

**PRAKAS**  
**ON**  
**LIQUIDITY RATIO APPLICABLE TO LICENSED**  
**MICROFINANCE INSTITUTIONS**

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**Article 1**

Licensed Microfinance Institutions shall at all times maintain a liquidity ratio of at least 100%.

**Article 2**

The liquidity ratio will be calculated as follows:

- *Numerator*: cash on hand, plus deposits with the National Bank of Cambodia, plus deposits with banks, minus the amount owed to the National Bank of Cambodia and banks (net liquidity), plus the portion of loans outstanding maturing in less than one month
- *Denominator*: 25% of voluntary savings, excluding compulsory savings.

**Article 3**

Licensed Microfinance Institutions shall file monthly calculations of their liquidity ratio in accordance with the reporting format prepared by the National Bank of Cambodia.

**Article 4**

Violations to the provisions of this Prakas may give rise to disciplinary sanctions as set forth in Article 52 of the *law on Banking and Financial Institutions*.

**Article 5**

All provisions contrary to this Prakas are hereby repealed.

**Article 6**

The General Direction, the General Secretariat, the General inspection, the General Cashier and all departments of the NBC, and all Micro Financial Institutions under of the NBC supervisory authority shall strictly implement this Prakas.

**Article 7**

This Prakas shall have effect from the signing date.

Phnom Penh, 25 February 2002

**The Governor**

Signed and sealed: **Chea Chanto**