



Cambodia: Expanding Micro, Small, and Medium-Sized Enterprise Lending Project

Project Name	Expanding Micro, Small, and Medium-Sized Enterprise Lending Project		
Project Number	50292-001		
Borrower/Company	PRASAC Microfinance Institution Limited		
Country	Cambodia		
Location	Nation-wide		
Approval Number	7562/3681		
Type of ADB Assistance / Amount	3681	Ordinary capital resources	USD 40.00 million Approved
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Private sector development		
Sector / Subsector	Finance - Inclusive finance		
Gender Equity and Mainstreaming	Gender equity		
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Private Sector Financial Institutions Division		
Responsible ADB Officer	Bracey, Pamela		
Project Sponsor(s)			
Description			
Objectives and Scope	ADB supports the growth of PRASAC's financing portfolio for micro, small, and medium-sized enterprises (MSMEs), providing needed financial products and services to this underserved segment.		
Linkage to Country/Regional Strategy	ADB's Midterm Review of Strategy 2020 emphasizes ADB's support for the financial sector by helping to develop financial infrastructure, institutions, and products and services. The transaction will contribute to financial sector development by supporting an investment that promotes more inclusive economic growth by fostering MSMEs through enhanced access to long-term finance.		

Safeguard Categories

Environment	FI
Involuntary Resettlement	FI
Indigenous Peoples	FI

Summary of Environmental and Social Aspects

Environmental Aspects	The ESMS of PRASAC is currently aligned with the International Finance Corporation (IFC) requirements for financial intermediaries. The bank's policy statement endeavors to effectively manage the environmental and social impacts of all its activities, products and services. It is committed to ensure that activities (from design to maintenance of a financed project) is undertaken in accordance with all applicable national laws on environment, social, health, safety, and any established standards. PRASAC will amend its ESMS to comply with ADB's Safeguard Policy Statement and will apply ADB's prohibited investment activities list. Pursuant to ADB's Social Protection Strategy, PRASAC will also take measures to comply with internationally recognized core labor standards.
Involuntary Resettlement	There is no anticipated involuntary resettlement impact based on the exclusion list.
Indigenous Peoples	The project is not expected to entail any significant impact on indigenous peoples.

Stakeholder
Communication,
Participation, and
Consultation

The project's primary stakeholders are MSMEs in Cambodia's rural and semi-urban areas. PRASAC has identified a large unbanked and underserved market in rural areas that can contribute to greater inclusion in productive economic activity if given access to their lending products. PRASAC has assessed the needs of these clients through market research and information outreach activities. PRASAC will continue to work with its clients and untapped markets to improve understanding of their needs and adapt products to serve them better.

Timetable for assistance design, processing and implementation

Concept Clearance	14 Sep 2016
Due Diligence	
Credit Committee Meeting	30 May 2018 to 30 May 2018
Approval	17 Jul 2018
Last PDS Update	18 Sep 2018

Project Page	https://www.adb.org/projects/50292-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=50292-001
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