PROJECT DATA SHEET

Project Data Sheets (PDS) contain summary information on the project or program: Because the PDS is a work in progress, some information may not be included in its initial version but will be added as it becomes available. Information about proposed projects is tentative and indicative.

PDS Creation Date	18 Apr 2006
PDS Updated as of	06 Sep 2011

Project Name	Financial Sector Development Program II
Country	Cambodia
Project/Program Number	34389-012
Status	Closed
Geographical Location	Cambodia

In preparing any country program or strategy, financing any project, or by making any designation of, or reference to, a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

Sector	Finance
Subsector	Finance sector development
Strategic Agendas	–
Drivers of Change	–
Gender Equity and Mainstreaming Categories	–

FINANCING

Type/Modality of Assistance	Approval Number	Source of Funding	Approved Amount (US$ thousand)
Technical Assistance	4835	Japan Special Fund	650
TOTAL			**US$ 650**

SAFEGUARD CATEGORIES

For more information about the safeguard categories, please see http://www.adb.org/site/safeguards/safeguard-categories

Environment

C

Involuntary Resettlement	C
Indigenous Peoples	C

SUMMARY OF ENVIRONMENTAL AND SOCIAL ISSUES

Social impact is positive and environmental concerns are minimal.

Environmental Aspects
–

Involuntary Resettlement
–

Indigenous Peoples
–

STAKEHOLDER COMMUNICATION, PARTICIPATION, AND CONSULTATION

The PPTA will build on upcoming work to update the Financial Sector Blueprint and the results of FSP I. An integral part of the PPTA activities will be to ensure active dialogue with policy makers and other public and private sector stakeholders. Project findings, program proposals and other deliverables will be presented and discussed regularly with policy makers and other stakeholders.

During Project Design
tbd

During Project Implementation
tbd

DESCRIPTION

The PPTA will assist in the selection of appropriate policy conditions and help build capacity within the implementing agencies so that they are better able to fulfill those conditions. The overall goal will be to support the Government in developing a sound and efficient financial system that enhances resource mobilization and contributes to sustainable economic growth. This will be pursued through: i. Development of the banking sub-sector ? effective prudential supervision of banks and non-bank financial institutions; enhanced competition to reduce transaction costs, introduction of new products and services; extension of facilities to the rural areas. ii. Legal and Regulatory framework ? effective implementation of laws and regulations adopted during FSPL I and the development of relevant laws and accompanying regulations necessary for the effective functioning of the financial sector. iii. Development of the insurance sub-sector ? implementation of revised insurance law and accompanying regulations, divestment of state-owned insurance and re-insurance companies, strengthened supervisory function, and increased competition to reduce costs and introduce new products and services. iv. Inter-bank and money markets development - implementation of approved laws and accompanying regulations for the payments system and inter-bank and money markets. v. Further strengthening of the financial market infrastructure, including information infrastructure, accounting and auditing institutions, and commercial arbitration centers. vi. IT project for NBC ? feasibility study and a report on the outcome of discussions with officials of the NBC project design for the IT loan.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

The development framework for Cambodia?s financial sector is based on the 2001-2010 Financial Sector Blueprint (Blueprint) that was developed with ADB support and adopted by the Government in late 2001. Implementation of the

Blueprint to date has helped with the successful transition from a mono-banking to a two-tier (central bank and financial institutions) system. Work to update the Financial Sector Blueprint (2006-2015) was completed at the end of 2006 and officially adopted by the Government of Cambodia in February 2007. Since implementation of the Blueprint commenced in 2001 there have been some notable achievements as well as lessons to be learned (from international and domestic experience). Those, plus new challenges now emerging, the Government would like to update the blueprint so that it may more accurately reflect the current situation. Work on the Blueprint update has commenced with technical support from ADB and it is expected that the update will be completed by the second quarter of 2006. The updated Blueprint will provide the framework for reform in the sector over the next 10 years and useful inputs for the design of the second FSPL. Against this background, Financial Sector Development has to be coordinated closely with private sector development strategies to address governance and corruption issues, problems with access to finance, high transaction costs, limited access to information and increasing competition in what should be a level playing field. As private sector development is one of the pillars for ADB's operations in Cambodia, financial sector development is a priority sector and one in which ADB has played a leading role.

DEVELOPMENT IMPACT

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PROJECT OUTCOME

Description of Outcome	Progress Towards Outcome
–	–

OUTPUTS AND IMPLEMENTATION PROGRESS

Description of Project Outputs	Status of Implementation Progress (Outputs, Activities, and Issues)
–	–

BUSINESS OPPORTUNITIES

Date of First Listing	18 Apr 2006
Consulting Services	Consulting Services yet to be determined.
Procurement	tbd
Procurement and Consulting Notices	http://www.adb.org/projects/34389-012/business-opportunities

TIMETABLE

Concept Clearance	21 Mar 2006
Fact-finding	17 May 2006 to 26 May 2006

Management Review Meeting –

Approval	08 Sep 2006
Last Review Mission	–

MILESTONES

Approval No.	Approval	Signing	Effectivity	Closing		
				Original	Revised	Actual
Technical Assistance 4835	08 Sep 2006	05 Oct 2006	05 Oct 2006	31 Aug 2007	30 Sep 2008	–

TA AMOUNT (US$ THOUSAND)

Approval Number	Approved Amount	Revised Amount	Total Commitment	Uncommitted Balance	Total Disbursement	Undisbursed Balance
Technical Assistance 4835	650	650	488	162	488	162

CONTACTS AND UPDATE DETAILS

Responsible ADB Officer	Samiuela T. Tukuafu (stukuafu@adb.org)
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, SERD
Executing Agencies	National Bank of Cambodia Mme Tal Nay Im

LINKS

Project Website	http://www.adb.org/projects/34389-012/main
List of Project Documents	http://www.adb.org/projects/34389-012/documents