

Filename: 33 PRK-NBC-7.doc

**Kingdom of Cambodia
Nation Religion King**

National Bank of Cambodia
No. NBC/B700/39
February 9, 2000

**Prakas
On
Banks' Minimum Capital**

The Governor of the National Bank of Cambodia

- Referring to the 1993 Constitution of the Kingdom of Cambodia;
- Referring to Kram No. NS/RKM/0196/27 of January 26, 1996 promulgating the Law on the Organization and Functioning of the National Bank of Cambodia;
- Referring to Kram No. NS/RKM/1199/13 of November 18, 1999 promulgating the Law on Banking and Financial Institutions;
- Referring to Kret No. CS/RKM/0398/85 of March 10, 1998 on the appointment of H.E. Chea Chanto as Governor of the National Bank of Cambodia;
- Pursuant to the request of the Banking Supervision Department of the National Bank of Cambodia.

IT IS HEREBY DECIDED

Article 1: To obtain a license, banks locally incorporated as companies must have a paid-up minimum capital equal to at least Riels 50,000,000,000 (fifty billion).

Article 2: Before obtaining a license, branches of foreign banks must have a paidup capital endowment equal to at least the minimum capital of banks locally incorporated as companies as mentioned in Article 1 above.

Article 3: Banks which have been in operation in Cambodia prior to the end of 1997, shall be required to comply with the minimum capital requirement laid down in Article 1 of this Prakas at the latest on December 31, 2001.

However, the National Bank of Cambodia will grant such a deadline only to banks which show a very satisfactory financial position.

Article 4: To prove that their assets minus related potential losses and intangibles exceed their liabilities to third parties by an amount equal to at least the minimum capital, banks must ascertain on an ongoing basis that their base net worth, as calculated in accordance with the provisions of Prakas on the calculation of banks' net worth, is equal to at least the minimum capital.

Article 5: All provisions contrary to those of this Prakas are hereby repealed.

Article 6: The General Director, the General Secretariat, the General Cashier, the General Inspection, all NBC departments, and all banking and financial institutions under the NBC supervisory authority shall be responsible for the enforcement of this Prakas.

Article 7: This Prakas shall enter into force from the date of its signature.

Phnom Penh, February 9, 2000
The Governor

Signed: Chea Chanto

cc:

- All Members of the Board of Directors
- Parties concerned as stated in article 6
- to File
- Council of Ministers "for information"
- Administration Department of Council of Ministers "for publication in the Official Gazette"