order to beef up its financial transaction more progressively, Serey Oudom Microfinance Plc. Has enlarge its branches for convenient access to transection as well as close to customers and the public. Up to December 2018, we have four branches which were located in Phnom Penh city and Kandal province. By December 2017, total credit portfolio was USD 6,088,286 with total clients was 866.



ក្រុមហ៊ុនហិរញ្ញវត្ថុ មីក្រូ ហ្វាណង់ស៊ី
T & Go Finance Plc

T & Go Finance Plc has been began in 2016, invested by Japanese investor when we registered with MOC with a capital of USD 500,000 and obtained license from NBC to provide financial services in Cambodia and increased the paid up capital up to 1,500,000 in 2017. As one of the microfinance institutions licensed by NBC, our business is primarily to provide financial services to the agriculture loan, construction loan and personal loan who often have limited access to formal financing channels. This phenomenon creates a unique market for us where our target customers are usually underserved by other financial institutions such as banks and larger financing institutions, mainly due to the stricter requirements for income profile, nature of business and security criteria.

We plan to create more product such as Tuk Tuk loan, housing loan, and quick loan per requirement of the market in the near future.

We hope our various products will contribute to support consumer's standard of living to become the standard and develop Cambodia to become one of the developed country in all the fields.

#09 A1 A2, St.163, Sangkat ToulSvayPrey I, Khan Chamkamorn, Phnom Penh, Cambodia

Tel: (+855) 23 699 0505

E-mail : info@tgofinance.com

Website: www.tgofinance.com



TACA MICROFINANCE PLC. (TACA) was incorporated in the Kingdom of Cambodia and registered with the Ministry of Commerce on 01 July 2014 under the registration No. Co. 2055 KH/2014 as a Public Limited Liability Company. TACA obtained a licence from the National Bank of Cambodia (NBC) to conduct business as a microfinance institution in Cambodia on 13 November 2014.

www.tacamfi.com.kh



TBB (CAMBODIA) MICROFINANCE INSTITUTION PLC (Hereinafter referred to as TBBMFI) is a public limited company, also a subsidiary of TAIWAN BUSINESS BANK that is a specialized bank charged with the provision of financial assistance and guidance to SMEs. In Taiwan, it has been cultivating the SME financial services field until now for more than 30 years.

TBBMFI is licensed by the National Bank of Cambodia as a MFI in June 2015 to provide funding to commercial or individual purposes of Cambodian people as well as customers from Taiwan, thus to support the monetary and economy environment of Cambodia. Tel: 023 887 171



TROP KHNHOM MICROFINANCE PLC. was established as a public limited company and obtained license as micro-finance institution from the National Bank of Cambodia on June 20th, 2017 with total registered capital of USD 1,500,000. Presently, the company has been operating within three provinces in north-western of Cambodia. Its registered office is located at House 445, Road 4, Sophy Village, Sangkat Kampong Svay, Sereisophon Municipality, Banteay Meanchey

Province. Historically, the company was transformed from TROP KHNHOM LEASING PLC which was operated as financial leasing activities. Since obtaining license as micro-finance institution, TROP KHNHOM started focusing on cash loans product respective to agriculture loans, business loans, group loan, motorbike loan, car loan, and home improvement loan.



Vithey Microfinance Plc. is “the MFI” obtained the approval from the National Bank of Cambodia (“NBC”) through its letter No. B7 016-867 SCN dated 31 October 2016, as the Microfinance.

The business objective of VITHEY MICROFINANCE PLC. is supported to development thru

Building A-73 & A-75, St. 271, Sangkat Tomnoub Tek, Khan Chamkar Mon

Phnom Penh Cambodia ought to provide microfinance services to Cambodia people in the Kingdom of Cambodia.



Welcome Finance (Cambodia) Plc. (“WFC”) is a financial institution that was transformed from Green Central Micro Finance and was approved by the NBC on 25 October 2016, and Welcome Creditline Corporation is the main Korean Shareholder with 100% shares.

WFC was licensed by NBC as a MFI on 24th Oct. 2008 to strengthen and expand healthy microfinance services to the Cambodian people and to participate in the healthy development of micro and small enterprises, and to boost the growth of Cambodian’s economy.

www.welcomefinance.com.kh



Woori Finance Ltd. is a microfinance institution that was licensed by the NBC on 28th February, 2011. Woori was established to deliver microcredit services to middle and low class Cambodian people. Woori is handling various products of medium, small and micro loans. Through the Micro Lending Service, Woori seeks improvement of living standards of Cambodian people and the growth of the Cambodian economy in general.

