MAXIMA – *first update*

Limited company licensed as an MFI

Phnom Penh, Cambodia

Report – April 2009

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CREDIT RATING	β+
RATING OUTLOOK*	*positive*

*M-CRIL's viewpoint (positive, neutral or negative) of the future prospects of the organisation

Date of visit 5 to 8 April 2009

Previous rating β

Investment Grade			
Above	α++		
Above	α	α+	
Above	α	α	
Above	α	α–	
Above	β	β+	
Above	β	β	
Below	β	β–	
Below	γ	γ+	
Below	γ	γ	

Main Performance Indicators

	Dec-06	Dec-07	Dec-08
Gross Portfolio(US$ '000)	660.6	812.2	1,362.8
No. of active borrowers	1,566	1,567	2,131
RoA	4.7%	4.3%	3.9%
RoE	14.1%	13.9%	16.3%
Portfolio Yield	35.9%	34.7%	31.9%
Portfolio at Risk$_{60}$	0.3%	0.1%	0.2%
OER	20.4%	20.7%	20.8%
Avg. Loan Disb.(US$)	566	860	873
Average Loan O/s (US$)	422	518	640
Borrowers per field staff	98	92	97
Capital Adequacy Ratio	31.0%	35.8%	22.7%

Synopsis

Maxima Mikroheranhvatho Company Limited (hereafter referred to as Maxima) is a limited liability company established in June 2000 with its head office in Phnom Penh. It has recorded an improved performance on management and governance since the previous rating. Maxima has forged relationship with KIVA USA which has the potential to make positive improvements in its operation through access to interest free loans. Though the organisation has significantly increased its outreach in terms of portfolio maintaining good portfolio quality, its performance on staff productivity continues to be sub optimal. It has earned healthy profits since the beginning and has excellent capital adequacy which will allow it to leverage funds.

Limited (one) independent member on Board needs to be addressed by Maxima to ensure effective financial oversight. Low staff productivity and consequent high OER may adversely affect sustainability in future, if Maxima is forced to reduce rates due to competition.

A rating update after one year is suggested to ascertain changes in the creditworthiness and absorptive potential of the institution. This rating is valid, subject to no other substantial inflows of loan funds into the organisation beyond the limits specified here and to no other significant changes in the organisational structure and external operating environment.

Highlights

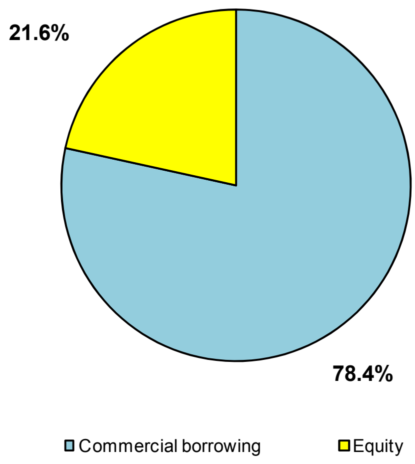
POSITIVE

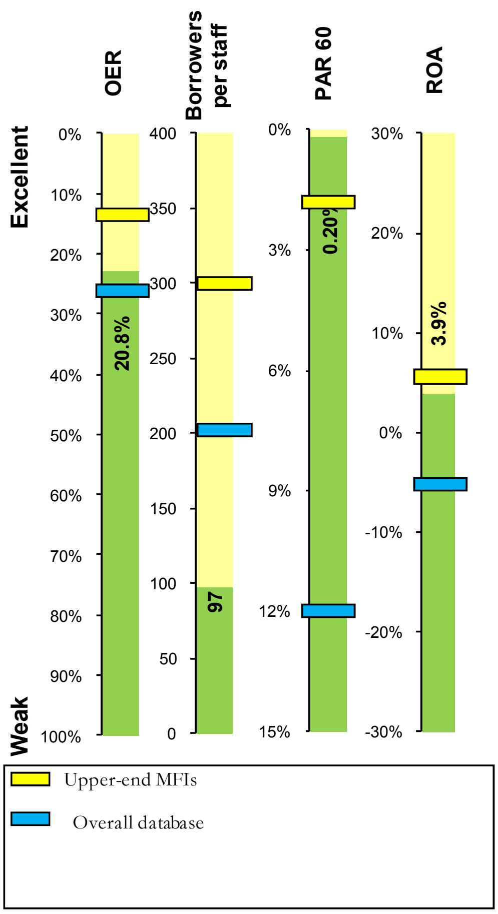
- Good portfolio quality
- Good performance on profitability and sustainability
- Rigorous loan screening process.
- Well diversified source of funds
- Stable and qualified Management team
- Healthy CAR

NEGATIVE

- Low staff productivity and penetration
- High Operating Expenses
- High competition
- Lack of experts/independent director in the Governing Board
- Moderate internal Audit

Sources of Funding





Comparison of MAXIMA's performance with MFIs rated by M-CRIL*

Rating Rationale

Good portfolio quality: Despite significant portfolio growth of around 71% p.a., from USD389 thousand in December 2005 to USD1.3million in December 2008, MAXIMA has been able to maintain a good portfolio quality as indicated by a PAR_{60} of 0.02% as on December 2008

Experienced management team: The management team has been with the organisation for past 9 years and has gained considerable experience working with MAXIMA. The members of the management team also have prior experience of working with other professional organisations and commercial bank.

Rigorous Loan Screening process: MAXIMA's loans are sanctioned by a loan committee after a detailed survey of client's repayment capacity, and subsequent checks by supervisors.

Healthy capital adequacy: MAXIMA has maintained a healthy capital adequacy position. Though it has declined over the last financial year, it was at 22.7% as on 31 December 2008. This allows the organization to leverage loan funds.

Diversified funder base: MAXIMA has done well on mobilising loan fund. It has borrowed funds from different foreign funding agencies including KIVA USA, which provides interest free loans.

Good performance on profitability: MAXIMA has continuously recorded operational profit. In FY 2007-08 it has shown a net surplus of US$50,273 with a RoA of 3.9%

Poor performance on efficiency: The staff productivity and depth of coverage in operational areas is weak. As on 31 December 2008, the ratio of borrowers per field staff is only 97. Similarly, while its operations cover 177 villages, the number of members per village works out to mere 12 indicating very low depth of operations. Consequently, the OER is also high at 20.8% for 2008-09.

Moderate internal audit: The frequency and rigour of internal audit has improved since the last rating visit. The findings of the internal audit are also being made available at the branches. However, the follow-up and corrective mechanism is not yet laid out in a formal and systematic manner which undermines the effectiveness of the whole internal audit mechanism.

High competition: The high degree of competition from other big MFIs operating in its operational area may force MAXIMA to reduce interest rates in future, thus lowering profitability.

Lack of independent members on the board: Almost all the board member of the Governing Board are also involved in day to day operations. The GB has only one independent director, however, as he is based in USA his participation in the board meetings is through virtual presence.

Comparative Performance Highlights

Comparative Rating Grades

Category	Rating grade December 2006	Rating grade April 2009	Movement
Governance & strategic positioning	β–	β	⇑
Organisation & Management	β	β	⇔
Financial performance	α	α	⇔
Overall	β	β+	⇑

Select indicators/ratios

Indicator/ratio	Dec 2006	Dec 2007	Dec 2008	Change
1 Growth				
Loans outstanding (US$ '000)	660.6	812.2	1,362.8	⇑
Outstanding borrowings (US$ '000)	378.8	496.9	1,297.7	⇑
Active borrowers	1,566	1,567	2,131	⇑
Average loan size (US$)	422	518	640	⇑
2 Credit performance				
Reported current repayment rate	100%	100%	100%	⇔
Portfolio at risk (>=60 days)	0.3%	0.1%	0.2%	⇓
3 Efficiency and profitability				
Borrowers per field staff	98	92	97	⇑
Net loans to total assets	92.7%	87.5%	81.5%	⇓
Operating expense ratio	20.4%	20.7%	20.8%	⇓
Annual return on assets	4.7%	4.3%	3.9%	⇓
Operating self-sufficiency	117.7%	117.7%	118.0%	⇑
Capital adequacy ratio	31.0%	35.8%	22.7%	⇓

Note: An upward arrow indicates an improvement over the previous rating and vice versa for a downward arrow; a constant arrow indicates very low or no change.

