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Application of Interest Ceiling on Microfinance Loan in Cambodia

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Abstract

Microfinance is a main source of capital for small loan borrower which the role of bank disappears for such loan. However, the loan provided by microfinance contains both negative and positive consequences for rural development. With easy-getting loan, borrow do not hesitate to borrow loan with care about their income which cause high saturation.

In order to reduce loan saturation and ability of paying back loan, an interest ceiling is set by the Royal Government of Cambodia. So, our research aims to find whether the interest ceiling can be applied or not, and the effect on financing to rural business. Aftermath, a present of additional fee for loan process was charged to the borrow. However, this interest ceiling cannot be applied without the fee.

The use of loan plays important role for the borrower to pay back. Without business guideline and with encouragement from the credit officer, people borrow the loan from finance to financing the personal consumption rather than for business processing.

Keywords: loan, saturation, interest ceiling

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Introduction

Microfinance is a small financial source (Capital) which is provided in rural area in the purpose of enhancing in income and development in rural area. The role of microfinance is to help low-income people to get capital in order to enhance his/her family economy, while banks cannot provide such loans[1]. However, the loan provided by microfinance contains both negative and positive consequences for rural development and especially for the family who does not use the loan properly or on-track, especially for peoples who losses the source of payment, elder peoples, or getting illness.[2]

In Cambodia, financial sector especially the microfinance sector has grown remarkably, parallel with an enhancing of its economy after experiencing with the civil war, Asian economic crisis in 1997, as well as the financial crisis in 2008.

The contribution of microfinance is promulgated by Royal Government of Cambodia in 2006 which is the year that microfinance is able to provide credit to remote rural. However, the credit growth is still limited. Until 2016, this financial service has grown so fast in which a ratio of microfinance credit to GDP is 3.73% in 2010 and increases by 15.67% in 2016 amounting 3,065 million dollars[3].

The growth of loan size drag 1.921 million households indebted, mostly in rural area where there are 68 microfinance institutes and 149 registered microfinance operators are in operation. According to MIMOSA (Microfinance Index of Market Outreach and Saturation[4]) report, credit supply in Cambodia reach credit surplus which fells in alarming situation in which the MIMOSA score is 6, and the Saturation Index is more than 8.8% in November 2015 and 11.3% in June 2016 with an average interest rate is 28.7% (after tax).

The high saturated provinces are Kampong Speu which has Saturation index 18.6% and Udor Meanchey 17.1% Pailin 16.2% and Preh Vihear 14.6%.[5] This loan financing is in warning state which the ratio of average loan to average customer income is 2.2 in 2014. The report of MIMOSA also shows that the Cambodia has the fastest growth rate of credit size with customer income in the world.

The fragility of economic condition and microfinance debt, is that the debt is bigger than income as experienced in Bolivia 1986-1998, Bosnia 2001-2008, Thailand 1981-1997, Indonesia 1987-1997 and Ukraine 1996-2009.

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[1] Vertrivel and Kumarmanglam, Role of Microfinance in rural development, in international journal of information technology and knowledge management, jul-dec 2010, vol. 2 no. 2, pp 435 441

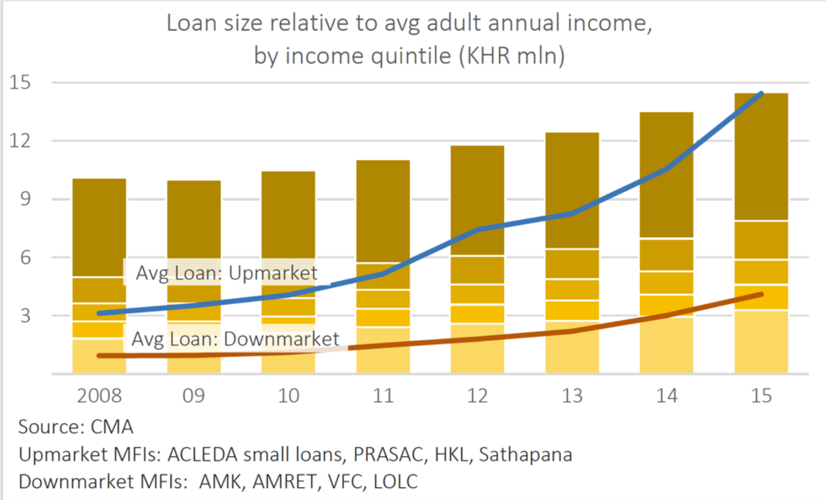
[2] Weiss and Montgomery, Great Expections: Microfinance and Poverty Reduction in Asia and Latin America, ADB, discussion paper, No 15, 2004

[3] Microfinance association report

[4] MIMOSA, Cambodia: interim report, May 2016

[5] MIMOSA, ibid

Figure1: Loan size to average adult annual income



The Cambodia Microfinance Association report shows that average annual income which is equal annual debt, becomes the economic risk, in which the bearer can only make income just only to pay debt and he/she is not able to able make money for daily live expense.

How is microfinance debt affecting Cambodia's economy, society and politics?

To prevent socio-economic problem which is come from saturation of credit, the Royal Government of Cambodia (RGC) set interest rate ceiling by 18% per annum starting from 1st April 2017.[6] The fast growing of microfinance credit is completely dependent on domestic economy especially the agriculture sector which depends on natural rains, weather and migrating youth labor to Thailand. The back bone of family income generation for micro-finance is so fragile that the debt repayment is not so confided especially for low-educated people whose debt is much bigger than their income.

In this paper, we want to evaluate whether the interest ceiling on microfinance loan set by RGC can be applied or not from perspective of borrower. In the research we want to find out the interest set by my microfinance institution and the appearance of the other fee after the interest ceiling is set. To do this, we conducted research, studied and collected data in 11 provinces such as Prey Veng, Kampong Cham, Battambang, Pailin, Banteay Meanchey, Kampong Speu, Takeo, Kampot, Preah Sihanouk, Udor Meanchey and Preah Vihear, in total of 47 communes with 512 respondents. The data was collected by direct interview with the respondents in the target areas by 10 trained interviewers. After data collection, the data was analyzed by using qualitative – content analysis.

[6] National bank of Cambodia, Prakas on Interest rate ceiling on loan, B7.017.109P.K

Overview of Microfinance in Cambodia

1. Microfinance institute

The number of microfinance institute (MFI) increased to 71 (in 2016) due to the fast growth of Cambodian economy. Nowadays, there are 7 microfinance deposit-taking institutes, 64 non deposit-taking microfinance institutes, and 170 loan operators.

