

 Early Warning System

IFC-44211

WCS COVID HKL



## Quick Facts

<b>Countries</b>	Cambodia
<b>Financial Institutions</b>	International Finance Corporation (IFC)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	FI
<b>Voting Date</b>	2020-06-26
<b>Borrower</b>	HATTHA KAKSEKAR LIMITED
<b>Sectors</b>	Education and Health, Finance
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 25.00 million
<b>Loan Amount (USD)</b>	\$ 25.00 million



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## Project Description

According to IFC, the project intends to provide up to US\$25 million of liquidity to HKL, which will then on lend to approximately 3,000 MSME clients. Market Creation: By sustaining the ability to provide these services, IFC's facility is intended to promote jobs as well as broader stability that comes about by providing for the going concern of market participants in Cambodia.



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## Investment Description

- International Finance Corporation (IFC)

## 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.

- [Hattha Kaksekar Limited](#) (Financial Intermediary)



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### Private Actors Description

Established in 1994 as a food security project by OCSD/OXFAM-Quebec, a Canadian organization, HKL registered as an NGO in 1996, and then gradually expanded to become a registered microfinance institution in 2001. It obtained its microfinance deposit taking institutions (“MDI”) license in 2010.

HKL is an existing portfolio client of IFC and one of leading MDI in Cambodia. As of April 30, 2020, HKL operates with an asset base of around US\$1.25 billion, serving close to 152,200 borrowers. HKL provides loans, savings, and other inclusive financial services countrywide, in particular to women and farmers in rural areas.

HKL is 100 per cent owned by the Thailand-based Bank of Ayudhya (“Krungsri”) (“BAY”), itself a 76.88 per cent owned subsidiary of the Japanese banking conglomerate, Mitsubishi UFJ Financial Group (“MUFG”).



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### Contact Information

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### ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>