

**KINGDOM OF CAMBODIA**

**NATION RELIGION KING**

**NATIONAL BANK OF CAMBODIA**

Number B7-00-51 prokor

**PRAKAS**

**on**

**Amendment on Prakas No B 7-00-51**

**on**

**THE CLASSIFICATION AND PROVISIONING FOR BAD  
AND DOUBTFUL DEBTS, INCLUDING INTEREST IN SUSPENSE**

**The Governor of the National Bank of Cambodia**

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27 of January 26, 1996 promulgating the law on the Organization and Functioning 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 the Royal Decree NS/RKT/0202/039 of February 16, 2002 on the reappointment of His Excellency Chea Chanto as Governor General of the National Bank of Cambodia;
- With reference to the PRAKAS No B 7-00-51 on the Classification and Provisioning for Bad and Doubtful Debts, including Interest in Suspense;
- Pursuant to the opinion of working group of banking and financial service with private sector on 5 February 2002.

**Decides :**

**Article 1 :**

Article 4 of Prakas No B 7-00-51 on the classification and provisioning for bad and doubtful debts, including interest in suspense, is amended and has the following content:  
The mandatory minimum level of specific provisioning, depending on the classification concerned, shall be the following :

- Substandard : 10%, regardless of collateral value except cash,
- Doubtful : 30%, regardless of collateral value except cash,

- Loss : 100%, if the banks can prove the actual market value of collateral on the case by case basis, acceptable to the National Bank of Cambodia, only part of loan uncovered will be provisioned.

**Article 2 :**

The General Direction, the General Secretariat, the General Inspection, the General Cashier and all Departments of the National Bank of Cambodia, and all Banking and Financial Institutions under the NBC's supervisory authority shall strictly implement this Prakas.

**Article 3 :**

This Prakas shall have effect from the signing date.

Phnom Penh, , 2002

The Governor

cc:

- All members of the Board of Directors
  - The parties concerned as stated in article 2
  - File
  - CM "for info"
  - Administration Department of CM
- " for publication in the National Gazette "