



KINGDOM OF CAMBODIA
NATION RELIGION KING

NATIONAL BANK OF CAMBODIA

Number B7-024-429 Pro.Kor

(Unofficial Translation)

PRAKAS
ON
LIQUIDITY RATIO
FOR NON-DEPOSIT TAKING BANKS AND FINANCIAL INSTITUTIONS

The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Decree NS/RKT/0723/1675 of July 29, 2023, on the appointment of Her Excellency Chea Serey as Governor General of the National Bank of Cambodia, equivalent to Senior Minister;
- With reference to the Royal Kram NS/RKM/0196/27 of January 26, 1996, promulgating the Law on Organization and Conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1206/036 of December 29, 2006, promulgating the Law on the Amendment of Articles 14 and 57 of the Law on Organization and Conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999 promulgating the Law on Banking and Financial Institutions;
- Pursuant to the recommendation made by the National Bank of Cambodia Management meeting on July 9, 2024.

Decides

Article 1.-

The purpose of this Prakas is to set minimum liquidity ratio requirements for non-deposit taking banks and financial institutions. These requirements aim to ensure adequacy of liquidity for financial obligations within 30 days and promoting resilience for preventing liquidity risk.

Article 2.-

This Prakas is applicable to non-deposit taking banks and financial institutions under the National Bank of Cambodia's (NBC) supervisory authority, namely specialized banks providing loan, non-deposit taking microfinance, rural credit and financial lease institutions, hereinafter referred to as "Institution".

The Institution shall calculate liquidity ratio (LR) both on solo basis and on a consolidated basis where relevant.

Article 3.-

The Institution shall have liquidity risk management framework and appropriate internal controls to make sure that the Institution comply with the regulatory requirements stated in this Prakas.

Board of directors of the Institution shall articulate liquidity risk appetite and risk tolerance in accordance with the size and complexity of the Institution's activities. The board of director shall approve the liquidity risk management strategy and policies in accordance with risk appetite and risk tolerance.

Senior management of the Institution shall be responsible for implementing the liquidity risk management strategy and policies which are approved by the board of director. Senior management shall be responsible for instituting a system that would ensure compliance with the minimum liquidity requirements, the accuracy of their calculations and the integrity of related monitoring and reporting systems.

Senior management shall immediately report to the board of directors in the event of that the Institution faces a drop in the minimum LR requirement.

The Institution shall inform the NBC without any delay of any concerns it has about its current and future liquidity, and its plans to address these concerns.

In addition to the obligations set out in this Prakas, the Institution shall comply with the Prakas on Liquidity Risk Management Framework for Banking and Financial Institutions.

Article 4.-

The Institution shall, at all times, maintain a minimum LR of 100% (one hundred percent).

Components to be calculated for LR included:

- Numerator: liquid assets plus total expected weighted cash inflows within 30 days
- Denominator: total expected weighted cash outflows within 30 days.

Formula:

$$LR = \frac{\text{Liquid Assets} + \text{Total expected weighted cash inflows within 30 days}}{\text{Total expected weighted cash outflows within 30 days}} \geq 100\%$$

where:

- **Liquid assets:** are defined in part "A" of Appendix 1 of this Prakas.
- **Total expected weighted cash inflows within 30 days:** are all the inflows that Institution expect to receive within the next 30 days from item 2.1 to 2.5 in Appendix 1 of this Prakas. The Institution shall only include contractual inflows from outstanding exposures that are performing and for which the Institution has no reason to expect a default within 30 days.
- **Total expected weighted cash outflows within 30 days:** are all the outflows Institution will incur within the next 30 days to fulfill their outstanding liabilities in due time and off-balance sheet commitments from item 3.1 to 3.8 in Appendix 1 of this Prakas.

The Institution shall calculate the LR by using the template provided in Appendix 2 of this Prakas. Each component of numerator and denominator are defined in Appendix 1 of this Prakas.

Article 5.-

The Institution shall separately calculate the LR for assets and liabilities denominated in Khmer riel, U.S. dollar, other currencies jointly, and all currencies consolidated (KHR, USD and other Currencies). The regulatory requirement of this Prakas applies to the LR calculated in all currencies consolidated expressed in KHR.

The Institution shall also prepare a report, as in the sample report in Appendix 2, of non-current liquid assets, which are not included in the calculation of the LR. Non-current liquid asset refers to assets or other significant inflows that are potentially available within 30 days but mature beyond 30 days (As defined in Appendix 1).

Article 6.-

The Institution shall submit quarterly report on LR on solo basis to the NBC no later than the 10th day of the first month of the following quarter and shall submit quarterly report on a consolidated basis, if any, no later than the 15th day of the first month of the following quarter by using the templates provided in Appendix 2.