Country overview

Cambodia is a Southeast Asian country, bordering the Gulf of Thailand. The country has a history of invasions, wars and political unrest. After it gained independence from the French in 1953, the communist Khmer Rouge forces captured power in 1975. At least 1.5 million persons were either executed or killed due to forced labour during the Khmer Rouge regime. In 1978, the Cambodian army together with the Vietnamese army attempted to overthrow the Khmer Rouge, which started a 13-year period of civil war. The Paris Peace Accord in 1991 brought about the establishment of a democratically elected coalition government in 1998. Elections were again held in 2003, leading to the establishment of another coalition government in 2004.

In 1999, the first full year of peace in 30 years, the government made progress on economic reforms. From 2002 to 2007, the economy grew at an average rate of 7.5%, driven largely by an expansion in the garment sector and tourism. In 2005, exploitable oil and natural gas deposits were found beneath Cambodia's territorial waters, representing a new revenue stream for the government once commercial extraction begins in the coming years. However, the long-term development of the economy remains a daunting challenge. The Cambodian government continues to work with bilateral and multilateral donors, including the World Bank and IMF, to address the country's many pressing needs. The major economic challenge for Cambodia over the next decade will be fashioning an economic environment in which the private sector can create enough jobs to handle Cambodia's demographic imbalance. The population lacks education and productive skills with 74% still fully engaged in subsistence farming. However, in terms of the contribution of different sectors to GDP, agriculture contributes only 35%. Today, Cambodia is one of the poorest countries in the region: 36% of its 13.8 million citizens live below the national poverty line and 20% of the households are headed by a woman. Further, a weak social infrastructure – evident in the United Nations Development Programme's (UNDP) Human Development Index rank of 130 (out of 175) in 2003 – has meant that gender inequality, rural-urban regional disparities and poor health facilities continue to be significant hindrances to development.

The financial and banking sector were destroyed by the Khmer Rouge regime, which abolished money for a number of years. In the 1990s, Cambodia's banking sector went from a single public bank to a two-tiered public banking system that separated the functions of the Central Bank from the Commercial Banks. The Royal Government of Cambodia (RGC) introduced banking regulations in 1999 and bank-restructuring programmes in 2000 and, as a result, a number of non-viable banks were liquidated. Today 17 banks remain in operation, including one state owned bank, three foreign bank branches, 10 local banks and three specialized banks (one of which is state owned). The government has liberalized interest rates, established reserve requirements, capped total exposure allowed to any one individual or client, and capped bank positions in foreign currency as a percent of the bank's net worth. However, most banks are highly liquid, conservative and serve a narrow elite clientele.

Cambodia's financial sector is still at a developing stage: the number of commercial banks is limited and effectively non-existent outside the capital city. With the exception of ACLEDA Bank (commercial bank) and the RDB (specialized bank) formal banks do not yet serve the poor. In this context, microfinance operators and the informal financial sector have been the de facto providers of financial services in rural areas. Currently there are at least 100 registered and unregistered lending bodies serving the rural population in Cambodia, including 18 licensed Microfinance Institutions (MFIs) and 26 registered rural credit operators. The main nine players in the microfinance market in Cambodia serve over 95% of the formal sector market.

National Bank of Cambodia (NBC) is responsible for regulating and supervising microfinance in Cambodia. The NBC has the authority to regulate, supervise, license and revoke licenses of MFIs, to issue prudential regulations and strengthen supervisory capacity.

Registration or licensing by NBC of microfinance providers is compulsory when operators meet one or more of the following conditions:

If engaged in	Registration by NBC	Licensing by NBC
Credit	Loan portfolio >= KHR 100 million (USD 25,000)	Loan portfolio >= KHR 1,000 million (USD 250,000) or >= 1,000 borrowers
Savings	MFIs having Capital base of minimum 2.5 million US$	MFIs having Capital base of minimum 2.5 million US$

MFIs are required to be incorporated as limited liability companies or as cooperatives and require a minimum registered capital of approx US$62,500.

Microfinance operations

Main Indicators	31 Dec-06	31 Dec-07	31 Dec-08
Gross Loan Portfolio (US$ '000)	660.6	812.2	1,362.8
Number of Active Borrowers	1,566	1,567	2,131
Asset Quality			
Portfolio at Risk (>=60 days)/Gross Loan Portfolio	0.3%	0.1%	0.2%
Loan Loss Reserve/Gross Portfolio	1%	1%	1%
Write-offs / Average Gross Portfolio	0.0%	0.8%	0.1%
Efficiency and Productivity			
Operating Expenses/Average Gross Loan Portfolio	20.4%	20.7%	20.8%
Cost per Borrower (US$)	67	86	99
Average Outstanding Loan Size (US$)	422	518	640
Number of Borrowers/Field staff	98	92	97
Number of Borrowers/Total staff	68	65	59

MAXIMA Mikroheranhvatho Co. Ltd. was founded in March 2000 and started operations in June 2000, as an NGO with a mandate to provide financial services to low income clients in Cambodia. In May 2001 it was registered as an NGO under the name "MAXIMA Organisation for Household Economic Development". Later, in May 2002 it was registered as a rural credit operator with the National Bank of Cambodia (NBC) as "MAXIMA Mikroheranhvatho Co. Ltd.". Thereafter, in August 2005, it received a license from NBC to operate as an MFI. In 2008 it has received a permanent licence of MFI from NBC. MAXIMA has its Head Office in Phnom Penh, the capital of Cambodia.

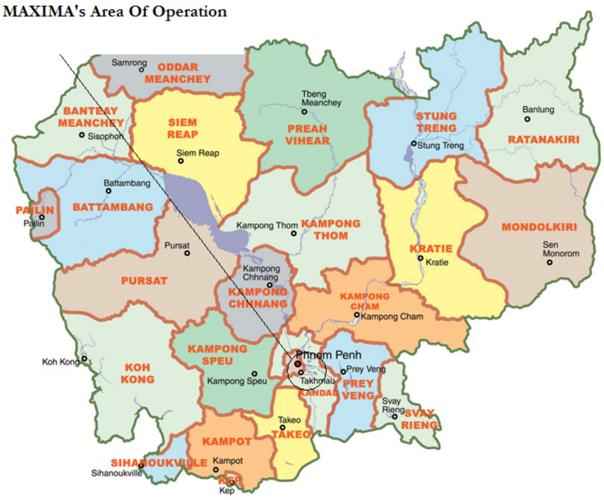
MAXIMA was promoted by a group of five professionals (all friends) who are also on the Board and shareholder of the company. Initially the operations started with a seed capital of US$5,000. Till February 2005 the microfinance activities continued without any commercial funding mainly with the contributions of the promoters and their friends and relatives. Later the organisation was able to mobilise commercial funds.

