

## VisionFund Cambodia Limited

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### Brief History

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VisionFund Cambodia Limited is a Christian company that provides financial services to help the poor liberate themselves from poverty. The organisation started out as a World Vision Cambodia program before its transition, in 2001, to its current form as a separate microfinance institution owned and governed by World Vision. It obtained its MFI license from the National Bank of Cambodia in May 2004. VisionFund is also predominantly a rural microfinance provider. However, it is stepping into providing microfinance to the poor who lives and work around the Phnom Penh metropolitan area.

### Methodology

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VisionFund uses village bank, solidarity groups and individual lending methodologies. VisionFund offers mainly community banks loans. However, solidarity groups lending was introduced in 2004, for clients with increased capitalisation needs. Solidarity group loans start at US\$280 for each borrower and can be increased in subsequent cycles as the ability to handle larger amounts of credit is demonstrated.

### Area of Operations

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VisionFund operates in 624 villages from 6 branches, located in 6 provinces of Cambodia: Kandal, Battambang, Kampong Speu, Kampong Thom, Kampong Chhnang and Takeo. The organisation's network covers 25 districts and work side by side with the Word Vision's Area Development Programme.

### Clients

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Active clients	Active savers	Active borrowers	Gender
18,873	1,745	18,873	79% women

*As of 30 September 2004*

### Poverty Focus

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VisionFund invests in the enterprising poor and their ability to build a business. It takes an holistic approach by aiming at increasing local communities well-being.

Average Loan Outstanding	Average outstanding loan size / GNP per capita	Average deposit size
US\$65	22%	US\$11

*As of 30 September 2004*

## Distinctive Features

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All of VisionFund Cambodia clients are in communities served by a World Vision Area Development program where the communities benefit from clean water, agricultural training to secure food production, primary education, health care and vocational skills training.

## Innovations

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n/a

## Financial results

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VisionFund is fully owned by World Vision International. The gross loan portfolio outstanding is US\$1,22 million, with a 99.15% repayment rate.

Loan Portfolio	Portfolio at risk (>30 days past due)	Savings Deposits	OSS / FSS	RoE / RoA
US\$1.22 million	1.28%	US\$20,000	69% / n.a	n.a / -8%

*As of 30 September 2004*

## Challenges and development plans

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VisionFund's challenges include staff capacity building and the development of an automated loan management information system. VisionFund aims to reach operational self-sufficiency in 2005 and to become a financially sustainable organisation by 2008. It aims at reaching 43,000 clients by 2008, with a US\$5.8 million loan portfolio.

## Inclusion in financial Sector

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VisionFund is a non-bank microfinance institution regulated by the National Bank of Cambodia.

## Sources

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- VisionFund Report of Activities
- The MIX Market Profile for VisionFund Cambodia Limited [www.mixmarket.org](http://www.mixmarket.org)
- CMA statistics as of September 2004