Where necessary, the NBC may require the Institution to submit the report on LR more frequently.

Article 7.-

Any Institution failing to comply with this Prakas shall be penalized according to Article 52 of Law on Banking and Financial Institutions.

Article 8.-

In addition to the above disciplinary sanctions, the NBC may impose transactional fines as follow:

1. Any Institution failing to comply with the provision of Article 6 of this Prakas shall be liable to transactional fine of KHR 500,000 (five hundred thousand riels) per day; and
2. Any Institution failing to comply with this Prakas except item 1 of this Article shall be liable to transactional fine of KHR 2,000,000 (two million riels) per day counting from the deadline the NBC requires the Institution to take corrective action.

Article 9.-

Prakas N° B7-02-48 Prokor dated February 25, 2002 on Liquidity Ratio Applicable to Licensed Microfinance Institution and any regulations that are contrary to this Prakas shall be hereby repealed.

Article 10.-

The General Secretary, the General Director of Banking Supervision, the General Director of Operation, the General Director of Policy and International Cooperation, the General Inspector, The General Cashier, all relevant departments of the National Bank of Cambodia, specialized banks providing loan, non-deposit taking microfinance, rural credit and financial lease institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article 11.-

This Prakas shall have effect from the signing date.

Phnom Penh, July 22, 2024

The Governor

Signed and Sealed: **Chea Serey**

To:

- As stated in article 10 "for implementation"
- Files-archives

Cc:

- All members of the Board of Directors
- Council of Minister
"for information"
- Administrative Department of CM
"for publication in the National Gazette"

Appendix 1

Instruction for filling the Liquidity Ratio Reporting Template

A. Definitions

In completing the liquidity ratio report in Appendix 2, certain definitions are defined as follows:

Bank and financial institutions (BFIs) refer to any provider of financial services that has been licensed by with the National Bank of Cambodia (NBC), and any similar entity licensed or authorized abroad by any authority in charge of the licensing of banks.

Other financial institutions (OFIs) refer to any provider of financial services other than BFIs; includes insurers, pension funds, and securities firms.

Liquid asset refers to cash or cash equivalents which can be converted into cash immediately, with or without minimal losses.

Unencumbered asset refers to an asset free of any legal, regulatory, contractual or other restriction on the ability of the institution to liquidate, sell, transfer or assign the asset.

Credit line refers to a preset borrowing limit open up in favor of customers or the credit level for which the institution has obtained prior approval from the banking and finance and/or creditors.

Repurchase agreement (Repo) refers to a transaction where one party sells securities against cash to another party with the commitment to re-purchase the securities at a specified date at a pre-determined price.

Reverse repurchase agreement (Reverse repo) refers to a transaction where one party purchases securities against cash to another party with the commitment to resell the securities at a specified date at a pre-determined price.

B. Specifications on the Liquidity Ratio Template

1. Liquid assets

All assets that are included in liquid assets category are weighted 100%. For the purposes of this Prakas, the accepted liquid assets are determined as follows:

It 1.1: All notes held by the institutions (cash in vault and transit).

It 1.2: Deposits with the NBC excluding settlement account and capital guarantee account.

It 1.3: Demand and/or saving deposits with banks and financial institutions.

2. Expected Cash Inflows within 30 days

When considering their available cash inflows, the Institution should only include contractual inflows (including interest payment) from outstanding exposures that are performing and for which the Institution have no reason to expect a default within 30 days. Expected cash inflow within 30 days shall be reported as below:

It 2.1: Report the amounts of term deposits held in BFIs, for those maturing within the next 30 days, with a 100% weighting. Term deposits with BFIs maturing beyond 30 days (including interest receivable) although the Institution is contractually allowed to withdraw these deposits before the maturity date, the Institution is not allowed to report in this item 2.1.

It 2.2: Report contractual irrevocable borrowings from BFIs to be received within 30 days. In case some irrevocable borrowings that are received in stages, the Institution shall report only the portion of the borrowings that will be received within 30 days. This item is weighted 100%.

Expected cash inflow from credit lines and other committed facilities on off balance sheet are not allowed to be included in any expected cash inflow items.

It 2.3: Report expected cash inflow of the outstanding amount (principal and/or interest) of reverse repos contract and other securities maturing within 30 days.

The Institution shall report the outstanding amount of reverse repos which have collateral as Negotiable Certificate of Deposits (NCD) issued by the National Bank of Cambodia and securities issued or guaranteed by the Royal Government of Cambodia. However, the reverse repos contract with collateral other than NCD issued by the National Bank of Cambodia and securities issued or guaranteed by the Royal Government of Cambodia is not allowed to be calculated in the liquidity ratio.