www.woorifinancecambodia.com



YCP Microfinance Ltd (YCP) was licensed by the NBC on 7th May, 2009 and opened to the public on 9th September, 2009 to provide loans to small and medium sized enterprises, as well as to individuals. The aim of YCP is not only to be the first option for clients in term of quality, convenience and trust, but also to be committed to fulfill its mission.

www.ycpmicrofinance.com | info@ycpmicrofinance.com



BSP FINANCE (CAMBODIA) PLC. is a financial lease company which is providing suitable financial services on automotive, heavy equipment, agricultural equipment, and also other special products such as medical equipment, cleaning equipment, etc. to all segments of Cambodian customers. Our mission is to support farmers, individual entrepreneurs and small and medium business by helping them to manage their cash flow and to acquire profit generating assets. We want to fill the gap between MFI and retail banks by supporting customers who may not meet stringent banking criteria but need more funds than MFI could provide them with.



Chailease Holding Company Limited is an international financial leasing company, Chailease Royal Leasing Plc. is our new joint venture business, has been inaugurated in Phnom Penh and was granted license to carry out financial leasing business from National Bank of Cambodia in February of 2017.

Chailease Royal Leasing Plc. is a joint venture company established by Chailease group and Royal group. The core businesses of the Company are vehicle and machinery finance leasing.



ELIN Leasing Plc. was established as a public limited company and obtained a license to carry out financial leasing business from National Bank of Cambodia on February 17th, 2015 and the registered office is located at #182, Ekareach Street, Phum 2, Sangkat 2, Preah Sihanouk Province.

Tel: 034 63 60 089



GL Finance Plc. (GLF) began its commercial activities in Cambodia in May 2012, being the first step of the regional expansion plan. GLF has teamed up with Honda NCX to provide financial services to all local Honda customers. Based on this partnership, GLF can support the purchase of brand-new motorcycles from its commercial desk in each official Honda retailer. With presence in 48 outlets, covering of the countries' provinces, GLF will soon expand to the rest of the country.



i-Finance Leasing Plc. was founded in 2014 with the aim to provide flexible financial services to underserved MSMEs and individuals for the purchase of vehicles and essential appliances. i-Finance's vision is to be the first choice for customers seeking financial services by offering them competitive pricing with the highest-quality customer service ensuring highly satisfied borrowers. We operate as a licensed financial leasing company.



JACCS (CAMBODIA) PLC. JACCS is one of the leading company in Japan's consumer finance sector. JACCS Co., Ltd, started out as provider of monthly installment credit services in Hakodate, Hokkaido, in 1954. Since then, under a founding philosophy that values trust and reliability, JACCS, has continued to expand its business nation-

wide in Japan and has expanded its business into growth markets in Asia. JACCS's main business comprise the credit business, the credit card business, and financing business, which includes credit guarantees and other operations. We drew on our expertise in the consumer credit business in looking in to expand in markets in the fast-growing ASEAN region. After entering Vietnam in 2010, we expanded into Indonesia in 2012 and the Philippines in 2016. In Cambodia, we started our operation in March 2018. We aim to stabilize our operations while solidifying our business foundations and stepping up efforts to expand our business. We also seek to maintain top position in each market while establishing a strong brand presence for JACCS. We will also deploy business resources in other swiftly expanding Southeast Asian countries to swiftly penetrate new markets.



Mega Leasing Plc. Was officially established in February 2013 with the primary objective to provide financial leasing service as hire-to-purchase to local consumers and businesses for items such as: motor vehicles, electronic equipment & household appliances, furniture and agricultural equipment & machinery. Mega Leasing Plc. was granted a license to carry out financial leasing business from the NBC in January 2014.

www.megaleasing.com.kh



KREDK FUND LEASING Plc. was established in January 2013 with the aims of offering financial leasing services for the customers. KKF was granted financial leasing license from National Bank of Cambodia in September 2014.

Add: #144BEo, St 143, BoengKengkang 3, Chamkarmorn, Phnom Penh

Website: www.kkleasing.com



KOMATSU LEASING (CAMBODIA) PLC.

Address: #713B, Street Veng Sreng, Phum Tropang Thloeung, Sangkat Chom Chao, Khan Porsenchey, Phnom Penh, Cambodia

Tel: (+855) 085 900 234

Email: info@klca.com



TOYOTA TSUSHO FINANCE (CAMBODIA) PLC "TTFC" was found in June 2014 and commenced the operation in October 2014. TTFC is a new-established Financial Leasing Company which is licensed by National Bank of Cambodia. Our major shareholder is TOYOTA TSUSHO CORPORATION (a multi-national company with HQ in Japan), www.ttfc-kh.com

RURAL CREDIT OPERATOR



Anektean Molathan plc
Tel: (097) 333-5936
Email caafwdeputydirector@gmail.com



Action For Development and Health Organization
Address: Phum Krang, Sangkat Ampil, Krong Kampot Province