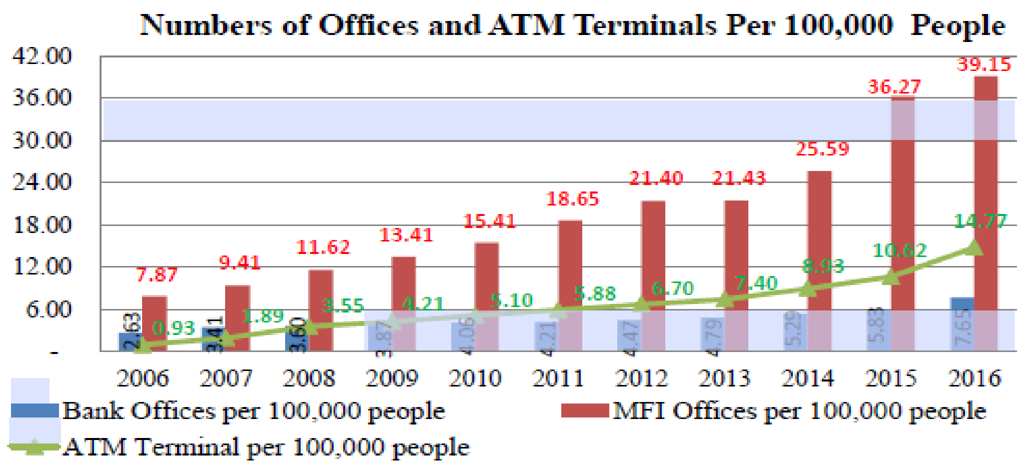
Table1: Microfinance Institute Operation Channel

BANK GROUP	2012	2013	2014	2015	2016
MICROFINANCE INSTITUTIONS					
MICROFINANCE DEPOSIT-TAKING INSTITUTIONS (MDIs)					
NUMBER OF INSTITUTIONS	7	7	7	8	7
NUMBER OF BRANCHES	1,424	1,279	1,383	1,632	1,456
NUMBER OF STAFF	10,403	12,842	15,576	20,808	19,987
ATMs TERMINAL	31	73	197	298	307
MICROFINANCE INSTITUTIONS (MFIs)					
NUMBER OF INSTITUTIONS	28	29	32	50	64
NUMBER OF BRANCHES	752	937	1,311	2,186	2,698
NUMBER OF STAFF	2,215	2,964	4,014	5,460	6,581
TOTAL MICROFINANCE INSTITUTIONS					
NUMBER OF INSTITUTIONS	35	36	39	58	71
NUMBER OF BRANCHES	2,177	2,216	2,694	3,818	4,154
NUMBER OF STAFF	12,618	15,806	19,590	26,268	26,568
ATMs TERMINAL	31	73	197	298	307
REGISTERED MICROFINANCE OPERATORS					
NUMBER OF INSTITUTIONS	32	35	38	109	170
NUMBER OF BRANCHES	276	443	509	1,715	2,083
NUMBER OF STAFF	539	897	942	3,255	3,670

Source: National Bank of Cambodia

MFIs and registered loan operator provide 30,238 jobs and 6,237 operation networks. And the offices of MFIs have increased since 2013 as shown in the figure 2 below.

Figure 2: Number of offices and ATMs per 100,000 People (Age over 15 yrs)

