



NATIONAL BANK OF CAMBODIA

Number B7-016-117-Pro. Kor

Unofficial Translation

PRAKAS
ON
MINIMUM REGISTERED CAPITAL OF
BANKING AND FINANCIAL INSTITUTIONS

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Decree NS/RKT/0515/417 of May 11, 2015 on the reappointment of His Excellency Chea Chanto as Governor General of the National Bank of Cambodia, equivalent to Senior Minister;
- With reference to the Royal Kram NS/RKM/0196/27 of January 26, 1996 promulgating the Law on Organization and Conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1206/036 of December 29, 2006 promulgating the Law on the Amendment of Article 14 and 57 of the Law on Organization and Conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999 promulgating the Law on Banking and Financial Institutions;
- With reference to Prakas No B8-98-385 Prokor dated 20 July, 1998 on Organizational Structure of the National Bank of Cambodia and functions-duties of all departments of the National Bank of Cambodia;
- With reference to Prakas No B1-010-194 Prokor dated 26 November 2010 on the amendment of Article 3, Article 4, Article 5, Article 12 and Article 13 of Prakas on Organizational Structure of the National Bank of Cambodia and functions-duties of all departments of the National Bank of Cambodia;
- With reference to Prakas No. B7-00-06 Prokor dated 11 January 2000 on the Licensing of Microfinance Institutions;
- With reference to Prakas No. B7-07-163 Prokor dated 13 December 2007 on Licensing of Microfinance Deposit Taking Institutions;
- With reference to Prakas No. B7-08-193 Prokor dated 19 September 2008 on New Capital Requirement and Criteria for Licensing Approval of Banks;
- Pursuant to the recommendation made by the National Bank of Cambodia Management meeting on 21 March 2015.

Decides

Article 1.-

The purpose of this Prakas is to redefine the minimum registered capital for banking and financial institutions.

Article 2.-

The objective of this Prakas is to strengthen the capital base of banking and financial institutions.

Article 3.-

Commercial bank incorporated as foreign branch, whose parent bank is rated "investment grade" by a reputable and international independent rating agency, shall have a minimum registered capital of at least KHR 200,000,000,000 (two hundred billion riel).

Foreign branch shall inform the National Bank of Cambodia immediately if their parent bank's rating is downgraded below "investment grade".

Foreign branch shall have a minimum registered capital as of the bank specified in Article 4 of this Prakas in the event that its parent bank does not have "investment grade" rating.

Article 4.-

Commercial bank locally incorporated as local company or foreign subsidiary shall have a minimum registered capital of at least KHR 300,000,000,000 (three hundred billion riel).

Article 5.-

Specialized bank locally incorporated shall have a minimum registered capital of at least KHR 60,000,000,000 (sixty billion riel).

Article 6.-

Microfinance deposit taking institution shall have a minimum registered capital of at least KHR 120,000,000,000 (one hundred twenty billion riel).

Article 7.-

Microfinance institution shall have a minimum registered capital of at least KHR 6,000,000,000 (six billion riel).

Article 8.-

All banks and financial institutions shall increase their capital to the amount of the minimum registered capital as defined in Article 3, 4, 5, 6 and Article 7 of this Prakas within 2 (two) years starting from the signing date of this Prakas.

Article 9.-

The following provisions shall be repealed:

- Article 4 of the Prakas No. B7-00-06 Prokor dated 11 January 2000 on Licensing of Microfinance Institutions
- Article 2 (point 3) of the Prakas No. B7-07-163 Prokor dated 13 December 2007 on Licensing of Microfinance Deposit Taking Institutions
- Article 7, Article 8, and Article 10 of the Prakas No. B7-08-193 Prokor dated 19 September 2008 on New Capital Requirement and Criteria for Licensing Approval of Banks

Article 10.-

The General Secretary, the General Director of Central Banking, the General Director of Banking Supervision, the General Cashier, the General Inspector, Directors of all relevant Departments in the National Bank of Cambodia, and Chief Executive Officer of all Banks and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article 11.-

This Prakas shall take effect from this signing date.

Phnom Penh, 22 March 2016

The Governor

Signed and Sealed: **Chea Chanto**

To:

- As stated in article 10 "for implementation"
- Files - archives

Cc:

- All members of the Board of Directors
- Council of Minister
"for information"
- Administrative Department of CM
"for publication in the National Gazette"