Early Warning System

AIIB-000562

Cambodia: Cambodia PRASAC COVID-19 Response Facility

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Quick Facts

Countries	Cambodia
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2022-04-13
Borrower	PRASAC Microfinance Institution Plc. (“PRASAC”)
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 75.00 million
Loan Amount (USD)	$ 75.00 million

Project Description

According to the bank's website, the project aims to "increase access to finance by micro, small, and medium sized enterprises (MSMEs) that are affected by the economic upheaval during the COVID-19 pandemic. This will be achieved by enhancing PRASAC’s capacity to provide critical liquidity financing support to its MSME clients during this acute shock, which in turn will support MSMEs’ active participation in the economic recovery process in Cambodia."

Early Warning System Project Analysis

The AIIB categorized the project E&S risk as 'FI'.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- PRASAC Microfinance Institution Limited (Financial Intermediary) **is owned by** KB Financial Group (Parent Company)

Private Actors Description

As stated by Finnfund, Prasac, one of the leading microfinance institution in Cambodia, provides banking services particularly to small and medium-sized enterprises such as small farms and grocery stores in rural and remote areas.

Contact Information

Financial Intermediary - PRASAC Microfinance Institution Plc:

Woon Sooyeon - Executive Vice President & Chief Financial Officer
Email: sooyeon.won@prasac.com.kh
Email: lender.relationship@prasac.com.kh

AIIB Team Leader:

Neeraj Jain - Senior Investment Officer
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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.aiib.org/en/contact/information-request/index.html

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides Òan opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html

Bank Documents

- Project Summary (March 18, 2022) [Original Source]

Campaign Documents

- Learn more: This project is tracked by AIIB Watch.
- LICADHO: Statement | AIIB Loans to Cambodian Microlenders Risk Worsening a Human Rights Crisis