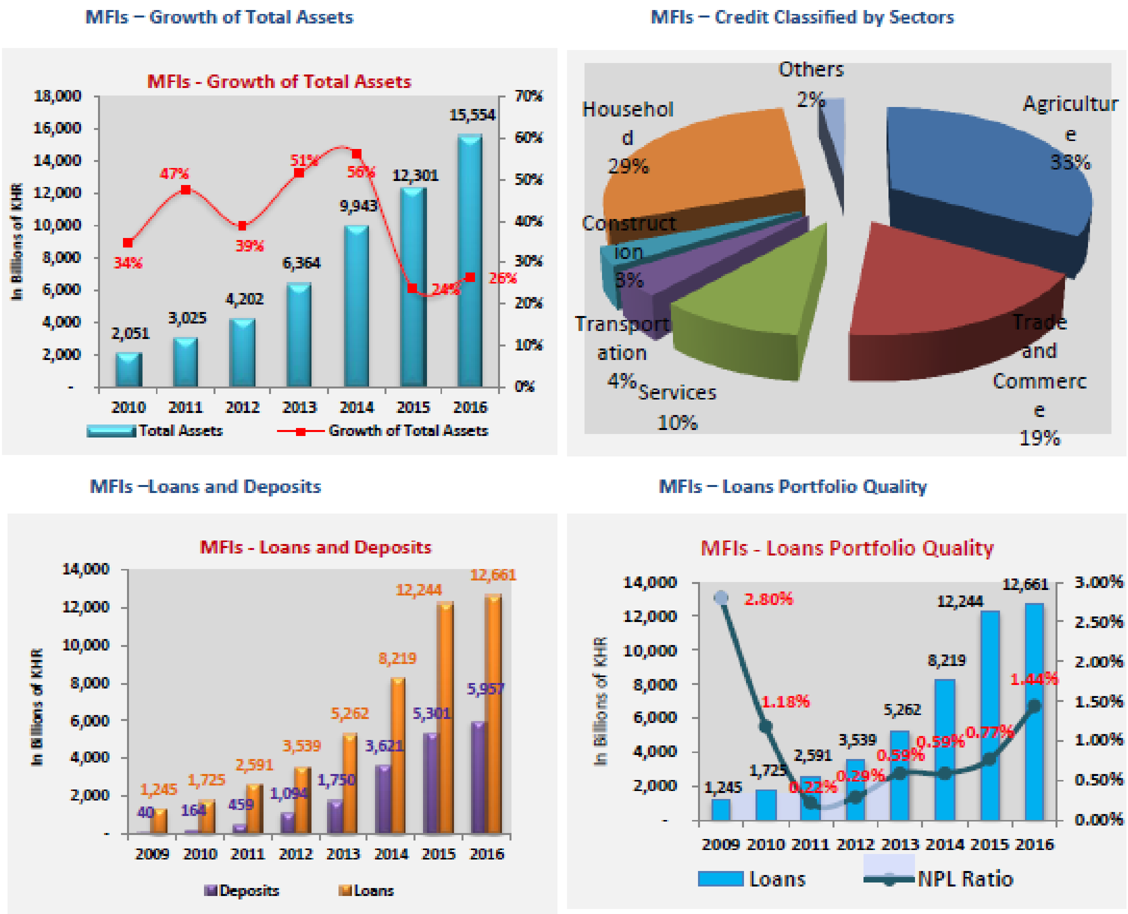


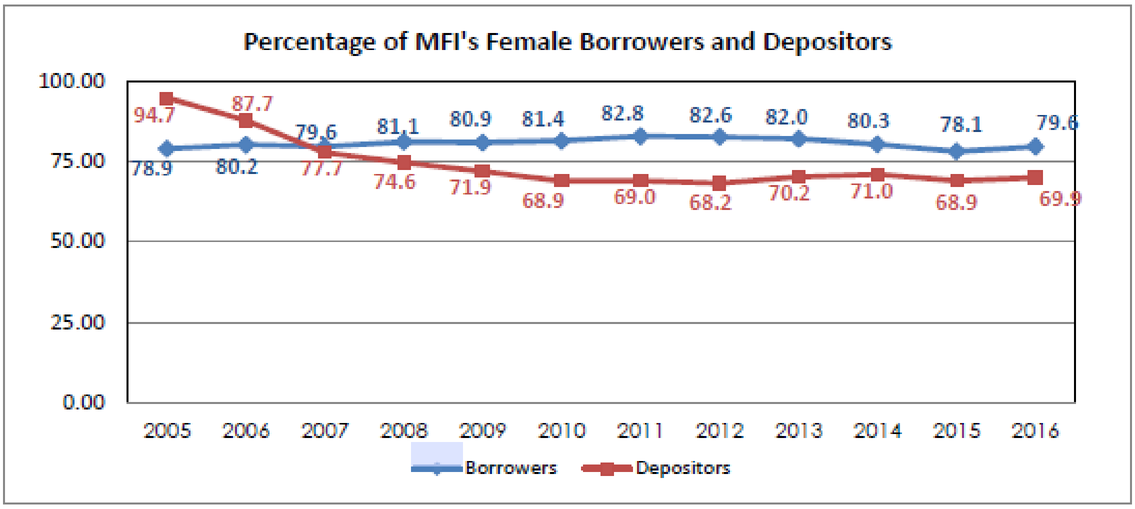
Source: National Bank of Cambodia

2. MFIs Deposits

Microfinance deposit-taking institutions are 7 such as Prasak, Hattha Kaksekar, Amret, Kredit, LOLC, Vision Fund, Ankor Microfinance, which has asset of 15,554 billion Riels equaling 3.889 Billion dollars. This asset has a 26% growth rate in 2016. These 7 MFIs have deposit of 5,947 Billion Riels equaling 1.489 Billion dollars which 47% of total credit. From 2015 to 2016, the deposit has increased by 12.7% showing that Cambodian people have trust on financial sector. After 2016, about 70% of depositors who are women has decreased from in 2005 94.7% to merely 69.9% in 2016. The deposit rate in this sector is 5% for deposit in dollar and 7% for deposit in Riel.

Figure 3: Deposit and Credit of Microfinance





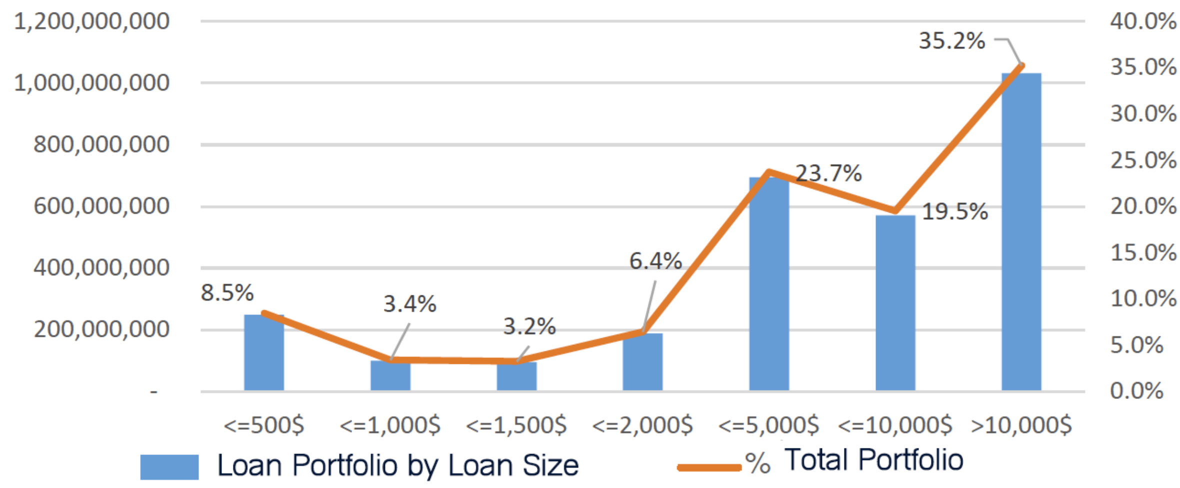
Source: National Bank of Cambodia

3. Loan

The loan of microfinance has grown remarkably since 2014 which is totally is 2.054 billion dollars and it is 3.165 billion dollars in 2016. The loan is provided to various sectors respectively agriculture 33.26%, household 28.43%, trade and business 18.53%, service 9.88% (see figure 3). Most loans are below 3,000 Dollars in which the loan size less than 1,000 dollars is 9.7% and average loan is 851 dollars. There are 8% of the total loan is the size from 1,000 to 3,000 dollars and an average loan is 1,859 dollars in 2015 (see figure 4)

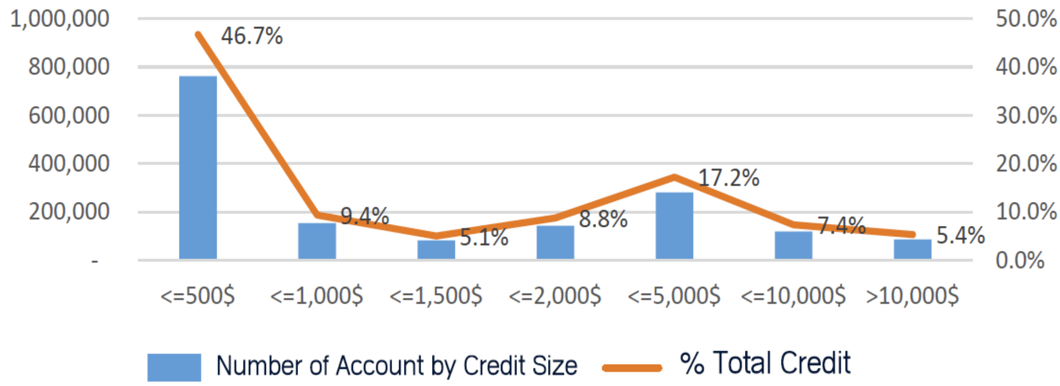
The report of Cambodia Microfinance Association shows that the increase of loan, between 2015 and 2016, is 113.82 Million Riels, equal to 3.92% but the number debtors has decreased by 3.92%.