The Association of Samnang Rural Development (ASARD) formed as non-prof- it organization under the law of the Kingdom of Cambodia in 2006. On 30th June, 2006, ASARD was registered by the Ministry of Interior of Cambodia. ASARD provides micro-loans to members of ASARD and people in the community that are in the Samrong Loeu Commune. On 11th January, 2007 ASARD was the first Rural Credit Operator registered by the NBC.
asard.vourn@gmail.com



BORVOR Finance Plc, was previously known as a Small Economic Activity Development project of CARE Cambodia, financially supported by AusAID through CARE Australia. The project has been transformed on 1st January 2003 to a local NGO named BORVOR Finance Plc.

BORVOR is a first pioneer of Credit Union Model in Cambodia since January 1998, promoting savings and thrift habits based on nine international operating principles of Credit Unions. In practice, it operates as a credit union federation by virtue of its registration with the Ministry of Interior of the Royal Government of Cambodia on 6th December 2002. It also operates as a rural microfinance service provider by virtue of its registration with the National Bank of Cambodia on 7th March 2003.
Tel : 053 952 958



Baytang credit organization is a rural credit operator to conduct business in Cambodia under the law on banking and finance institution and all existing laws in kingdom of Cambodia,
Baytang credit organization was established in 2011 and was registered with ministry of interior in 2013 as a local NGO , Then in 2015 baytang credit organization registered with National Bank of Cambodia as a rural credit operator,



CAPITAL RONGROEUNG PLC.



COMMUNITY RURAL ECONOMIC DEVELOPMENT PLC.



CKLS FINANCE PLC.



CCDA HISTORY In 2008, CCDA founders established two trial projects Community Training and Community Strengthening for people at Streung Meanchey Garbage Mountain supported by the people from USA and France.

In 2010, CCDA Founders and Donors established one more project Community Micro-Business Training.

In 2011, Founders prepared new structure and memorandum to register with Ministry of Interior of Cambodia.

In 05 March 2012, CCDA accepted by Ministry of Interior of Cambodia. Meanwhile, founders and CCDA staff established two projects Community Member Loan and Community Member Saving.

In 06 January 2014, CCDA was approved by Ministry of Interior of Cambodia to operate its projects to other 06 provinces such as Kandal, Prey Veng, Kampong Cham, Takeo, Kratie and Svay Rieng.

www.ccdamfi.com



Community Development Fund (CDF) was born with small scale of lending activities to rural community in 2010.

In 12-april-2011, CDF registered with Ministry of Interior as a local NGO.

In 24-October-2014, CDF registered with National Bank of Cambodia as a rural credit operator.

In 13-February-2015, CDF is an Ordinary Member of Cambodia Microfinance Association.



Cambodian Family Economic Organization (CFEO) is Cambodian Non-Governmental Organization that has been working in Cambodia since 2010 and receiving official license from the Ministry of Interior of Cambodia No 109 S.Ch.N in Jan 2012. CFEO provided general support to the Cambodian Community in the economic development, training services and consultancy, information technologies and business management to the poor communities and offer small micro-financial service to support the business of those communities in close collaboration with the others micro-finance NGOs in the country. www.cfeo-cambodia.org



DAKO FINANCE PLC. is a professional financial service company that provide financial services to the poor at rural area. Our main services are Credits, Currency Exchange and Local money transfer. Established in January 2013 as local NGO, DAKO granted formal license from NBC as rural credit operator in 2015. Our mission is to assist the poor to conduct business successfully by providing both financial and technical skills.
www.dakobank.com / dakobank@gmail.com



In 18 August 2014, Max Credit NGO (M.C.O) has registered and approved by Ministry of Interior of Cambodia to operate as a local non-profit organisation to participate with government in developing Cambodia's economic, educate human resources, enhance capability of people, and improve standard of living of poor people by provide various financial services to assist them increase their income as well as increase career opportunity for Cambodia's people.
Address: No.2BEoE1, Street 355, Boeng Kok I, Toul Kork, Phnom Penh, Cambodia.
Phone: 023 2217 07



Krousa Ennatean Plc was, the professional and reliable rural credit operator licensed by the National Bank of Cambodia, established in the purpose of sharing the improvement of the standard living of the people throughout the country by providing sustainable and dependable financial service (small and medium loans) in an appropriate interest rate.