The share holding pattern of MAXIMA is as given below:

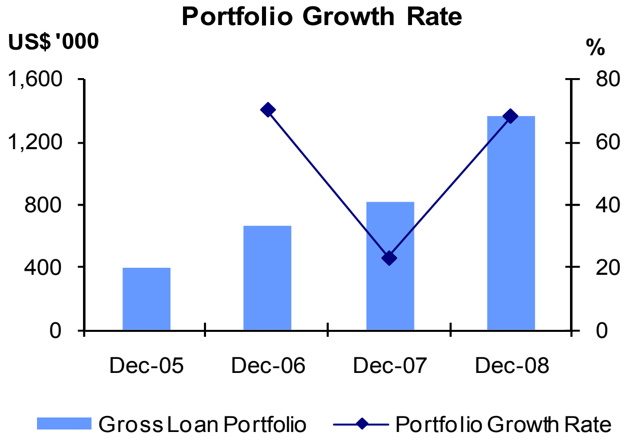
Name	Share holders & BOD	Title Management	No. of shares	Capital (US$)	Share holding pattern
Dr. UONG Kimseng	Chairman	Executive Director	10,000	100,000	24.4%
Mr. AN Bunhak	Vice-Chairman	Dy. Executive Director	10,000	100,000	24.4%
Mr. PA Ponnak Rithy	Board Member	COO	3,000	30,000	7.3%
Mrs. SRENG Sive Chheng	Board Member	Dy. COO	12,000	120,000	29.3%
Mr. CHET Chan Prasoeur	Board Member	Head Internal Audit	4,000	40,000	9.8%
Mrs. BUY Sivantha	Share holder		1,000	10,000	2.4%
Mr. PA Ponnak Kiry	Board Member	Manager HR	1,000	10,000	2.4%

As on 31 December 2008, the operations of the organisation are spread over 177 villages in 12 districts of two provinces. It operates through two branches. It has achieved an outreach of 2,131 members. The second branch in Kandal province started operations in December 2008.

MAXIMA's Area Of Operation



MAXIMA has five units: operations, finance & administration, human resource (HR), IT & MIS and internal audit. Internal audit was formed very recently in January 2009 and the human resource unit was set up in July 2008. MAXIMA is led by an Executive Director (ED), who is assisted by Deputy executive Director, Chief Operating Officer (COO) and the head of Internal Audit team. The COO is also working as the Branch Manager of the Head Office branch. The COO is assisted by Deputy COO, who is also heading the finance & administration department, supported by an accountant and a cashier, Manager HR, Manager Marketing and Credit Manager. IT & MIS department is headed by the COO himself. The recently opened branch is headed by a Branch Manager (BM). The BM is supported by chief of finance and administration and chief of credit and 4 Credit Officers (COs). The COs are responsible for generating loan proposals, loan disbursement and collections. BM supervises the activities of COs as well as manages cash.



Since inception up to December 2008, MAXIMA has disbursed 10,348 loans amounting to US$ 6,291,003. In this period, MAXIMA's portfolio has grown at about 71% p.a from US$389 thousand as on 31 December 2005 to US$1362.8 thousand as on 31 December 2008. Despite the rapid expansion undergone by MAXIMA, it has been able to maintain a good quality of portfolio (PAR_{60} of 0.17%) and repayment rate (99.90%).

Microfinance policies

The organisation's operational polices, have largely remained un-changed since the last rating except it has stopped taking savings deposit from the public and its members. MAXIMA discontinued its savings product in accordance to the regulations which require that any MFI accepting deposits from its members must have a capital base of at least 2.5 million USD. MAXIMA lends in US dollar only.

MAXIMA provides both group as well as individual loans. Group lending is targeted for persons not having adequate collateral to get individual loans. The majority of the loans are given to the individual. Only 3.1% of the portfolio is of group loan.

The loan process starts with the village selection. Prior to selecting the village, the credit officer (CO) visits the village leader and commune chief and gathers secondary data of the village, covering aspects like number of financial service providers in the village and potential of the village based on number of household and major income generating activity of the area. Then the CO prepares a report which is presented to the Board and after approval from the Board the village is selected for MF operations. Once the village is selected the CO distributes leaflets on MAXIMA policies and loan products door to door. Interested clients then approach the CO for loan. Further publicity is done through word-of-mouth from existing customers..

Potential individual clients are initially screened through an in-depth survey which is conducted by the CO, in order to assess the asset-holding, income, and potential of the client's business. Each potential client is required to submit an interview form, which is a printed form in which CO gathers the information of the client, requirement of the loan and cash flow of the proposed activity. This interview form is then verified by the Loan Manager. A client is selected based on his/her capacity to repay the loan (based on cash flow analysis) and ability to provide collateral (25-30% of the value of the loan). Thereafter, the CO recommends it to a sub credit committee. Loans < US$3,000 are approved by sub credit committee comprising of Branch Manager and chief of credit and loans above US$3,000 are approved by credit committee comprising of the Chairman and Vice Chairman in due consultation with the CO. The credit committee analyses the cash flow of the proposed as well as the existing business and based on net surplus the maximum limit of the loan is fixed. Thereafter, the loan application form, contract letter and the collateral letter is prepared in 3 sets (one set each for the client, the commune chief and for the office record). The customer is required to get the collateral letter signed by the commune Chief. Later on, the loans are disbursed at the client's place. The time lag between the client selection and actual disbursement is 2-3 days. The loan recovery is done on a monthly basis in the field. Prepayments are allowed only after three months without any penal charges. The purpose of the collateral is only to create psychological pressure on clients since it cannot be forfeited and sold without court permission.

<u>Loan product</u>

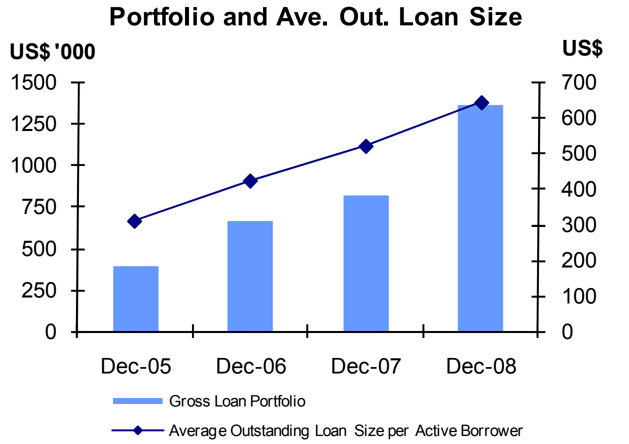
Under Individual loan product, MAXIMA provides a loan of USD50 to USD950 for a period of 12 months or 20 months. In case of 12 month loan a grace period of three months is allowed. In case of 20 months loan grace period is not allowed, however the client can delay the payment by three working days without any penalty. The loan is provided to permanent resident, aged between 18 to 60 years.. All individual loans are backed by physical collateral or related certificate of land. The interest rate is 36% per annum.

In case of group loan the clients join in groups of 2-10 and co guarantee each other to take small loan (less than USD100). Rest all term and condition remain same as individual loan. In the group loan, if any member of the group takes a loan of more than USD100 then collateral of any member of the group is required. However, most of the MAXIMA clients prefer to take individual responsibility for the credit rather than joint liability.

Apart from this MAXIMA also provides Rural Small Medium Loan and Balloon loan. Rural small medium loan is provided for any income generation activities in the range of USD1,000 to USD25,000. In Rural Small and Medium loan MAXIMA charges two type of interest rate; 30% per annum and 24% per annum. The client who stays in Phnom Penh and branch office and deposits monthly instalment in the office of MAXIMA is charged 24% interest as it reduces the operating cost of these loans.
Balloon Loan is provided for agriculture purpose. In this loan the loan size is USD50 to USD1200 and the term of loan is 10 months. The client pays monthly instalment of interest only and the principal is paid at the end of loan period.
A penalty of (Total amount payable –Actual amount paid)* 8% per month is charged for late payment after 3 days from the date of payment. For three days no penalty is levied. COO/ Dy COO has the authority to waive off the penalty on recommendation of COs

MAXIMA offers four loan products to its clients as under.

