Early Warning System

IFC-46195

HTB Women

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Quick Facts

Countries	Cambodia
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2022-04-04
Borrower	HATTHA BANK PLC.
Sectors	Finance
Investment Type(s)	Loan
Loan Amount (USD)	$ 100.00 million

Project Description

According to the bank's website, "the proposed investment is a 5-year senior loan of up to US$100 million to Hattha Bank Plc. (HTB or the Bank), formerly Hattha Kaksekar Limited (HKL), consisting of an A Loan, for IFC’s own account, of up to US$25-50 million and a mobilization of up to US$50-75 million. IFC’s investment will be exclusively used for on-lending to women-owned micro, small and medium enterprises (WMSMEs) in Cambodia to support the growth of HTB’s WMSME portfolio (the Project), which is expected to contribute to narrowing the financing gap to WMSMEs in Cambodia. The Project is expected to be consecutively supported by the Women Entrepreneurs Opportunity Facility (WEOF) and the Women Entrepreneurs Finance Initiative (We-Fi) as described in the Blended Finance Section."

People Affected By This Project

Project outcome: The Project will contribute towards narrowing the WMSME financing gap by providing additional loans to WMSMEs during the tenor of the loan. This is expected to increase economic activity and job creation in Cambodia to expedite post-crisis recovery.

Market-level outcome: IFC’s engagement with the Bank will mobilize private sector investors to support the financial sector in Cambodia and increase access to finance to the underserved WMSMEs.

Investment Description

- International Finance Corporation (IFC)

The proposed Project consists of an IFC’s own account senior A Loan of up to US$25-50 million and a senior syndicated loan of up to US$50-75 million, to support the Bank’s financing to WMSMEs

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 Bank Plc. (Financial Intermediary)

Private Actors Description

According to the IFC, HTB has been operating and providing financial services in Cambodia since 1994. HTB, formerly Hattha Kaksekar Limited, the 2nd largest microfinance deposit-taking institution (MDI) in Cambodia, was licensed by the National Bank of Cambodia to operate as a commercial bank in August 2020. The Bank has total assets of about US$2.0 billion and a gross loan portfolio of about US$1.7 billion as of December 31, 2021, with a nationwide presence at 177 branches in 25 cities and provinces, the 2nd largest network among commercial banks in Cambodia. The Bank also has an extensive reach to rural borrowers, including WMSMEs.

The Bank is wholly owned by Bank of Ayudhya Public Company Limited (BAY), one of the leading commercial banks in Thailand. BAY is 76.88% owned by MUFG Bank in Japan.

Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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 You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org