Figure 4: Loan Portfolio in 2016



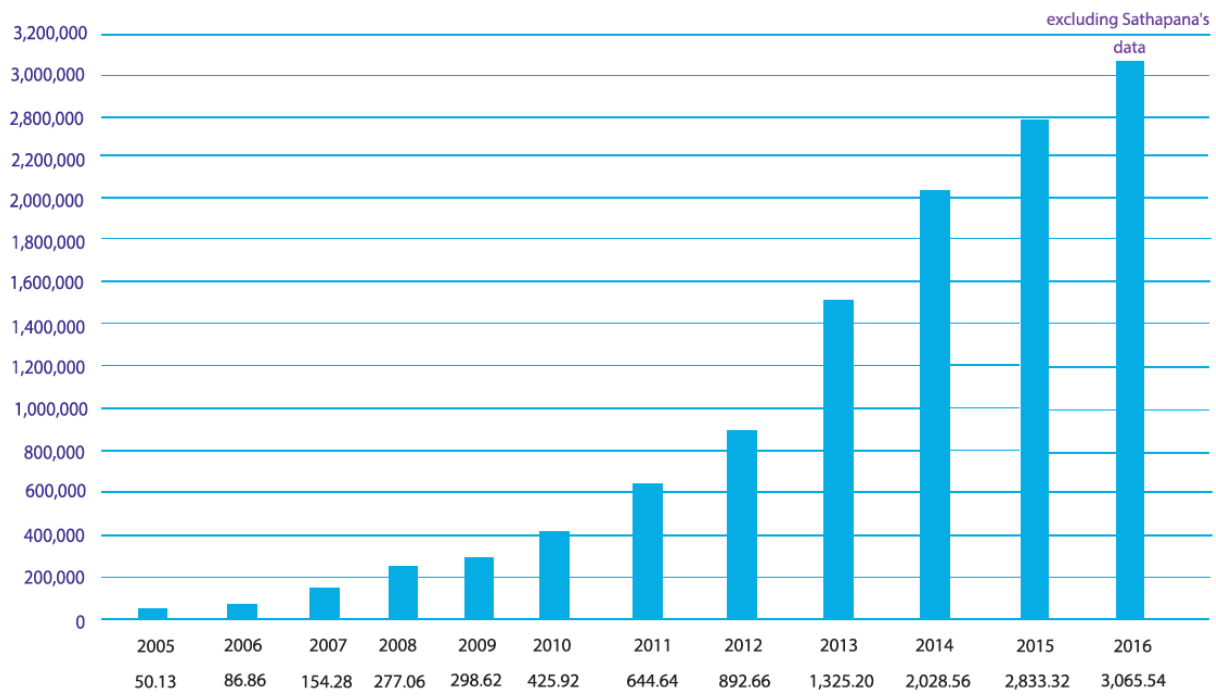
Source: Cambodia Microfinance Association

Figure 5: Number of Loan accounts in 2016



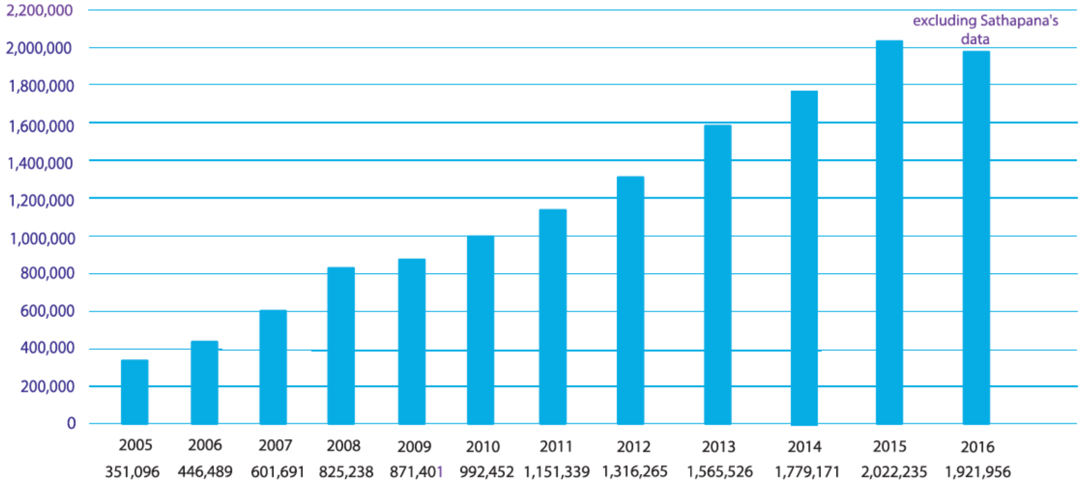
Source: Cambodia Microfinance Association

Figure 6: Total Annual Credit (Microfinance)



Source: Cambodia Microfinance Association

Figure 7: Number of Customer (Household)



Source: Cambodia Microfinance Association

- The loan size as of March 2016 are:
  - Loan size less than 500$: 541,000 cases
  - Loan size between 500$ and 3,000$: 290,000 cases
  - Loan size above 3,000$: 162,000 cases