	Rural Individual Loans	Rural Groups loans	Rural Small Medium Loans	Balloon Loan
Target Client	Mostly women, Age between 18-60 years, permanent resident in the operational area of MAXIMA.			
Term	12 or 20 months			10 months
Interest rate	36.0% p.a.	36.0% p.a.	30.0% p.a. [24.0% p.a. if client stays in Phnom Penh and instalment deposited by the client in HO and Branch Office.]	36.0% p.a.
Loan Amount	USD50– USD950	USD50– USD950	USD1,000– USD25,000	USD50- USD1200
Purpose	Income generating activities			Agriculture
Repayment policy	Equated Principal Instalments (EPIs),on monthly basis repaid to the COs at the door step of the client.		EPI on monthly basis repaid to COs or deposited at HO	Monthly interest paid to the COs at the door step and principal paid at the end of the loan period
Guarantee	Certificate of collateral from the commune leader. Contract letter duly signed by the loanee and the spouse of loanee.	Contract letter of joint liability by the group members. Certificate of collateral in case the loan size is more than USD100 for any member of the group.	Certificate of collateral from the commune leader. Contract letter duly signed by the loanee and the spouse of loanee.	Certificate of collateral from the commune leader. Contract letter duly signed by the loanee and the spouse of loanee.



The average outstanding loan size has increased regularly. The average loan outstanding size of MAXIMA is US$640 as on 31 December 2008.

In case of overdues, after 3 days, follow up is done by the CO, and discussions are held within 7 days with the client and the Village Chief regarding blocking the collateral to be sold. In a months time a meeting with village chief and client is conducted where a possible solution is worked out. Normally by this time the recovery comes. Village leader in some cases has directed to the client to sell the live stock to repay the loan. MAXIMA does not take any up-front charge from clients. Advance payment and foreclosure is allowed after three months of the loan.

Saving products

Earlier MAXIMA was collecting savings from its clients. But due to NBC norms, it has stopped taking savings in FY 2007-08. As per NBC norms any organisation can collect savings from public provided it has a minimum registered capital of US$2.5 million. MAXIMA has returned all the savings of the client to comply with notification from the NBC regarding capital requirements for voluntary collection of savings.

Governance and strategic positioning

The overall performance on governance aspects of Maxima is β. The grade has improved over last rating on account of addition of one external member on the Board, mobilisation of external funds and improvement of client base of Maxima with a 41% annual growth rate. The grade has been restricted due to limited experience of the Board in microfinance, absence or very limited role of external Directors in the Board, weak second line of leadership and lack of clarity on strategy to face severe competition. Moreover, a number of initiatives/strategies of Maxima are at a planning stage and it is yet to be seen how successfully they are implemented.

Governance structure

MAXIMA has a seven member Governing Board, comprising of six internal and one external member. There has been two new additions to the governing board since last rating. Mr C.M. Disston, who was a KIVA fellow in MAXIMA, had joined the board recently and he is the only external member on the Board. He is based in US and spends considerable amount of time with the organisation by virtual presence (through emails). In addition, Mr. PA Ponnak Kiry, has also joined the Board as staff representative and holds shares of 2.4% of total shares. Mr Kiry is working as HR Manager in MAXIMA.

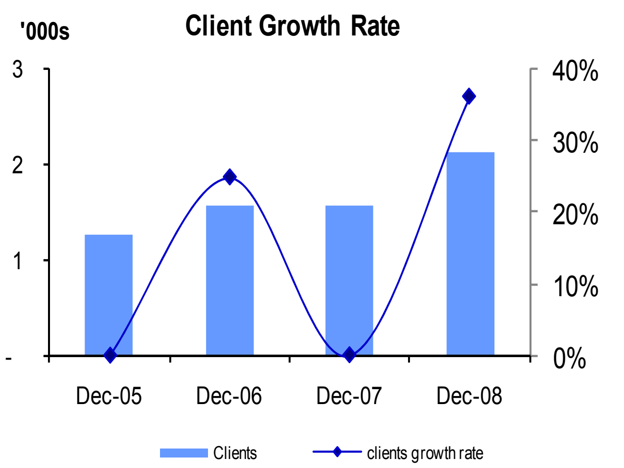
As shown in earlier table (depicting shareholding pattern) Six Directors also have management role in the organisation and hold 97% of the company's equity. The rest of the equity has been contributed by one relative of the board member. All the internal members of the board are playing very active role in day to day management of the operation. None of the internal Board members had prior experience in microfinance. However, all of them have gained considerable experience in microfinance through their association with MAXIMA.

In spite of the new addition of Mr Disston and Mr Kiry, the composition of the Board is weak. Lack of independent and experienced director is a critical weakness for the organisation since it has achieved a significant scale and would need independent, active and professional members on the Board for strategic guidance. As a result of overlap between the organisation's Board and management the organisation does not have the Board composition to give confidence to the lenders about the standard of accountability, the quality of corporate governance or their ability to handle setbacks or difficult situations competently.

The organisation understands the need of independent and experienced directors on the board and has planned to replace some of its Board members who are part of its management also with some external microfinance experts in near future.

Operational and growth strategy

MAXIMA has a clear focus on providing financial services to its members. The organization will continue to follow the present operational/lending methodology. It has established a good and friendly rapport with its clients and has been successful in retaining most of its clients. Client drop-outs have been very low. The organisation has also created good credit discipline among its clients and staff, which has enabled it to maintain good portfolio quality.
The organisation has grown its operations very slowly. After eight years of operations the member base is less than 2,200. Even in next five years the organisation is planning to have only 8000 members. This indicates a lack of ambitious growth strategy on the part of management. In terms of expansion, MAXIMA plans to open one branch every year in Kandal province for next five years. MAXIMA does not have immediate plan to expand its operations outside Kandal province. It wants to consolidate its operations in the existing districts and expand to contiguous districts. In the long run it has plans to start once again the savings and micro insurance subject to equity mobilisation and getting the licence from NBC. The organization has a business plan for the coming five years, and subject to availability of funds, expects to grow to USD 4.0 million by the end of 2013.



In its eight years of operation, the membership base of the organisation has shown a moderate growth from

499 members in December 2003 to 2,131 in December 2008.

Competition

The microfinance sector in Cambodia is quite competitive as there are many other MFIs operating there. Some of the major MFIs operating in Cambodia ACLEDA Bank, PRASAC, IPR, Sathapana and AMK are present in the operational area of MAXIMA. At the moment the presence of these MFIs is limited to some client segments, however in view of the future expansion, competition is going to increase.
Most of the other MFIs have many years of experience and pose stiff competition to MAXIMA which has been operating for one year in Kandal province. Additionally it charges slightly higher interest rates than its competitors to the same segment of clients (some competitors charge 2% p.m. as compared to MAXIMA's 3% p.m).

Competition poses a threat to MAXIMA in acquiring and retaining its borrowers. MAXIMA has not faced any noticeable problem of client drop-out due to competition so far since its member base is very small and it has been possible for its staff to maintain a good relationship with clients, but a slow growth in the membership base is alarming. However, MAXIMA has a competitive edge in terms of flexibility in repayment (clients can choose to pay in monthly diminishing instalments, or bullet repayment at the end of loan term for agriculture loan). Other MFIs require quarterly principal repayment which makes it difficult for clients to repay from their seasonal agricultural income. Services at the door step of the client and quick loan sanctioning process gives it a competitive advantage over other players.

