

Abacus Case Study – Angkor Mikroheranhvatho Kampuchea (AMK)

Angkor Mikroheranhvatho Kampuchea



AMK at a Glance	Sep-10	YoY Growth
Number of Branches/Sub Branches	78	
Number of Villages	7,812	
Total Staff	850	
Loan Portfolio	\$31,429,997	27%
Number of Active Borrowers	255,956	17%
Group Loans	91%	
Women Borrowers	86%	
Avg. Outstanding Loan per Borrower	\$124	
Number of Voluntary Savers	3,229	82%
Voluntary Savings Balance	\$1,148,234	5836%
Operations Self Sufficiency	109%	

About AMK



Established from a savings and credit component of a Concern Worldwide community development project started in 1993, AMK has grown to become one Cambodia's largest MFIs in with over 250,000 clients served by over 70 branches in around 8,000 villages in all of Cambodia's provinces. AMK is also the most pro-poor of Cambodia's large MFIs with an average loan size of \$124, and a very high proportion of group lending to women. In 2009 AMK's pro-poor focus was recognised by with Received Gold Award on Transparency Report on Social Performance from the Microfinance Information eXchange (MIX).

Cambodia has a population of about 14 million, with approximately 85% living in rural areas. An estimated 36% of the population lives under the poverty line. The financial sector is still underdeveloped, lacking rural development banks and limited by a weak rural finance network. For these reasons, Cambodia has been a huge growth market for microfinance, attracting a large amount of foreign capital to establish or scale-up local MFIs. An unusual feature of the Cambodian market is that three currencies can be in use in the same area – the Cambodian Riel, the US Dollar and, depending on the location, either the Thai Baht or the Vietnamese Dong.



The System

AMK was a long time user of the MBWin system from FAO-GTZ Microbanking. In 2008 AMK realised they needed a new system that would allow them to support increased outreach, continued growth, and greater complexity in lending and savings products. They also needed a system that could support multicurrency lending and savings. At the time the system requirements were specified, Cambodia's internet connectivity was very poor in rural areas (however this has now improved very rapidly). For this reason AMK requested a distributed network of local systems with central consolidation of aggregated data.

After an exhaustive selection process, the system selected was Fern's Abacus MFI system, modified to support multi-currency and local language (Khmer) support, e.g. for Cambodian names. Abacus was purchased late in 2009 and implemented in early 2010. AMK went live branch by branch during 2010 and was finally live on all branches in August of 2010.

Supported by Abacus MFI, AMK continues to grow, in scale and in the complexity of products and services to its clients. Data from all branches is consolidated at AMK's head office for regulatory and management reporting. In addition to the modifications made by Fern, the flexibility of Abacus' open architecture has allowed AMK to make their own modifications and extensions to the system.

While the AMK implementation was conducted entirely by Fern from its Brisbane office in Australia, Fern has now established a local service and support partner as part of move to build upon the success of AMK and attract new Cambodian MFIs to the Abacus family.