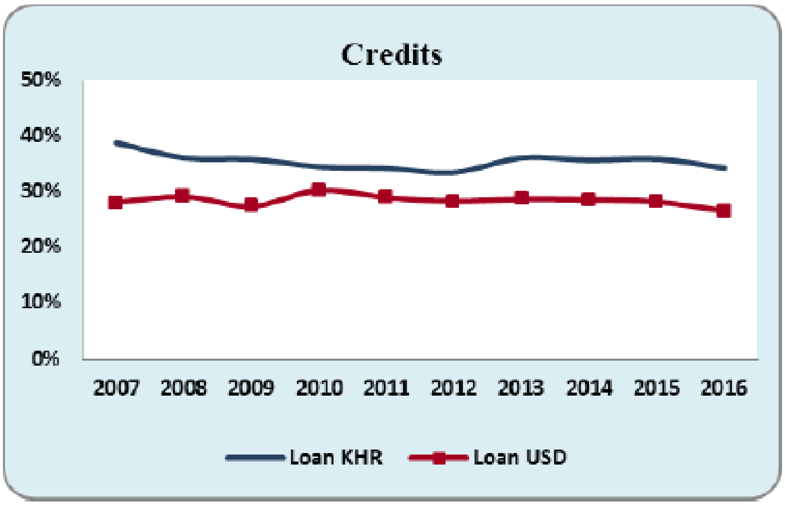
- From the third semester of 2015 until first semester of 2016:
  - Loan size less than 500$: **decrease** from 27% to **14%**
  - Loan size between 500$ and 3,000$: **decrease** from 42% to **37%**
  - Loan size above 3,000$: **increase** 31% to **49%**

- Percentages of the debtor who borrow more than one MFI for the first semester of 2016:
  - Borrow 1 MFI: 75.98%
  - Borrow 2 MFIs: 18.16%
  - Borrow 3 MFIs: 4.86%
  - Borrow 4 MFIs: 1.04%
  - Borrow more than 5 MFIs: 0.26%

These credits pose risk-free to MFIs due to collaterals but actually it poses high risk to economic and social system, especially the loan used for agriculture in which people produce agricultural products relying on natural rains, and the loan of household such as for buying motorbike, repairing and enlarging house, curing disease, paying of children education fee which have repayment source from selling labor in garment sector, construction and migrating to Thailand. According to National Bank of Cambodia report, the non-performance loan (NPL) has increased from 0.8% in 2015 to 1.4% in 2016.

The actual interest rate has decreased for 33.6% in 2008 to 26.1% in 2012 and 23.6% in 2016.

Figure 8: Interest Rate of Microfinance Institutes



Source: National Bank of Cambodia

Result of Research

The data collection had been done in 47 communes and interviewed with 512 respondents. Through interview, the data reveals that 80% of the respondents are loaned from microfinance and these debts are used to:

- Repaire or build houses
- Buy accessaries such as motobikes, cell phones
- Provide money for children's education or fee for children's immigrating abroad working
- Provide capital for businesss or agriculture
- Cure diseases and daily expenses

There are 4 types of loan:

- Individual loan from Microfinance Institutes with collaterals such as land or assets which has interest rate below 1.5% per month
- Group loan from Microfinance Institutes without collaterals but has service fee which has interest rate 1.5% per month
- Non-registered NGOs credits and community loan which has interest rate from 2% to 3%
- 1 million Riels Loans (counting money) has 10,000 Riels interest payment per day or 1 million Riels loan (slam money) has 50,000 Riels interest payment within 10 days. This kind of loan is mostly operated by Village Chief's wife, police chief's wife and rich people of the Villages.

In loan funding, most of village chief's wife and some villagers become operation agents of microfinance institutes such as in Chumkreal Village, Chum kreal Commune, Tirkchhou District Kampot Province; Beoung Roneal Village Preah Vivear Commune

Kongpisey District Kampong Speu Province; Toul Meanchey Village Prehtheat Commune Oreangaou District Tboung Khmum Province.

For agriculture loan, mostly is funding with size from 3,000 dollars to 8,000 dollars such as in Takrey Commune, Kamreang District, Battambang Province; in Sangkat Otavao, Pailin City; and in Beoungriang Commune, Mongkulborey District, Bonteay Meanchey Province. For paying back the debts, farmers use two sources of income; the first is one from selling their agriculture product which the price is fluctuated market and another source is income from labor migration to Thailand. In the case that lower price of agricultural product falls down, or their children who are working in Thailand getting sick or losses job, they will be not able to pay back debt.

According to the research, the data reveals that the main issues that people is not able to pay back loan are:

- The low price of agricultural crops, with high cost. For example, a hectare of paddy with 2 to 7 tons of rice crop costs 5 million Riels because the farmer has to spend cost for irrigating the paddy field (in Prey Veng province). However, the paddy rice can be sold at the price of 700 to 880 Riles/Kg. For cassava production, a hectare costs 2.8 million Riels with the production of 25 to 35 tons at price of 100 to 150 Riels/Kg. Therefore, the income from selling these crops is just to cover cost expended. For the case in Toul Trea village, Chub commune (Tbong Khmum Province) the villagers also suffer from the fall of price of frangipani flowers.
- “Ducks eat soil” said the villagers in Peamchor, Preh Veng Province means that so many ducks have died because of lack in duck feeding technique. In Dar commune, Memut district, the villagers have to sell their pepper farms to get money to pay default to microfinance institute.
- Cambodian agricultural market is Duopsony, in which there are two buyers, Vietnam and Thailand. However, in the market, there are many buyers, but all of them are brokers, who purchase agricultural product from the farmer and sell it to Sailo.
- In all target villages, there are some villagers who are in debt with 2 or 3 loan providers such as (1) individual loan microfinance institute (2) group loan from microfinance and (3) money lenders in order to pay default to microfinance institute on time, avoiding penalty and borrower black list.
- When our researcher reaching the target village, some house is closed which its owner gets away from paying loan default. The problem is borrower uses the loan inefficiently such as not only for agriculture, but also for personal consumption (house repairing, buying motorcycle and mobile phone).

In the for village of Po Ang Krorng commune, Borsed District, Kampong Speu Province, such as Kronhoung, Tropearngkeat, Tropeangchhouk, and Preysrol, there are respectively flood which destroyed paddy fields for 3 years without solution. Those of them, are not able to pay debt default due natural disaster.

On other hand, microfinance loan plays a positive role in funding capital for farmer in Otaki Commune, Tmorkorl District, Battambang Province; and Chungruk Commune and Moharussey Commune, Kampong Speu Province.

Interest Ceiling Application

For the 18% ceiling interest rate policy (1.5% per month), the research reveals that all microfinance institutes follow the policy. However, there are some other fee appeared after the Prakas on interest ceiling is effective on 1st April 2107. The other fee comes up three categories: (1) loan-administration fee (2) loan inspection fee and (3) loan collection fee which is on average of 5%[7] depending on the loan size, microfinance institutions, and type customers. The fee is highly charged for loan size equal or less than 500$ (first charge) including inspection fee of 15,000 Riels/month plus collection fee of 7,500 Riels/month which is charged every month until complete loan repayment. (Mohanokor MFI and Niron MFI in Beoung Sala Cheung Commune Kampongtrach District Kampot Province). For loan size from 500$ to 1,000$, and over $1,000, the fee charged respectively 5%, and 3% by Prasak MFI (in Memut District Tbongkhmum Province and Prehchhor District Kampongcham Province). For LOLC MFI, additional fee is charged of 3$/month for loan of 500$ (In Preysroleng village, Ampel Commune, Borsed District, Kampong Speu Province).