Second line of leadership

The second line of leadership of MAXIMA is moderate to weak. Currently it has a small sized management structure. The ED who is in-charge of the organization has been with MAXIMA since its inception. He is also a shareholder and a member of the Board. However, his only microfinance experience has been with MAXIMA. While the functional heads are good in their roles, they lack requisite microfinance related experience outside MAXIMA. All the senior management positions are occupied by the promoter share holders of MAXIMA. There is a lack of professionally trained managerial staff at HO which MAXIMA would require as it grows further. MAXIMA will have to start preparations for expanding and strengthening its staff resources for future at the earliest.

Fund mobilisation

MAXIMA has done well to mobilise substantial loan funds. It has borrowed funds from various sources and the total O/s borrowings as on 31st December 2008 were US$1,297,749.

US$'000

Lender	Total borwng.	O/s on Dec-08	Interest Rate
RDB, Cambodia	1000.0	300.0	9.0%
ADA, Luxemburg	300.0	275.0	8.0%
ETIMOS	200.0	122.9	8.4%
KIVA, USA	786.4	466.9	0.0%
Unsecured loan from Shareholders	133.0	133.0	10.0%
Total	**2419.4**	**1297.8**	
Weighted av. cost of borrowings			**5.8%**

Apart from the loan funds, MAXIMA's portfolio is funded to a large extent by the equity invested by the share holders and promoters. As on 31 December 2008, MAXIMA had US$ 320,570 of its total equity (forming about 24% of the portfolio outstanding).

Organisation and management

The overall performance on managerial aspects of Maxima is reasonable with a grade of β .The organisation has made some improvement in its management systems since the last rating. It has introduced new wings of Internal Audit and HR. The clients have shown a good performance on repayment of loans and overall discipline. The grade has been restricted due to high OER, low staff productivity, moderate internal control and low penetration in the working area.

Human resource quality & management

The human resource management function within MAXIMA is moderate. MAXIMA has created HR department in July 2008. The HR head is relatively new to the organization and has a very limited exposure of microfinance. His basic qualification is MBA Finance. The field staff have adequate understanding of organisational processes and microfinance operations.

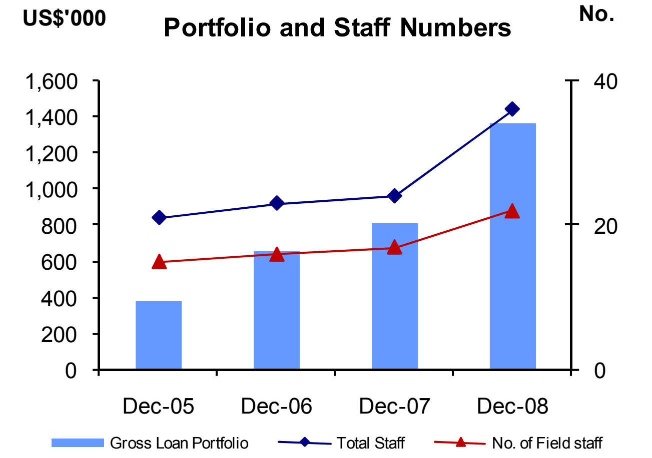
Recruitment is generally initiated through posting advertisements on the company web site, news paper and university. The shortlisted applicant has to go through a written test and personal interview. For the recruitment of senior position all the board members sit in the interview panel. At present, staff induction and training is not formalised. Initially for three weeks the staff is trained in house about the policy, rules and regulations of the organisation. However induction is more of on-the-job training for new recruitments. Newly recruited staff has to undergone a probation period of three months. Experienced staff provides on the job training to all the new field based staff.

Recently MAXIMA has introduced performance appraisal system for all its staff. In the beginning of the year, all the staff fill the appraisal form with the reporting authority and it is planned that the performance of the staff will be appraised based on the appraisal forms filled at the beginning of the year. MAXIMA has planned to link the salary hike and bonus with the marks obtained in the performance appraisal.

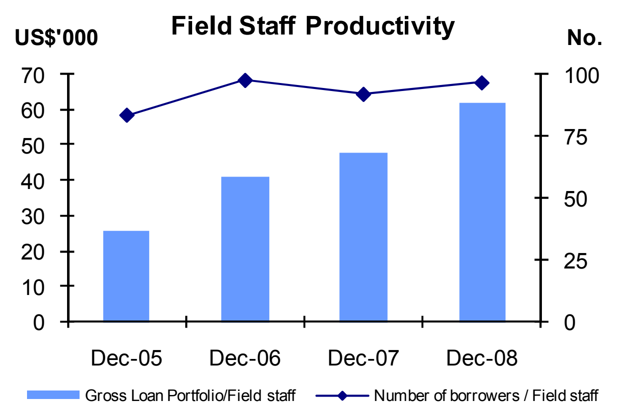
MAXIMA provides performance based staff incentive to all the staff. The incentive is calculated on a monthly basis and disbursed on quarterly basis. The incentive is calculated based on the formula given below.
Monthly Incentive = (Total interest income of the CO / Average Gross Loan Portfolio) * 0.04.
However the eligibility to get the incentive depends upon two factors. For incentive calculation, all the field staff are categorised in three categories- entry level, secondary level and intermediary level. 1-2 years old staff must have an outstanding portfolio of US$70,000 or more to be eligible to get the incentive. Similarly, 2-3 years old staff must have portfolio of US$80,000 or more and staff with 3+ years must have a loan portfolio of US$90,000 or more to get the incentive. Further the PAR must be Zero, otherwise the staff is not eligible to get the incentive. 80% of the total calculated incentive is given to the field staff and 20% of the incentive is equally divided among the support staff. On loans given from KIVA fund a flat incentive of 0.5% of disbursed amount is given to the staff, irrespective of the PAR or portfolio outstanding conditions.

Staff is also eligible for loans for school fee and vehicle purchase. These loans are interest free and given to permanent employees only. For school fee of the staff the staff can get a loan of 30% of the annual salary and for vehicle purchase it is up to US$1,000 refundable in three years.

Staff productivity



As shown in the graph above the number of staff increased substantially (around 35%) in the FY 2007-08 on account of organisation opening a second branch in Kandal province in August 2008. The portfolio has increased regularly and accordingly the number of staff has also increased.



The total staff productivity of MAXIMA is very low at around 60 borrowers/total staff since last four years. Though the number of borrower per field staff slightly improved from 84 as on 31st December 2005 to 97 as on 31st December 2008, but still it is far below the industry standard. The average portfolio handled by field staff more than doubled from US$25.93 thousand in December 2005 to US$ 61.94 thousand in December 2008. It shows that the organisation has given more stress on increasing the business by increasing the average loan size instead of increasing the number of active borrowers.

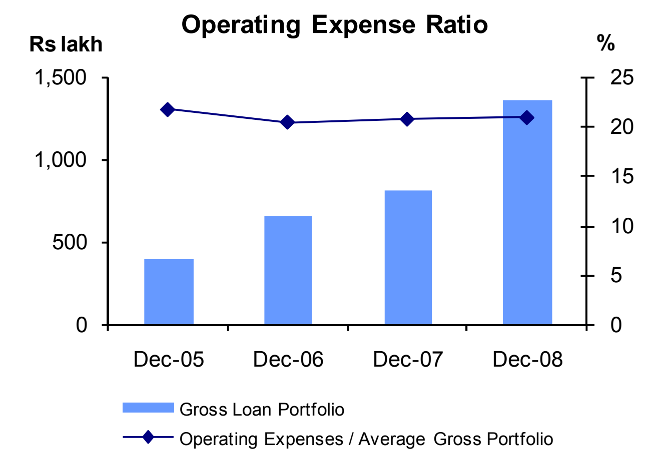
The average loan disbursement size of MAXIMA was US$873 in FY 2007-08 which has more than doubled since FY 2004-05 when it was only US$374. This is comparatively risky in the market where risk mitigation measures (collateral) are taken just to create psychological pressure among the client. However, the loan utilisation check is not done systematically in all cases. Some incidents of loan sharing among the neighbours and relending the loan amount at a higher rate were found during the field visit of rating team.