For other securities, the Institution shall report the outstanding amount (principal and/or interest) of NCD issued by the National Bank of Cambodia and securities issued or guaranteed by the Royal Government of Cambodia. This item is weighted 100%.

It 2.4: Report the contractual amount (principal and/or interest) of expected cash inflows from loans and financial leases that are performing (Normal and Special Mention) and contractually due within 30 days and/or credit cards. For credit card, the Institution shall the expected cash inflows from the full repayment of the balance used by the customers due in the next 30 days. This item is weighted 75%.

It 2.5: Report the expected cash inflows from irrevocable borrowings from OFIs, or other legal entities to be received within 30 days. This item is weighted 25%.

3. Expected Cash Outflows within 30 days

Expected cash outflows are the cash that is expected to be disbursed as fulfillment from the various categories or types of outstanding liabilities and off-balance sheet commitments. Expected cash outflow within 30 days is the sum of the cash flows after weighting. Weighted cash outflow is equal to the pre-weighted cash outflow multiplied by 100%, except for the item

3.4, 3.5 and 3.6, which are multiplied by 50%. Expected cash outflows within 30 days shall be reported as below:

It 3.1: Report the contractual amount of repayment of borrowings (principal and/or interest) falling due within the next 30 days.

For the borrowing which can be called by creditors before the maturity, the Institution shall also report the contractual amount that the Institution is obliged to repay. In case the right to early repayment requires prior notice, upon receipt of the notice, the Institution should report the amount to be reimbursed according to the notice within the next 30 days. This item is weighted 100%.

It 3.2: Report the amount of approved loans to be disbursed to customers and/or approved financial lease contracts to be disbursed within 30 days. This item is weighted 100%.

It 3.3: Report cash outflows related to repos transactions secured by NCD issued by the National Bank of Cambodia or securities issued or guaranteed by the Royal Government of Cambodia maturing within 30 days. This item is weighted 100%.

It 3.4: Report the contractual amount of guarantees and obligations related to trade finance, such as letters of credit and shipping guarantees. This item is weighted 50%.

It 3.5: Report cash outflow of unused limits of credit cards to customers. This item is weighted 50%.

It 3.6: Report cash outflow of the undrawn amount of credit lines to customers. This item is weighted 50%.

It 3.7: Report cash outflow related to operating expenses (including non-cash expense) that is extracted from the Report on Monthly Statement of Profit or Loss. This item is calculated as the average of the last 12 months. This item is weighted 100%.

It 3.8: Report the expected outflows from other contractual obligations maturing within 30 days that have not been captured elsewhere in this calculation and the dividend payouts due to be paid within 30 days. This item is weighted 100%.

4. Non-current liquid assets (not taken into account in the liquidity ratio calculation)

Assets maturing beyond 30 days but potentially available within 30 days

- Unencumbered NCD issued by NBC maturing beyond 30 days (including interest receivable).
- Unencumbered securities issued or guaranteed by the Royal Government of Cambodia maturing beyond 30 days (including interest receivable).
- Term deposits with banks and financial institutions maturing beyond 30 days (including interest receivable) in case the Institution is contractually allowed to withdraw these deposits before the maturity date and with less than 31 days notice.

Other cash inflows available within 30 days (to be described by the reporting institution)

Report other significant inflows from individual and/or legal entities and other liquid assets that the Institution is expected to receive within 30 days but not included in the calculation of the LR from items 1.1 to 1.3 and items 2.1 to 2.5.