Besides microfinance institutes, there are NGOs and communities which can not comply with 18% ceiling interest rate policy. Some of them charge 3% per month of interest such as Rungroueng Community (Provincial Department Agriculture); Ponleu Kasekor, is an NGO, which the interest rate is charged by 2.5%/week=10%/month (without collateral) which operate in Kampongprasat Commune, Peamchor District (Prey Veng), Sangkat Otavao, Pailin City, and Preyvihear Commune, Kong Pisey district (Kampong Speu Province). Some NGOs such as Vocational Training Center and Development Community (Koh Tromoung Village, Boeng Sala Cheung Commune, Kampongtrach District, Kampot Province) charge the fixed interest of 1.5% of the loan principle per month until loan default (for example at the first month of 1 million Riels loan, borrower have to pay 15,000 Riels as interest. Later even though the principle of loan remains 83,000 Riels, the interest payment is still 15,000 Riels).

According to the cost analysis from the microfinance institutes such as AMK, Prasak, Amret, Hatha Kaseko, Credit, LOLC and Vision Fund, If they apply 18% of interest rate ceiling, some of them will not be able to survive in the microfinance market due to the cost are follow:[8]

- AMK: 33.06%
- Vision Fund: 26.32%
- Kredit: 24.6%
- LOLC : 22.16%
- Hattha Kaksekar: 17.99%

[7] Author's calculation
[8] CMA calculation

- Amret: 17.83%
- Prasak: 13.92%

There is no microfinance institute can make profit with ceiling interest rate, and it is not applicable. For instant, ACLEDA Bank gave up the small loan below 500$ which was charged 3% before interest ceiling policy set.

Likewise, according the meeting with the Cambodia Microfinance Association, the 18% interest rate ceiling policy cannot be applied without additional fees that will make 85,000 families of people difficult to receive credit for financing to their business and agriculture. Then, the people decide harshly to use informal credit sources which have much higher interest rate, making them terribly in debt.

Conclusion

After data collection in 11 provinces, research provides the conclusion that the 18% interest rate ceiling policy is not applicable for all microfinance institutes. The image of the applying the 18% interest rate ceiling policy after 1st April 2017 is just disguised image because all microfinance institutes charge additional fees (such as administration fee, collection fee and inspection fee) including remaining credits from previous years which interest rate was charge above 18% (the average interest rate before and after policy is 22%[9]).

In target areas in Battambang Province, the interest rate charging ib between 1.5% and 2% per month is not a problem for the farmers because they have stable basis income and they also use the loan effectively and efficiently for their business rather than personal consumption such as in Otaki Commune, Thmorkurl District, and Takrey Commune, Kamreang District in Battambang province on condition of stable crop price.

To deal with these problems, we have the following recommendations:

1. The 18% interest rate ceiling policy is applicable with the loan size above 1,000$.
2. Government should create guideline for business and agriculture which determine capital size and profit for the loan user.
3. Government should create agricultural technical team to prevent and solve agricultural problems such as animal and crop diseases in order to secure the farmers' production. So that they will have enough income to pay back loan.

[9] Author's calculation

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7- Weiss and Montgomery, (2004), Great Expections: Microfinance and Poverty Reduction in Asia and Latin America, ADB, Discussion paper, No. 15.