Low depth of operations

The organisation has very low depth of operations in the existing areas. It had 2,131 members in 177 villages indicating an average of only 12 members per village as on 31 December 2008. The field areas visited appeared to have substantial scope for expanding the client base there. Though other MFIs were also working in those areas, there were still a fair proportion of households that were not being served by any of other microfinance service provider. Increasing the depth of operations would help the organisation improve its staff productivity by catering to a larger number of clients in less time and would lower the cost of delivery.

Operating efficiency

The OER of MAXIMA has almost remained static from 21.6% in FY 2004-05 to 20.8% in FY 2007-08, which is fairly high given the industry standards. It is expected that the OER may increase more as one new branch is established in August 2008 and the organisation has started a few new departments like HR and Internal Audit very recently.



Accounting and MIS

MAXIMA uses MS Access based MIS software developed in-house by the present COO. The MIS software is centralized and lacks in certain key aspects. The software does not have sufficient in-built checks and balances and does not support the creation of separate login and log out facility for staff at different levels. The MIS is easily accessible to any staff and hence data security is not foolproof. Data entry operator has access to all the data fields, the moment he logs in to the software. The management is aware of this deficiency in the software and is looking for some new integrated software, which can facilitate both MIS and accounting.

The software is customized as per the requirements of the organization. The software does generate some customized and standard reports, which includes CO wise and client wise demand, collection and balance sheet, overdue reports, ageing analysis on the basis of the duration of the loan i.e < 1 year (12 months) and >1 year (20 months), client wise recovery details and other reports. However, it does not include the client's details (socio economic data) as well as activity wise portfolio details. Backups are taken on a weekly basis in the main server located at the HO as well as in the external hard disk (kept at the MD's residence).

The organisation has a policy of not considering an account to be overdue for three months if the client pays interest regularly. Most of the overdues of MAXIMA are more than 90 days old. Based on this, despite being overdue for three months, loans appear in the ageing analysis as only 30 or 60 days overdue.

The organisation has used the Quick Book accounting package since 2003 for maintaining its microfinance accounts. The accounts are maintained in US dollars. Accounting is done on historical cost convention method in accordance with the guidelines issued by NBC and Cambodian Accounting Standard. Depreciation is calculated on a straight line basis. Audited financial statements are prepared once a year. Overall, the quality of accounts is moderate to good. There is adequate system of disclosure and details through notes and schedules to the financial statements.

For the loan loss reserve, MAXIMA follows the Non Performing Assets (NPA) and investment provisioning norms of NBC, which classifies NPAs into different categories as follows:

NPA Category	Overdue duration	Rate of provision
Standard	1-30 days	0%
Sub Standard	31-60 days(term of loan <=1 year) 31-180 days (term of loan > 1year)	10%
Doubtful	61-90 days(term of loan <=1 year) 181-360 days (term of loan > 1year)	30%
Loss	>91 days (term of loan <=1 year) >361 days (term of loan > 1year)	100%

The monthly reporting is done in the format of the NBC report, complete with balance sheet preparation.

Tracking system for overdue

The tracking system for overdues requires improvement. As per the policy of MAXIMA a borrower is allowed to pay only interest as monthly instalment for three times during the loan period for a loan of 12 months. Though the MIS capture the overdues from the due date, but the overdue list is once again manually adjusted for the borrowers who have paid interest only. This has resulted in mistakes in calculation of PAR 0, PAR 30 and PAR 60 figures. Considering that these figures are incorporated in the statement that goes to the NBC, there should be efforts to track overdues from the first day of their occurrence.

The follow up process for overdue clients starts immediately after three days of loan becoming overdue, which is allowed to the client as per the policy of the organisation. The CO visits the client's house along with Assistant Credit Manger and tries to find out the reasons for non-payment. Some flexibility is allowed to the client if she agrees to repay the overdue amount on a later date with penalty. Flexibility in principal payments for three months are allowed to all the clients and it is found that in most of the cases clients has availed this facility. This is not a good practice as it does not reflect the true portfolio quality and PAR would be higher than is actually reported by the organisation if these were included as overdues.

In case of default, the village chief/commune authority assists the CO in collection. In case of overdues, after 3 days, follow up is done by the CO, and discussions are held within 7 days with the client and the Village Chief regarding blocking the collateral to be sold. In a month time a meeting with village chief and client is conducted where the possible solution is worked out. Normally by this time the recovery comes. Village leader in some cases has directed to the client to sell the live stock to repay the loan.

MAXIMA has developed strong credit discipline among its clients and staff, which has ensured good portfolio quality. The proper selection of clients and good rapport with the clients has helped the organisation in maintaining a healthy portfolio.

Internal control systems

The internal control system at MAXIMA is moderate. There is a good reporting structure at each level of the organization. The roles and responsibilities of staff at each level are clearly defined. However, the quality of the internal control in the field is moderate.

The field staff is allowed to handle cash and also disburse loans from the recovery. As pre payments of loan are also allowed in the field it increases the risk of fraud from the field staff. As the incentive of all staff depends on the PAR level it can also lead to fake utilisation of the prepayment funds in adjusting the PAR of some default customers. Though the receipt is given to the client and it is entered in three copies but client awareness of receipt is very limited as found during the rating visit. The receipts are well tracked at HO level. The frequency of field visits and surprise check made by the senior management staff is quite low. Considering weak staff capacity at the field level and excessive reliance on COs for appraisal and evaluation of collateral, only a few field visits by the management weakens the internal control mechanism and poses a risk to the portfolio.

Though there is a system that all the loan utilisation should be checked but during the field visit of rating team it was found that loan utilisation check is hardly done and in several cases it was found that the purpose of utilisation is different than the actual purpose written in the loan application form.

In some cases it is found that the loan is shared by two to five neighbour / siblings, or it is relent to other members who have been denied by the organisation during appraisal process. This creates a big risk in the portfolio of the organisation.

The Internal audit function is handled by a two member team. The head of Internal Audit team is one of the promoters of the organisation and he gives two days per week for monitoring the work of the other team member. The internal Auditor encompasses both financial and operational activities. The report prepared by the internal auditor is presented to the board.

All staff have to sign a contract with MAXIMA, which states that in case of any financial malpractice done by the staff the guardian of the staff will be responsible for fulfilment of the financial losses of the organisation. The contract is counter signed by the guardian of the staff and by the commune chief. This helps MAXIMA to minimise the risk of financial malpractice by the field staff. All the financial transaction in the field is supported by the printed receipt to the borrowers. The receipt book is printed in three copies of which one is given to the client one in for accounts and the third copy is kept for record in the HO. Receipt books has printed serial numbers and MAXIMA keeps the track record of issue and return of the receipt book by the staff. In case of cancellation of the receipt all the three copies of the receipt must be returned to the account department.

Financial planning

The financial planning system is reasonable for the present size of the organisation. Both the branches prepare cash flow projection on a monthly basis and request the Head Office to provide funds as necessary. Fund is transferred from the HO as and when needed.

Quality of clients/member groups

Visited member groups showed good performance on repayment of loans and overall discipline. Member awareness about the organisation's rules/norms is good to moderate. Members displayed poor knowledge on norms related to collateral and its refund. It is also partly due to lack of information provided by MAXIMA to its members.

