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Annexe 8 : Procédures Lutte Anti Blanchiment / Financement du Terrorisme

Anti Money Laundering Financing of Terrorism Policies and Procedures

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Changed Record

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1- General Purposes

The purpose of this document is to define Chamroeun's policies and procedures in terms of transparency in financial operations, and combating money laundering and financing of terrorism.

2- Scope of Procedure

This procedure is applied to all the activities Chamroeun Microfinance Limited. They comply with:

- Entrepreneurs du Monde's principles on combating money laundering and financing of terrorism
- Law NS/RKM/0607/014 of the kingdom of Cambodia, as ratified by the senate on May 28th, 2007.

3- Responsibility

- The Chairman of Board is responsible for validating the policies and procedures based on the General Manager's the proposition.
- The General Manager is responsible for reviewing and approving the policies and procedures for proposition to the Chairman of Board.
- The Marketing and Communication Manager is responsible for writing and updating the policies and procedures.
- The Human Resource Manager is responsible for training Chamroeun's staffs for the implementation of these policies and procedures.
- The Audit Manager is responsible for controlling and ensuring the good implementation of these procedures.
- All staffs are responsible for implementing appropriately, effectively and efficiently these policies and procedures.


4- Client identification

4.1- Policy

Any person (hereafter referred to as "client") engaged in financial transactions with Chamroeun Microfinance Limited for loans and / or savings is clearly identified in a registration file (paper copy) which includes at least their surname, first names, address and photo. A photocopy of the client's proof of identity will also be added to the file. All data related to the client's registration with Chamroeun is encoded in the institution's MIS which is used for managing all transactions related to loans and savings activities.

The same controls are implemented for the co-makers.

Legal entities are not eligible to benefit from Chamroeun services.

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4.2- Procedure

Detailed procedures are enclosed in "Operation Manual Part 1 – How to become a Partner".

The data provided by the clients at the time of registration is cross-checked through a field visit at the client's home and / or place of work.

5- Knowledge of the client

5.1- Policy

All transactions made by / for the benefit of Chamroeun's clients are nominative, and are done in person (by the client or a designated representative) either at a branch of the institution, on the field with an accredited member of staff. In no case shall Chamroeun authorize any transaction that would favour anonymous transactions.

Chamroeun shall under no circumstance rely on intermediaries or on third parties to instruct their client's files or to validate the data provided by clients, nor to introduce business.

All transactions made by / for the benefit of Chamroeun's clients are backed by appropriate vouchers (receipt, collection form ...) which clearly identifies both parties.

The Loan Application Forms include detailed information related to the client's family situation, to the client's family expenses and incomes, to the client's assets, the type of business to be financially supported by the loan, the planned use of the loan. All information is controlled during home and business visits and the Loan Application Forms are stored in the clients' files.

Controls are made to ensure that the loan applicant is actually the loan beneficiary, by field visits before and after loans and by neighbourhood surveys.

5.2- Procedure


Detailed procedures are enclosed in "Operation Manual Part 2, 3 and 4 – CBU account operations, Loans application and Loans cycles".

6- Operations monitoring

6.1- Policy

Any transaction above 500 US dollars will be subject to specific controls by Chamroeun's internal audit department. Specific controls are the research for each client on filtering lists of financial sanctions.

If Chamroeun staff have reasons to suspect that the funds which are remitted by a client come from criminal activities, or are linked in any way to financing terrorism, they shall immediately report to their direct supervisor and to the Internal Audit Department. Based on the results of the third level control, if necessary, Chamroeun

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shall make a declaration to Supervision Department from the Cambodian National Bank which is at the time the relevant authority dealing with Anti Money Laundering and Financing of Terrorism.

In such a case, Chamroeun shall also immediately inform Entrepreneurs du Monde.

In the same way, in case of anticipated loan repayment (only authorized in case the client has already repaid 80% of the loan according to the contractual repayment schedule, based on Chamroeun financial services policies), Chamroeun staffs have to control the reasons of such an anticipated repayment and have to control the origin of the funds used to repay. In case of suspicion of illegal activity or illegal source of financing, Chamroeun shall make a declaration to Supervision Department from the Cambodian National Bank which is at the time the relevant authority dealing with Anti Money Laundering and Financing of Terrorism.

Repayments can only be made in cash.

6.2- Procedure

Branch staffs are responsible for ensuring the first and second level controls regarding the good implementation of this policy. The Internal Audit Department is responsible for ensuring the third level control during the branch audits regularly scheduled.

7- Security and conservation of data

7.1- Policy

The clients' registration files (paper copy) are kept secured for at least 5 years, starting from the date the client closes all account in Chamroeun.

In the same way, all vouchers related to transactions made by / for the benefit of Chamroeun's clients will be secured for at least 5 years within Chamroeun and can be looked up on demand.

7.2- Procedure


Procedures are detailed in Operation Manual Part 1, 2, 3 and 4.

8- Staff training

8.1- Policy

The institution shall raise staff awareness on issues related to combating money laundering and financing of terrorism, as well as ensure staff are trained specifically on the dispositions related to these matters.

8.2- Procedure

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Training on anti money laundering and financing of terrorism is part of the global training catalogue provided to Chamroeun's staffs.

All new staffs are systematically trained on the topic during their integration. Regular trainings on the topic are also scheduled as part of the annual training plan.

9- Controlling and reporting

9.1- Policy

The branch staffs are responsible for ensuring a permanent control first and second level control regarding the risks of Money Laundering and Financing of Terrorism.

The Internal Audit department is responsible for implementing the third level control regarding the good implementation of these policies and of the related procedures. This controls are performed on a regular basis (twice a year), during the branches internal audits.

The Internal Audit Department reports directly to the Board of Directors.

The Communication and Marketing Manager is responsible to keep these policies and procedures updated based on the evolutions of the Cambodian legislations and of the International best practices.

9.2- Procedure

Related procedures are detailed in the Internal Audit Manual.