Address: Building No 108, National Road No 6, Salakhum Village, Triel Commune, Baray District, Kampong Thom Province.
Contacts: Phone Number (855-96) 7105 777,
Email: krousa.ennatean@gmail.com



Kasekor Mean Mean Plc



NCD was founded in May 2011 as a local NGO under registration with Ministry of Interior. In November 2012, NCD was formally registered by the NBC as a Rural Credit Operator and also, became a member of the Cambodia Microfinance Association in March 2013. NCD rural credit operator plans to apply to become a licensed MFI in 2014 under joining partnership with Singaporean Investors. Our vision is both local and international, in which all people have the best opportunity to provide for their families and build a better life.
ncd.mfi@online.com.kh



ជាដៃគូដែលលោកអ្នកត្រូវបាន

PCO Finance Plc. is a rural credit operator established on the 22nd of September 2010. It has been first registered at the Ministry of Interior of Cambodia as an NGO. It transformed into a MFI and registered at NBC on the 11th of August 2015. It provides Khmer Reil and UD Dollar credits to populations living in urban and rural area. It mostly provides clients with business loans for developing their micro or small businesses. Besides providing loans, PCO is involved in social activities such as offering gifts to the poor, sponsoring events, providing equipment to local councils and district, etc.
www.pcofinance.com

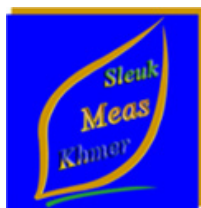


Raksey Finance Plc.

Address: #6, St.4, Phum Trapeang Thloeng, Sangkat Chaom Chau, Khan Pursenchey, Phnom Penh

Tel: 086 200 111

Email: raksey@raksey.com



SLEUK MEAS KHMER FINANCE PLC., (SMK) was established in Svay Rieng Province and operated in 2013 with the aims of delivery of loan services to Cambodian's economically poor and was registered on 18 March 2014 as a local NGO under Ministry of Interior. Sleuk Meas Khmer Finance Plc., was licensed No. C.O 189 by National Bank of Cambodia issued on 25 December 2015 as Rural Credit Operator. www.smkplc.com
sophornphin@gmail.com



SEED COOPERATIVE PLC.

House No.: 191, Tonle Sap Road, Chroy Sangkat Chongvar, Khan Chroy Chongvar, Phnom Penh City, Kingdom of Cambodia.

Telephone No.: (855) 23 475 2006

Email Address: customerservice@seedgroup.info



Village Development Association (V-DA) was born with small scale of lending activities to rural communities in 2003 and then registered with Ministry of interior 2008 as a local NGO. In 2009 Village Development Association registered with the NBC as a Rural Credit Operator. It provides micro credit to rural families with agricultural, health, educational and commercial demand.

www.vdamfi.org



DONORS AND PARTNERS



French Development Agency is the operator for France's bilateral development finance mechanism. It is a public institution with the industrial and

business status of a specialized financial institution. Its work is in line with the policy set out in France's Framework Document for Development Cooperation document approved at the end of 2010.

AFD's teams are based in Paris and Marseille and in a network of 70 agencies and representations in developing countries and the French overseas provinces.



Established in 2003, Good Return is a non-profit organization that works across Asia Pacific to deliver economic and social development

programs for the financially and socially excluded. Sharing with others the vision of a world without poverty, Good Return is proud to be one of the leading supporters of financial inclusion across the Asia Pacific region.

Good Return partners with Financial Service Providers, Microfinance Associations and Financial Sector Regulators to research, design and implement game changing initiatives for the poor.

Good Return keeps the consumer's interests front and centre in the design of its programs through leveraging the 'Human Centred Design' (HCD) approach.

We thank Catherine for contribution and LOLC for providing photograph on front cover page.



Inclusive finance expertise

Over the past 20 years, ADA has been dedicated to building and catalysing the financial inclusion of populations excluded from conventional banking

channels in developing countries.

ADA empowers microfinance institutions and networks. Through the Luxembourg Microfinance and Development Fund, ADA also helps them obtain the funding necessary for their sustainable growth. ADA focuses on the development of innovative inclusive financial services, on capacity building and on action research.

ADA put their expertise to use in areas including youth financial inclusion, access to green energy through microfinance, microinsurance, and reinvested savings through remittances for migrants. ADA also put their know-how forward to individual States and collaborate with them to support their inclusive finance expansion strategies.







Since the 1960s, the Australian Government has, through its aid program, supported Australians to undertake voluntary work in developing

countries. The Australian Volunteers for International Development (AVID) program is managed by the Department of Foreign Affairs and Trade. The goal of the AVID program is for Australian volunteers to make an effective contribution to the development objectives of the Australian Government and its partner governments through working with people and organizations in developing countries. In 2013-14, a total of 2,006 volunteers were supported in 43 countries with the majority of the volunteers on assignment in the Asia Pacific region. For more information, visit: dfat.gov.au/people-to-people/avid/about-the-program/Pages/avid-and-australias-aid-program.aspx



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