



Project Summary Information

Date of Document Preparation: April 22, 2022	
Project Name	Cambodia Emergency and Crisis Response Facility
Project Number	P000614
AIIB member	Kingdom of Cambodia
Sector/Subsector	Finance/Intermediary financing
Status of Financing	Approved
Project Description	The project is a non-sovereign backed loan to ACLEDA Bank (ACLEDA), to expand its lending to eligible private sector micro, small and medium sized enterprises (MSMEs) in Cambodia.
Objective	The project objective is to increase access to finance of MSMEs that are affected by the economic upheaval during the COVID-19 pandemic.
Expected Results	The expected results may be measured by the following indicators: (i) number of Cambodian MSMEs supported by the project, (ii) the percentage of loans provided to women-owned business or enterprises, and (iii) a non-performing loans ratio at ACLEDA level.
Environmental and Social Category	FI
Environmental and Social Information	<p>AIIB's Environmental and Social Policy (ESP) is applicable to this on-lending facility. The project has been placed in Category FI, because the financing structure involves the provision of funds through a Financial Intermediary (FI), whereby AIIB delegates to ACLEDA the decision-making on the use of AIIB's funds for sub-loans in so far as the sub-loans meet the conditions of the eligibility criteria.</p> <p>ACLEDA will undertake an environmental and social (ES) screening process for sub-borrowers in accordance with the eligibility criteria which determine the use of proceeds of AIIB's funds. The eligibility criteria have been reviewed by AIIB and are consistent with the AIIB's ESP, and only sub-borrowers from eligible sectors aligned with AIIB's priorities with low to medium ES risks are eligible. Additional applicable requirements include the AIIB Environmental and Social Exclusion List and national ES laws. In addition, ACLEDA will use standard E&S covenants and reporting requirements for each sub-loan agreement, and where necessary, prepare an ES action plan (ESAP) for inclusion in the sub-loan documentation.</p>

ACLEDA's Environmental, Social and Community Policy (ESCP) and Environment and Social Operating Manual Procedure (ESOMP) governs its operating processes regarding E&S diligence for sub-borrowers and is integrated into their credit review process. The ESMS has been developed over several years and reflects requirements of several multilateral and bilateral institutions, in particular those of the IFC's Sustainability Framework and Performance Standards and Guidance Notes as relevant to ACLEDA's operations. AIIB has appraised the process and is satisfied with ACLEDA's capacity to implement its ES policy and its adequacy assessed to apply the ESMS for AIIB supported activities. ACLEDA is required under its ESCP and ESOMP to screen loan proposals, to categorize them as per its ES internal processes, to conduct an ES assessment of contextual risks and current ES compliance status and performance. ACLEDA will be required to maintain a comprehensive database comprising all relevant ES information, conduct sample-based ES auditing of selected sub-loans, and report to AIIB on the ES characteristics of the project's portfolio on a regular basis on an agreed template.

The project will not allow the financing of sub-projects involved in higher risk project activities. In line with the provisions of the ESF, higher risk sub-projects activities are all those corresponding to Category A as well as selected Category B activities, as determined by the Bank that may potentially result in a) land acquisition and involuntary resettlement, b) risk of adverse impacts on Indigenous Peoples and/or vulnerable groups, c) significant risks to or impacts on the environment, community health and safety, biodiversity and/or cultural resources, d) significant Occupational Health and Safety risks or e) significant retrenchment of more than 20 percent of direct employees and recurrent contractors. Coal-related sub-projects including coal mining, coal transportation or coal-fired power plants, as well as infrastructure services exclusively dedicated to support any of these activities and large dams will also be excluded. These criteria limit the foreseeable ES impacts of the beneficiary's activities.

ACLEDA will be required to disclose key elements of its ES policy and performance on its website. Stakeholder consultation and disclosure by the sub-borrowers, beyond what may be required by Cambodian regulatory requirements, will not be required in the scope of eligible sub-loans, given that only sub-borrowers from low-to-medium ES risk are eligible. ACLEDA has a functioning GRM in place which provides for suggestion boxes, a 24-hr call center, on-line complaint form and dedicated email to receive complaints. If ACLEDA receives a view, complaint, enquiry, or concern, through its external communication mechanism, from a sub-borrower or from a third-party affected by a sub-borrower and

	if the matter is not dealt with the satisfaction of the aggrieved party, then ACLEDA will be required to inform the sub-borrower or affected-party of the applicability of the AIIB Project-Affected People's mechanism.	
Operational Policy on International Relations	ACLEDA will screen sub-projects against the Operational Policy on International Relations (OPIR) and exclude from AIIB support any sub-project that would involve any of the matters covered in the OPIR.	
Financing Plan	AIIB loan: up to USD100 million	
Borrower	ACLEDA Bank Plc.	
Estimated date of last disbursement	May 2023	
Contact Points:	AIIB	Borrower
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Date of Concept Decision	Not applicable	
Date of Appraisal Decision	April 6 2022	
Date of Financing Approval	April 21 2022	

Independent Accountability Mechanism	<p>The AIIB's Policy on the Project-affected People Mechanism (PPM) applies to this project. The PPM has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit insert link to the PPM web page. https://www.aiib.org/en/policies-strategies/operational-policies/policyonthe-project-affected-mechanism.htm</p>
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