Appendix 2

របាយការណ៍ប្រចាំត្រីមាស ត្រីមី អនុធានសន្តិសុខភាព

Quarterly Report on Liquidity Ratio

លេខសម្គាល់របាយការណ៍

Report ID

ជំនាន់របាយការណ៍

Report Version

កាលបរិច្ឆេទ

As at

ឈ្មោះគ្រឹះស្ថាន

Institution's Name

អត្រាប្តូរប្រាក់ក្នុង ១ ដុល្លារអាមេរិក = X រៀល

Exchange Rate 1 USD = X Riel

ឯកតាគិតជាលានរៀល

In million Riels

ឧប Items	សមាសធាតុ Components	ចំនួនទឹកប្រាក់មិនទាន់ផ្គុំ Non weighted amounts				អត្រាផ្គុំ Weight	ចំនួនទឹកប្រាក់ក្រោយផ្គុំ Weighted amounts				សរុប Total
		រៀល KHR	ដុល្លារ អាមេរិក USD	រូបិយប័ណ្ណផ្សេង Other currencies			រៀល KHR	ដុល្លារ អាមេរិក USD	រូបិយប័ណ្ណផ្សេង Other currencies		
១. ទ្រព្យសកម្មសន្តិសីយ											
I. Liquid assets											
១.១	សាច់ប្រាក់ ដែលមានក្នុងគ្រឹះស្ថាន					100%					
1.1	Notes held by the Institution					100%					
១.២	ប្រាក់បញ្ញើនៅធនាគារជាតិនៃកម្ពុជា លើកលែងគណនីទូទាត់ និងគណនីប្រាក់ ធានាលើដើមទុន					100%					
1.2	Deposit with NBC excluding settlement account and capital guarantee account					100%					
១.៣	ប្រាក់បញ្ញើចរន្ត និង/ឬ ប្រាក់បញ្ញើសំចៃនៅគ្រឹះស្ថានធនាគារនិងហិរញ្ញវត្ថុ					100%					
1.3	Demand and/or saving deposits with banks and financial institutions					100%					
សរុបទ្រព្យសកម្មសន្តិសីយ (១) = ផលបូក (១.១ ដល់ ១.៣)											
Total liquid assets (I) = Σ (1.1 ; 1.3)											

២. លំហូរចូលសាច់ប្រាក់ដែលរំពឹងទុកក្នុងរយៈពេល ៣០ថ្ងៃ II. Expected cash Inflow within 30 days									
២.១	លំហូរចូលសាច់ប្រាក់ពីប្រាក់បញ្ញើមានកាលកំណត់នៅគ្រឹះស្ថានធនាគារនិងហិរញ្ញវត្ថុក្នុងរយៈពេល ៣០ថ្ងៃ							100%	
2.1	Term deposits held in banks and financial institutions maturing within 30 days								
២.២	លំហូរចូលសាច់ប្រាក់ពីកម្ចីដែលមិនអាចបដិសេធបានពីគ្រឹះស្ថានធនាគារនិងហិរញ្ញវត្ថុដែលនឹងទទួលបានក្នុងរយៈពេល ៣០ថ្ងៃ							100%	
2.2	Contractually irrevocable borrowings from banks and financial institutions to be received within 30 days								
២.៣	លំហូរចូលសាច់ប្រាក់ដែលរំពឹងទុកនូវសមតុល្យដក់សល់ (ប្រាក់ដើម និង/ឬ ការប្រាក់) នៃកិច្ចសន្យាវិសេសរ៉ូ និងមូលបត្រផ្សេងទៀតក្នុងរយៈពេល ៣០ថ្ងៃ								
2.3	Expected cash inflows from outstanding amount (principal and/or interest) of reverse repos and other securities maturing within 30 days							100%	
២.៤	លំហូរចូលសាច់ប្រាក់ពី ឥណទាន ភតិសន្យាហិរញ្ញវត្ថុ (ប្រាក់ដើម និង/ឬ ការប្រាក់) និងឬបណ្ណឥណទានដែលនឹងទទួលបានក្នុងរយៈពេល ៣០ថ្ងៃ							75%	
2.4	Contractual amount of expected cash inflows from loan, financial leases (principal and/or interest) and/or credit card receivable within 30 days								
២.៥	លំហូរចូលសាច់ប្រាក់ពីកិច្ចសន្យាផ្សេងទៀតដែលមិនអាចបដិសេធបានពីគ្រឹះស្ថានហិរញ្ញវត្ថុផ្សេងទៀត ឬនីតិបុគ្គលក្នុងរយៈពេល ៣០ថ្ងៃ								
2.5	Other contractual inflows from irrevocable borrowings from OFIs, or other legal entities in the next 30 days							25%	
លំហូរចូលសាច់ប្រាក់សរុបដែលរំពឹងទុកក្នុងរយៈពេល ៣០ថ្ងៃ (២) = ផលបូក (២.១ ដល់ ២.៥) Total expected cash inflows within 30 days (II) = Σ (2.1 ; 2.5)									
៣. លំហូរចេញសាច់ប្រាក់ដែលរំពឹងទុកក្នុងរយៈពេល ៣០ថ្ងៃ III. Expected cash outflows within 30 days									
៣.១	លំហូរចេញសាច់ប្រាក់ (ប្រាក់ដើម និង/ឬ ការប្រាក់) ដែលគ្រឹះស្ថានត្រូវបំពេញកាតព្វកិច្ចទូទាត់សំបំណុលផ្សេងៗតាមកិច្ចសន្យាក្នុងរយៈពេល ៣០ថ្ងៃ							100%	
3.1	Repayment of borrowings (principal and/or interest) within 30 days								

