



NATIONAL BANK OF CAMBODIA

Number B7-017-109 P.K

Unofficial Translation

**PRAKAS**  
**ON**  
**INTEREST RATE CEILING ON LOAN**

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- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Decree NS/RKT/0515/417 of May 11, 2015 on the reappointment of His Excellency Chea Chanto 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 Article 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;
- With reference to Prakas No B8-98-385 Prokor dated 20 July, 1998 on Organizational Structure of the National Bank of Cambodia and functions-duties of all departments of the National Bank of Cambodia;
- With reference to Prakas No B1-010-194 Prokor dated 26 November 2010 on the amendment of Article 3, Article 4, Article 5, Article 12 and Article 13 of Prakas on Organizational Structure of the National Bank of Cambodia and functions-duties of all departments of the National Bank of Cambodia;
- Pursuant to the recommendation made by the National Bank of Cambodia Management meeting on 13 March 2017.

**Decides**

**Article 1.-**

The purpose of this Prakas is to determine the interest rate ceiling on loan for banks and financial institutions under the National Bank of Cambodia's supervisory authority operating rural credit, hereinafter referred to as "Institution".

**Article 2.-**

The objective of this Prakas is to protect consumers from excessive interest rate charged by the institution and to effectively promote the use of affordable loan.

**Article 3.-**

This Prakas is applicable to the microfinance deposit-taking institutions, microfinance institutions, and rural credit operators under the National Bank of Cambodia's supervisory authority.

**Article 4.-**

The institution shall set the interest not exceeding 18% (eight teen percent) per annum for any maturity of loan.

**Article 5.-**

The interest rate ceiling as stated in the Article 4 above is effective for a new loan contract including restructured loan and refinancing with signature and/or finger print from 1<sup>st</sup> April 2017.

**Article 6.-**

Failure to comply with this prakas may give rise to disciplinary sanctions as set forth in Article 52 of the Law on Banking and Financial Institutions.

**Article 7.-**

Any provision contrary to this prakas is hereby repealed.

**Article 8.-**

The General Secretary, the General Director of Central Banking, the General Director of Banking Supervision, the General Cashier, the General Inspector, Directors of all relevant Departments in the National Bank of Cambodia, and all Banks and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

**Article 9.-**

This Prakas shall take effect from this signing date.

Phnom Penh, 13 March 2017

**The Governor**

Signed and Sealed: **Chea Chanto**

To:

- As stated in article 8 "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"