Appendix 1

LOANS AS PERCENTAGE OF DEPOSITS
AS OF DECEMBER 31, 2015

Table 16 — 1 USD = 4,050 KHR — *(millions of KHR)*

	2015			2014		
	Deposits[1]	Loans[2]	Loans to deposits ratio	Deposits[1]	Loans[2]	Loans to deposits ratio
Commercial Banks						
1 Acleda Bank Plc.	9,388,259	10,004,111	107%	7,919,165	8,172,290	103%
2 Advanced Bank of Asia Ltd.	2,427,122	1,902,287	78%	1,724,429	1,069,863	62%
3 Agri Bank Cambodia Branch*	13,841	86,355	624%	13,903	68,753	495%
4 ANZ Royal Bank (Cambodia) Ltd.	3,421,267	1,871,215	55%	3,562,518	1,834,437	51%
5 Bangkok Bank Plc. Cambodia Branch*	177,414	4,012	2%	-	-	0%
6 Bank for Investment and Development of Cambodia Plc.	934,734	2,095,813	224%	815,116	1,815,547	223%
7 Bank of China Limited Phnom Penh Branch*	2,214,289	1,161,844	52%	1,922,837	981,172	51%
8 Bank of India Phnom Penh Branch*	11,318	29,299	259%	12,872	25,951	202%
9 Booyong Khmer Bank	2,563	41,339	1613%	3,288	11,991	365%
10 Cambodia Asia Bank Ltd.	285,893	187,559	66%	190,219	186,104	98%
11 Cambodia Mekong Bank Public Ltd.	79,677	119,762	150%	92,905	108,121	116%
12 Cambodia Post Bank Plc.	448,097	718,422	160%	147,752	384,447	260%
13 Cambodian Commercial Bank Ltd.	674,374	288,067	43%	687,303	196,377	29%
14 Cambodian Public Bank Plc.	4,141,130	3,888,532	94%	4,626,252	3,494,624	76%
15 Canadia Bank Plc.	8,147,789	6,949,828	85%	6,771,348	5,717,219	84%
16 Cathay United Bank (Cambodia) Corporation Limited	642,434	590,087	92%	425,293	350,724	82%
17 CIMB Bank Plc.	1,164,620	1,078,628	93%	1,083,836	840,773	78%
18 First Commercial Bank, Phnom Penh Branch*	512,453	1,250,977	244%	456,989	913,265	200%
19 Foreign Trade Bank of Cambodia	2,432,578	1,586,879	65%	1,955,769	1,479,947	76%
20 Hong Leong Bank (Cambodia) Plc.	255,823	381,626	149%	87,913	198,577	226%
21 ICBC Limited Phnom Penh Branch*	303,899	1,333,466	439%	452,187	1,738,021	384%
22 Kookmin Bank Cambodia Plc.	74,201	190,156	256%	135,440	185,014	137%
23 Krung Thai Bank Public Co., Ltd. P.P. Branch*	138,711	335,289	242%	136,682	223,943	164%
24 Maruhan Japan Bank Plc.	336,877	289,937	86%	399,053	224,465	56%
25 May Bank (Cambodia) Plc.	2,059,414	1,977,773	96%	1,487,343	1,433,662	96%
26 MB Bank Plc. Phnom Penh Branch*	77,538	411,082	530%	40,114	266,647	665%
27 Mega International Commercial Bank Co., Ltd. P.P. Branc	433,047	900,602	208%	269,422	484,672	180%
28 Phillip Bank Plc.	174,686	273,050	156%	108,802	154,261	142%
29 Phnom Penh Commercial Bank	1,137,409	914,301	80%	679,550	684,379	101%
30 RHB Indochina Bank Ltd	887,752	1,380,125	155%	572,409	873,971	153%
31 SACOM Bank (Cambodia) Plc.	218,113	460,373	211%	191,715	438,123	229%
32 SHB Plc. Phnom Penh Brach	85,627	840,368	981%	83,534	591,069	708%
33 Shinhan Khmer Bank Plc.	113,002	307,082	272%	119,621	350,799	293%
34 Taiwan Cooperative Bank P.P Branch*	83,029	420,777	507%	39,346	148,024	376%
35 Union Commercial Bank Plc.	1,774,251	1,732,236	98%	1,429,628	1,224,232	86%
36 Vattanac Bank	1,067,506	761,997	71%	1,069,112	557,679	52%
Sub-total	**46,340,734**	**46,765,254**	**100.9%**	**39,713,667**	**37,429,144**	**94.2%**
Specialized Banks						
37 Anco Specialized Bank	-	55,619	-	-	43,173	-
38 Angkor Capital Specialized Bank	361	19,543	5407%	1,190	85,295	7167%
39 Cam Capital Specialized Bank	-	252,379	-	-	173,936	-
40 CAMKO Specialized Bank	56	36,336	64877%	55	36,245	66080%
41 Chief (Cambodia) Specialized Bank Plc.	-	101,059	-	-	37,719	-
42 First Investment Specialized Bank	-	22,157	-	-	29,138	-
43 Oxley Worldbridge Specialized Bank Plc.	-	16,359				
44 PHSME Specialized Bank Ltd.	391	33,057	8460%	783	30,275	3869%
45 Rural Development Bank	4,488	227,591	5072%	11,301	189,186	1674%
46 Tomato Specialized Bank	6	25,172	454052%	34	26,508	77838%
47 Wing (Cambodia) Limited Specialized Bank	-	-				
Sub-total	**5,301**	**789,271**	**14888.2%**	**13,362**	**651,474**	**4875.5%**
Total	**46,346,035**	**47,554,525**	**102.6%**	**39,727,029**	**38,080,618**	**95.9%**