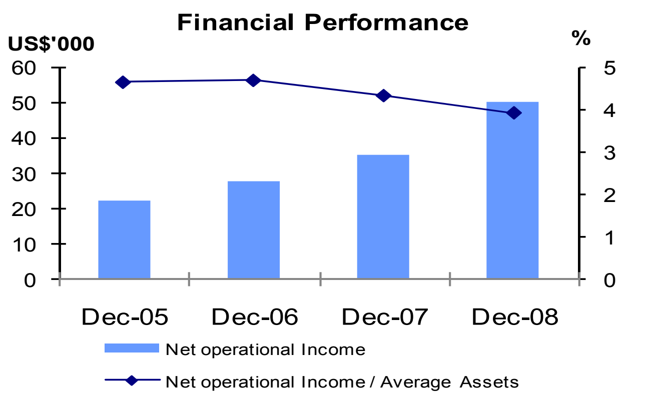
Infrastructure

MAXIMA has a reasonable infrastructure at Head Office and at branch office. All its offices are in rented premises. The book value of its infrastructure base is US$60,558 as on 31 December 2008. This mainly includes office furniture & equipment and computers. The current level of infrastructure seems adequate and is employed effectively. However, the organisation would need to increase its asset base in future (purchasing some vehicles and investments in IT equipment and MIS software) to match the growth requirements.

Financial performance

The grade for financial performance for Maxima has remained unchanged to α. The net operational income of the organisation has improved since the last rating, the capital adequacy position is at a comfortable stage even though it has declined over the past year. The organisation is able to attract low cost fund from KIVA USA, which has helped to lower its cost of fund and increase the net operational income. The OSS is well maintained.

Financial Ratios	31 Dec-06	31 Dec-07	31 Dec-08
Capital Adequacy			
Risk Weighted Capital Adequacy ratio	31.0%	35.8%	22.7%
Asset Quality			
Portfolio at Risk (>60 days)/ Gross Loan Portfolio	0.3%	0.1%	0.2%
Loan Loss Reserve/Gross Portfolio	1.0%	1.0%	1.0%
Management			
Operating Expenses/Average Gross Loan Portfolio	20.4%	20.7%	20.8%
Number of Borrowers/Field staff	98	92	97
Number of Borrowers/Staff	68	65	59
Earnings			
Net operating income/Average Equity (ROE)	14.1%	13.9%	16.3%
Net operating income/Average Assets (ROA)	4.7%	4.3%	3.9%
Portfolio Yield	35.9%	34.7%	31.9%
Financial Cost Ratio (Interest and Fee expenses/Avge Portfolio)	9.9%	8.6%	6.0%
Cost of Funds (Interest and Fee expense/Avge Funding Liability)	16.2%	12.8%	6.8%
Liquidity			
Cash & Liquid Assets/Total Deposits	32.6%	64.8%	NA
Cash & Liquid Assets/Total Assets	4.8%	7.1%	12.7%



<u>Credit performance and portfolio quality</u>

MAXIMA has good credit performance. As on 31 December 2008, the reported PAR (>60 days) was only 0.2%. M-CRIL expects the PAR to be slightly higher than reported due to the lacunae in the reporting of overdues as explained earlier.

In terms of loan diversification, MAXIMA's portfolio is reasonable, with clients engaged in various farm and non-farm activities.

<u>Mobilisation of funds & capital adequacy</u>

As discussed earlier, MAXIMA has obtained external funds mainly from commercial sources. As on 31 December 2008, the outstanding borrowings were US$12.97 thousand. This includes US$ 133 thousand short-term loans from the promoters. The organisation is successfully tied up with international funding agencies for commercial loans. It has only one local lender i.e. RDB Cambodia. The organisation has prepaid US$1, 00,000 to RDB and it has plans to gradually close the loan account of RDB.

MAXIMA's capital adequacy position is healthy at 22.7% as on 31 December 2008, even though it has declined over the past few years. The decline in the capital adequacy has been primarily because of the significant increase in borrowings with no additional equity infusion.

Asset, liability & equity composition

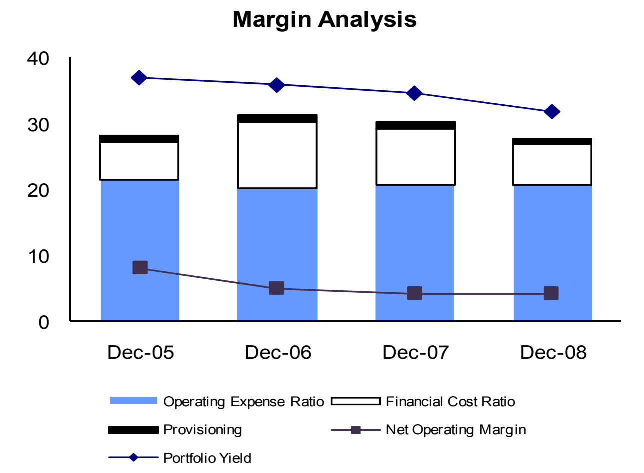
As on 31 December 2008, the organization had reasonably deployed 86% of its total assets in loans. However the declining trend in proportion of loans in total assets, a consequence of increasing cash balance in total assets is a cause of concern. Its liquid assets were at roughly 13% of the total asset reflecting poor cash management and net fixed assets at 4%.

As on 31 December 2008, the total net worth accounted for 19.4% of the total assets, out of which equity capital accounted for 84.2% and reserves and surplus accounted for 15.8% of total net worth. Long term debt was 78.5% of the total assets.

Profitability and sustainability

MAXIMA has improved reasonably since last rating on profitability and sustainability indicators. It has registered operational profit of US$50,273 in FY 2007-8. However, the decline in the financial cost ratio from 9.9% in December 2006 to 6.0% in December 2008 has been offset by fall in yield from 35.9% to 31.9% during the same period. Consequently a declining trend in return on assets (RoA) can be observed and was recorded at 3.9% in December 2008.

The Operational Self Sufficiency (OSS) was good at 118% for 2008 and Return on Equity (RoE) at 16.3% for 2008.



Future plans and prospects

MAXIMA is a growing organization that has been operating profitably since inception. MAXIMA wants to continue its focus in the current areas of operation and feels that it has a sizeable potential to cover in the existing working area. It does not plan to open branches in any other provinces in the immediate future. In the long run it has plans to increase its outreach to other parts of Cambodia as well.

For its expansion plan, MAXIMA is making every effort to improve the system and HR quality before expanding in the existing provinces. MAXIMA has established a good rapport with the existing funding agencies. It is also actively scouting for loan funds from some new funding partners. Grameen Credit Agricole Microfinance Foundation. and Planis have already theoretically agreed to provide loan to MAXIMA. MAXIMA requires improvement in staff capacities which in turn will increase productivity and efficiency. The organisation's staff and management display a high level of commitment, but require more exposure and training in order to hone the skills required in their current roles. For robust expansion, MAXIMA would need to address productivity, internal control and overlap between governance and management issues. In view of the present operations and the expansion plan, MAXIMA has good prospects for the future.

Validity This rating is valid, subject to no other substantial inflows of loan funds into the organisation beyond the limits specified here and to no other significant changes in the organisational structure and external operating environment. A **rating update** (comprehensive repeat rating) is recommended whenever such changes take place or at the end of **one year** from the date of the initial assessment, whichever is earlier. Any substantial additional information that becomes available could also result in a rating update or a rating review (revision of rating grade based on a desk analysis).

Liability The rating assigned is a professional opinion of the assessors and M-CRIL does not guarantee the information and cannot accept any legal responsibility for actions arising out of the recommendations made.