៣.២	លំហូរចេញសាច់ប្រាក់នៃឥណទាន និង/ឬ ភតិសន្យាហិរញ្ញវត្ថុ ដែលទទួលបានការអនុម័តរួចរាល់និងត្រូវបញ្ចេញ ក្នុងរយៈពេល ៣០ ថ្ងៃ Approved loan to be disbursed to customers and/or approved financial lease contracts to be disbursed within 30 days					100%			
3.2									
៣.៣	លំហូរចេញសាច់ប្រាក់នៃប្រតិបត្តិការរឹបប្រាក់ក្នុងរយៈពេល ៣០ ថ្ងៃ Cash outflows related to repos transactions within 30 days					100%			
3.3									
៣.៤	លំហូរចេញសាច់ប្រាក់នៃការធានា និងកាតព្វកិច្ចដែលពាក់ព័ន្ធនឹងហិរញ្ញប្បទានពាណិជ្ជកម្មតាមកិច្ចសន្យា Contractual amount of guarantees and obligations related to trade finance					50%			
3.4									
៣.៥	លំហូរចេញសាច់ប្រាក់នៃបណ្ណឥណទានដែលមិនទាន់ប្រើប្រាស់របស់អតិថិជន Cash outflow of unused limits of credit cards to customers					50%			
3.5									
៣.៦	លំហូរចេញសាច់ប្រាក់នៃបន្ទាត់ឥណទានដែលមិនទាន់ប្រើប្រាស់ Cash outflow of the undrawn amount of credit lines to customers					50%			
3.6									
៣.៧	លំហូរចេញសាច់ប្រាក់ទាក់ទងនឹងចំណាយប្រតិបត្តិការ Cash outflow related to operating expenses					100%			
3.7									
៣.៨	លំហូរចេញសាច់ប្រាក់ពីកាតព្វកិច្ចកិច្ចសន្យាផ្សេងៗទៀតក្នុងរយៈពេល ៣០ ថ្ងៃ Outflow from other contractual obligations within 30 days					100%			
3.8									
លំហូរចេញសាច់ប្រាក់សរុបដែលរំពឹងទុកក្នុងរយៈពេល ៣០ ថ្ងៃ (៣) = ផលបូក (៣.១ ; ៣.៨)									
Total expected cash outflows within 30 days (III) = Σ (3.1 ; 3.8)									
អនុបាតសន្ទនីយភាព = [សរុប (១) + សរុប (២)] / សរុប (៣)									
Liquidity ratio = [Total (I) + Total (II)] / Total (III)									
អនុបាតសន្ទនីយភាពដែលលើស/ខ្វះធៀបនឹងអនុបាតសន្ទនីយភាពអប្បបរមា									
Surplus/Deficit of liquidity ratio compared to minimum liquidity ratio									

ទ្រព្យសកម្មសន្ទនីយមិនចរន្ត
Non-Current Liquid Assets

ល.រ No.	ឧបករណ៍ Items	ចំនួន Amount	កំណត់សម្គាល់/បរិយាយ Remarks/Descriptions
	ទ្រព្យសកម្មសន្ទនីយដែលមានកាលប្រតិទិនលើសពី ៣០ ថ្ងៃ ប៉ុន្តែអាចប្រើប្រាស់បាន ក្នុងរយៈពេល ៣០ ថ្ងៃ Assets maturing beyond 30 days but potentially available within 30 days		
១ 1	មូលបត្រអាចជួញដូរបាននិងមិនជាប់កាតព្វកិច្ច ដែលបោះផ្សាយដោយធនាគារជាតិនៃកម្ពុជា Unencumbered NCD issued by the NBC		
២ 2	មូលបត្រដែលមិនជាប់កាតព្វកិច្ច បោះផ្សាយដោយធនាគារជាយោជន៍រដ្ឋាភិបាលកម្ពុជា Unencumbered securities issued or guaranteed by the Royal Government of Cambodia		
៣ 3	ប្រាក់បញ្ញើមានកាលកំណត់នៅគ្រឹះស្ថានធនាគារនិងហិរញ្ញវត្ថុ Term deposits with banks and financial institutions		
	លំហូរចូលសាច់ប្រាក់ផ្សេងទៀតដែលអាចប្រើប្រាស់បានក្នុងរយៈពេល ៣០ ថ្ងៃ (តាមការស្នើ ដោយគ្រឹះស្ថាន) Other expected cash inflows available within 30 days (to be described by the reporting institution)		
១ 1			
២ 2			
៣ 3			
សរុប Total			