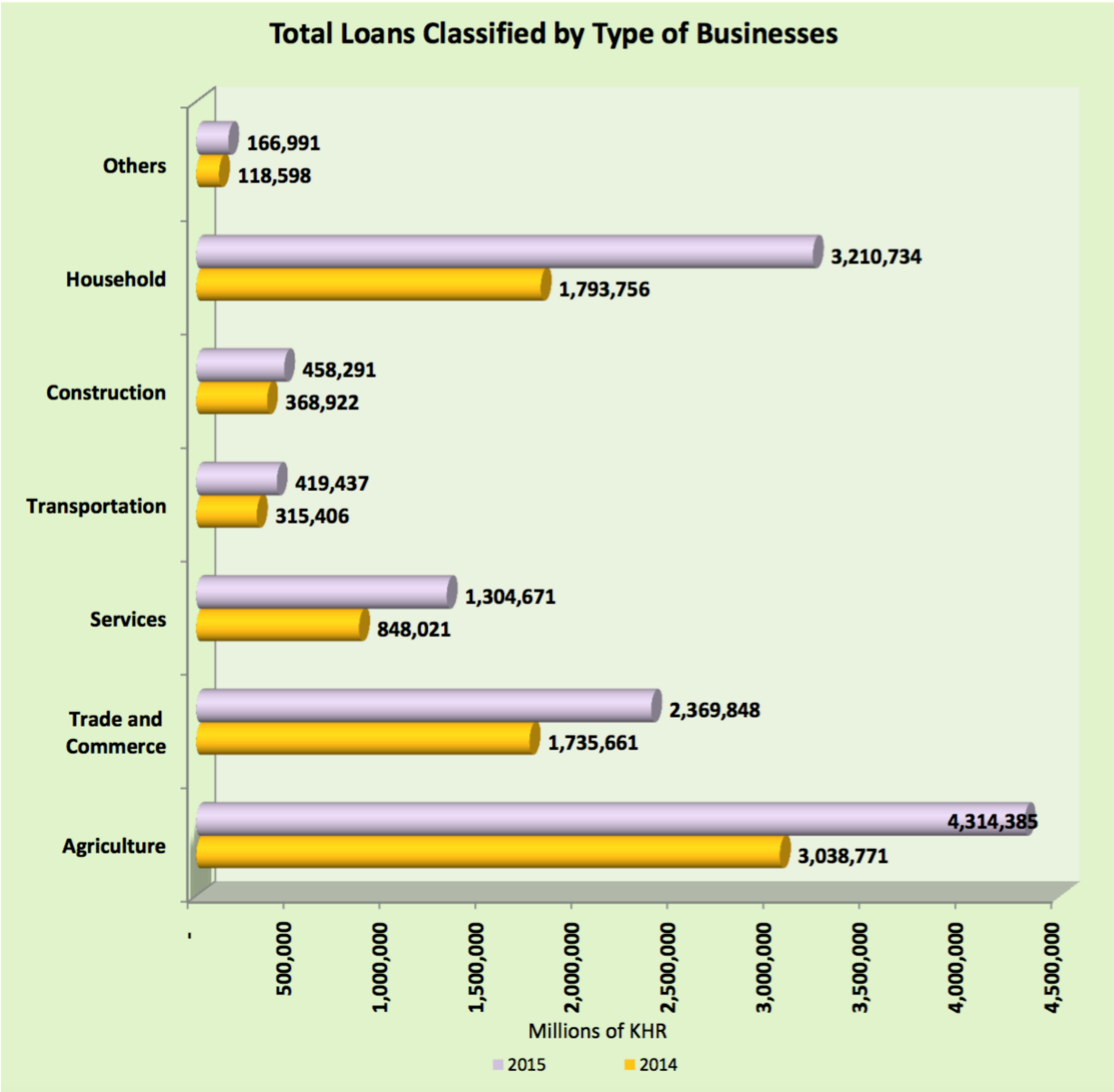
Appendix 2

LOAN AND NON-PERFORMING LOANS (NPLS)
AS OF DECEMBER 31, 2015

Table 30 — 1 USD = 4,050 KHR — *(millions of KHR)*

		2015			2014		
		NPLs	Loans	***NPLs Ratio***	NPLs	Loans	***NPLs Ratio***
Microfinance Deposit Taking Institutions (MDIs)							
1	AMK Co., Ltd.	2,113	519,691	0.4%	606	392,559	0.2%
2	Amret Co., Ltd	2,863	1,666,219	0.2%	848	1,171,700	0.1%
3	Hattha Kaksekar Limited	1,195	1,472,191	0.1%	262	1,019,535	0.0%
4	Kredit Microfinance Institution Plc	3,179	520,727	0.6%	1,270	409,466	0.3%
5	LOLC (Cambodia) PLc	1,848	762,837	0.2%	72	470,142	0.0%
6	Prasac Microfinance Institution Limited	10,235	3,469,199	0.3%	4,868	2,365,716	0.2%
7	Sathapana Limited	3,000	1,911,676	0.2%	1,965	1,268,929	0.2%
8	Visionfund (Cambodia) Ltd	3,008	511,645	0.6%	938	370,424	0.3%
	Sub Total	**27,440**	**10,834,185**	**0.3%**	**10,829**	**7,468,472**	**0.1%**
Microfinance Institutions (MFIs)							
9	Active People's Microfinance Institution Plc	33,869	73,438	46.1%	29,345	58,767	49.9%
10	AEON Microfinace (Cambodia) Co., Ltd	3,825	113,032	3.4%	2,134	84,862	2.5%
11	Angkor ACE Star Credits Limited	-	8	-	104	201	51.7%
12	Apple Finance Plc	-	266	-	-	-	-
13	Bamboo Finance Plc	144	3,804	3.8%	-	-	-
14	BAYON Credit Limited	698	8,527	8.2%	338	5,650	6.0%
15	BORIBO Microfinance Institution Plc	48	10,641	0.5%	110	4,454	2.5%
16	Camma Microfinance Limited	241	24,013	1.0%	208	19,301	1.1%
17	Cellcard Finance Plc	-	1,669	-	-	-	-
18	Century Cambo Development Plc	-	17	-	-	-	-
19	Chamroeun Microfinance Limited	1,040	35,402	2.9%	182	30,421	0.6%
20	City Microfinance Plc	618	17,162	3.6%	311	8,683	3.6%
21	Delta Microfinance Plc	399	33,640	1.2%	67	10,904	0.6%
22	Entean Akpevath Pracheachun Limited	492	13,936	3.5%	368	11,841	3.1%
23	Farmer Finance Ltd	67	1,603	4.2%	26	1,544	1.7%
24	Farmer Union Development Fund	-	7,243	-	-	7,288	-
25	Samporn Samakum Sahakreas Thuntoch Neung Matjum Kan	-	6,176	-	-	-	-
26	Fisrt Finance Plc	3,158	86,953	3.6%	1,665	63,471	2.6%
27	Green Central Microfinance Ltd	360	31,946	1.1%	18	31,994	0.1%
28	Intean Poalroath Rongroeurng Ltd	472	38,026	1.2%	171	30,901	0.6%
29	KBSC (Cambodia) Microfinance Institution Plc	-	8,300	-	-	-	-
30	KEY Microfinance Institution Plc	1,806	4,190	43.1%	337	5,355	6.3%
31	Khemarak Microfinance Institution Limited	635	3,300	19.2%	1,054	3,117	33.8%
32	LY HOUR Microfinance Institution Plc	173	139,133	0.1%	253	114,225	0.2%
33	Maxima Mikroheranhvatho Plc	218	32,465	0.7%	61	17,665	0.3%
34	Microfinance Amatak Capital Plc	30	9,472	0.3%	52	5,024	1.0%
35	Mohanokor Microfinance Plc	1,540	38,494	4.0%	-	-	-
36	Nirorn Microfinance Plc	3,785	45,371	8.3%	212	10,986	1.9%
37	Oro Microfinance Plc	9,345	94,571	9.9%	-	37,523	-
38	Piphup Thmey Microfinance Plc	1,469	229,924	0.6%	-	-	-
39	Prime MF Microfinance Institution Ltd	113	28,028	0.4%	8	21,414	0.0%
40	Prince Finance Plc	-	7,924	-	-	-	-
41	Royal Microfinance Plc	32	2,111	1.5%	-	-	-
42	Sachak Microfinance Plc	-	4,599	0.0%	-	3,897	-
43	Sahakrunpheap S.T Microfinance Plc	927	5,025	18.4%	-	-	-
44	Sambat Finance Plc	2	12,253	0.0%	-	-	-
45	SAMIC Microfinance Institution Plc	1,110	56,682	2.0%	444	48,697	0.9%
46	Samrithisak Microfinance Limited	307	31,281	1.0%	262	22,137	1.2%
47	Seilanithih Limited	167	14,087	1.2%	117	18,719	0.6%
48	Sonatra Microfinance Institution Plc	-	28,585	-	-	24,286	-
49	Srey Oudom Microfinance Plc	-	16,631	-	-	-	-
50	Taca Microfinance Plc	59	3,776	1.6%	-	3,826	-
51	TBB (Cambodia) Microfinance Institution Plc	-	5,796	-	-	-	-
52	Woori Finance Cambodia Plc	80	64,264	0.1%	71	33,590	0.2%
53	YCP Microfinance Limited	119	16,406	0.7%	31	9,921	0.3%
	Sub Total	**67,348**	**1,410,171**	**4.8%**	**37,947**	**750,665**	**5.1%**
	Total	**94,788**	**12,244,357**	**0.8%**	**48,777**	**8,219,136**	**0.6%**

Appendix 3


Total Loans Classified by Type of Businesses
Others
166,991
118,598
Household
3,210,734
1,793,756
Construction
458,291
368,922
Transportation
419,437
315,406
Services
1,304,671
848,021
Trade and Commerce
2,369,848
1,735,661
Agriculture
4,314,385
3,038,771
-
500,000
1,000,000
1,500,000
2,000,000
2,500,000
3,000,000
3,500,000
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Millions of KHR
2015
2014