Financial statements for MAXIMA

Balance sheet as on

In US$

31-Dec-05	31-Dec-06	31-Dec-07		31-Dec-08
			Assets	
			Current assets	
3 336	22 757	4 559	Cash in hand	15 189
71 634	11 145	59 885	Cash in bank	1 93 962
3 500	3 500	20 550	NBC - Capital Guarantee Deposit	13 500
0	654	654	Deposit in ETIMOS for Shares	1 417
1 370	2 140	1 460	Advances	13 247
4 880	2 394	6 600	Other Current Assets	7 440
3 88 990	6 60 578	8 12 159	Gross loan outstanding	13 62 781
0	0	5 992	Write Off	1 526
3 88 990	6 60 578	8 06 167	Gross loan outstanding after write off	13 61 255
3 890	6 606	8 062	Loan loss reserve	13 613
3 85 100	6 53 972	7 98 105	Net loan outstanding	13 47 642
4 69 820	**6 96 562**	**8 91 813**	**Total current assets**	**15 92 397**
			Long term assets	
12 480	9 065	20 783	Net property and equipment	60 558
12 480	**9 065**	**20 783**	**Total long term assets**	**60 558**
4 82 300	**7 05 627**	**9 12 596**	**Total assets**	**16 52 955**
			Liabilities and Net worth	
			Current liabilities	
46 190	1 03 840	99 495	Saving deposits	0
0	5 002	4 428	Income tax payable	8 792
0	3 160	8 820	Staff provident fund payable	14 260
0	1 330	2 736	Staff insurance fund payable	4 678
0	1 223	512	Interest Payable	2 657
0	4 336	2 266	other current liabilities	4 249
0	0	0	Short term loan from promoters	1 33 000
46 190	1 18 891	1 18 257	**Total current liabilities**	1 67 636
			Long term liabilities	
2 00 000	2 30 000	2 00 000	Rural Development Bank	3 00 000
50 000	50 000	1 00 000	ADA, Luxemburg	2 75 000
0	98 883	65 969	ETIMOS, Italy	1 22 895
0	0	1 30 950	KIVA, USA	4 66 854
2 50 000	3 78 833	4 96 919	**Total long term liabilities**	11 64 749
2 96 190	**4 97 724**	**6 15 176**	**Total liabilities**	**13 32 385**
			Net worth	
70 000	70 000	2 70 000	Share Capital	2 70 000
1 17 916	1 15 001	0	Subordinated Debt	0
0	4 390	5 653	Capital Reserve	7 122
-23 427	-1 806	18 512	Retained net surplus/(deficit)	21 767
21 621	20 318	3 255	Current net surplus/(deficit)	21 681
1 86 110	**2 07 903**	**2 97 420**	**Total net worth**	**3 20 570**
4 82 300	**7 05 627**	**9 12 596**	**Total liabilities and net worth**	**16 52 955**

Income statement (for the year ending on)

In US$

31-Dec-05	31-Dec-06	31-Dec-07		31-Dec-08
			Income	
96 518	1 83 580	2 25 734	Interest on loans to customers	3 22 965
1 016	1 967	7 364	other income	6 312
97 534	**1 85 547**	**2 33 098**	**Total income**	**3 29 277**
			Financial costs	
8 603	30 843	33 509	Interest on borrowings	43 128
3 420	7 975	11 018	Interest on savings deposits	1 337
2 792	12 029	11 598	Fee and Service Expenses	16 731
82 719	**1 34 700**	**1 76 973**	**Gross financial margin**	**2 68 081**
3 890	2 716	7 448	Provision for loan losses	7 077
78 829	**1 31 984**	**1 69 525**	**Net financial margin**	**2 61 004**
			Operating expenses	
26 490	50 205	64 226	Salary	1 08 869
4 214	14 240	18 746	Travel and conveyance	19 431
2 989	5 975	5 608	Depreciation	16 185
22 740	33 720	45 931	Administrative & other expenses	66 246
56 433	**1 04 140**	**1 34 511**	**Total operating expenses**	**2 10 731**
22 396	**27 844**	**35 014**	**Net surplus/(deficit)**	**50 273**
0	0	0	Non-operational income	0
22 396	**27 844**	**35 014**	**Profit before tax**	**50 273**
775	7 422	9 352	**Tax expense/credit**	13 188
21 621	**20 422**	**25 662**	**Profit after tax**	**37 085**
0	104	1 263	Reserve	1 469
0	0	21 144	Capitalisation	0
0	0	0	Dividend paid	13 935
21 621	**20 318**	**3 255**	**Current surplus/(deficit) transferred to balance sheet**	**21 681**

Notes to the financial statements

1. MAXIMA is a limited liability company,
2. All loan portfolios related income is recognised only when it is actually received (**cash basis**).
3. Financial costs (interest on borrowings, if any) and operating costs are calculated on an **accrual basis**.
4. Loan loss provisioning expense and the corresponding balance sheet entry (loan loss reserve) has been computed based on the quality of the portfolio. Since MAXIMA has good portfolio quality, the loan loss reserve has been taken as 1% of the gross loan outstanding portfolio on the last day of the financial year by M-CRIL standards.
5. Fixed assets are valued at cost of acquisition and the net value after depreciation is taken as net property and equipment.
6. Depreciation is calculated on a straight line method.

Glossary

1. Current repayment rate: Ratio of principal recovered (net of pre-payments) to the principal due for the last one year.
2. Portfolio at risk (PAR_{60}): Ratio of the principal balance outstanding on all loans with overdues greater than or equal to 60 days to the total loans outstanding on a given date.
3. Yield on portfolio: The interest income on loans divided by the average loan portfolio for the year.
4. Other income to average portfolio: Total income other than from the interest on loans divided by average portfolio.
5. Financial cost ratio: Total interest expense for the year divided by the average portfolio.
6. Loan loss provisioning ratio: Total loan loss provisioning expense for the year divided by the average portfolio.
7. Operating expense ratio: Ratio of salaries, travel, administrative costs and depreciation expenses to the average loan portfolio.
8. Net operating margin: Difference of (yield on portfolio+ yield on other income) and (financial cost ratio+ loan loss provisioning + interest loss provisioning) – also known as spread on portfolio
9. Average loan portfolio: This represents the average loan outstanding for the year computed on a monthly basis.
10. Average total assets: This represents the average total assets for the year calculated on an annual basis.
11. Operational Self-Sufficiency: Ratio of total income to total costs for the year.
12. Financial Self-Sufficiency: Ratio of total income to total adjusted expenses for the year. Adjustments have been made for subsidised cost of funds (w.r.t. market interest rate), equity (w.r.t. inflation) and in-kind donations.
13. Risk weighted capital adequacy ratio: Ratio of networth to risk weighted assets
    M-CRIL Risk weights: 100% for all assets except the following: fixed assets & interest bearing deposits: 50%; cash 0%.
14. Return on assets: Ratio of operational income/(loss) to average total assets
15. Return on equity: Ratio of operational income/(loss) to average net worth

Abbreviations

BM	Branch Manager
BoD	Board of Director
CAR	Capital Adequacy Ratio
CEO	Chief Executive Officer
CO	Credit Officer
COO	Chief Operating Officer
ED	Executive Director
FSS	Financial Self-Sufficiency
FY	Financial Year
HO	Head Office
HR	Human Resource
LLR	Loan Loss Reserve
M-CRIL	Micro-Credit Ratings International Ltd
MD	Managing Director
MFI	Micro Finance Institution
MIS	Management Information System
NBC	National Bank of Cambodia
NGO	Non Government Organisation
NPA	Non Performing Asset
OER	Operating Expenses Ratio
OSS	Operational Self-Sufficiency
PAR_0	Portfolio at Risk (>=0 days)
RoA	Return on Assets
RoE	Return on Equity
RDB	Rural Development Bank
RGC	Royal Government of Cambodia
UNDP	United Nations Development Programme
USD	United States Dollar