



Cambodia: Supporting Inclusive Finance through Greenfield Banking

Project Name	Supporting Inclusive Finance through Greenfield Banking		
Project Number	51160-001		
Borrower/Company	BRED Bank Cambodia		
Country	Cambodia		
Location	Nation-wide		
Approval Number	7546		
Type of ADB Assistance / Amount	7546	Ordinary capital resources	USD 10.00 million Approved
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Private sector development		
Sector / Subsector	Finance - Finance sector development		
Gender Equity and Mainstreaming	Effective gender mainstreaming		
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Private Sector Financial Institutions Division		
Responsible ADB Officer	Perez, Gema		
Project Sponsor(s)			
Description	\$10 million equity investment		
Objectives and Scope	Support the launch and roll-out of a new bank, BRED Bank Cambodia (BBC) supported by BRED Banque Populaire, a French regional cooperative bank with an interest and experience in promoting inclusive banking in emerging markets.		
Linkage to Country/Regional Strategy	Under ADB's Midterm review of Strategy 2020, ADB aims to strengthen its support for the finance sector by assisting the development of financial infrastructure, institutions, and products and services; and by promoting inclusive growth. ADB has been in partnership with the Government of Cambodia since 1999, working on finance sector reform under several programs, including the development of the 10-year rolling finance sector development strategy for 2011-2020.		

Safeguard Categories

Environment	FI
Involuntary Resettlement	FI
Indigenous Peoples	FI

Summary of Environmental and Social Aspects

Environmental Aspects	The transaction's potential environment and social impacts, its risks associated with BBC's existing and/or likely future portfolio, and BBC's commitment and capacity for environmental and social management, have been assessed. BBC reported that it has not provided loans for business activities on ADB's prohibited Investment Activity List and all large corporate loan applications are assessed for compliance with national laws and regulations. BBC will apply and ensure that its borrowers abide by applicable national laws and regulations, and comply with ADB's Safeguard Policy Statement. BBC will approve an appropriate ESMS framework satisfactory to ADB before subscription. ADB will work with BBC to develop an appropriate ESMS commensurate with the environmental and social risks and impacts associated with its customers' activities within a mutually agreed time frame, and in coordination with the IFC. BBC will appoint a qualified officer to oversee environmental and social aspects of the ESMS.
Involuntary Resettlement	BBC will establish and maintain an appropriate ESMS framework satisfactory to ADB before subscription. ADB will work with BBC to develop an appropriate ESMS commensurate with the land acquisition related risks and impacts associated with its borrower's activities. The ESMS will include a procedure to screen for involuntary displacement impacts on non-titled land users by borrower's business activities to ensure BBC loan proceeds are used in compliance with national law and ADB's Safeguard Policy Statement (2009).

Indigenous Peoples	BBC will approve an appropriate ESMS framework satisfactory to ADB before subscription. ADB will work with BBC to develop an appropriate ESMS commensurate with the environmental and social risks and impacts associated with its borrower's activities within a mutually agreed time frame and in coordination with the other Development Finance Institution investors. The ESMS will include a procedure to screen for indigenous peoples impacts resulting from borrower business activities. The ESMS will include a procedure to screen in compliance with national law and ADB's Safeguard Policy Statement.
Stakeholder Communication, Participation, and Consultation	The project presents limited opportunity for the involvement of civil society organizations.

Timetable for assistance design, processing and implementation

Concept Clearance	03 Jul 2017
Due Diligence	
Credit Committee Meeting	11 Dec 2017 to 11 Dec 2017
Approval	09 Feb 2018
Last PDS Update	19 Sep 2018

Project Page	https://www.adb.org/projects/51160-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=51160-001
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