KINGDOM OF CAMBODIA

NATION   RELIGION   KING

NATIONAL BANK OF CAMBODIA

Number: B7.01-185 ProKor

Unofficial Translation

Prakas

On The Establishment of the Inter-Bank Market Working

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The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27 of Janauary 26, 1996 promulgating the Law on the Organization and Functioning of the National Bank of Cambodia;
- With reference to teh Royal Kram NS/RKM/0398/85 of March 10, 1998 on the appiontment of His Excellency Chea Chanto as Governor General of the National Bank of Cambodia;

Decides as fellows:

Article 1.

Under the Financial Sector Steering Committee,the National Bank of Cambodia establishes an Inter bank Market Working Group • (Working Group) comprising representative and experts from the National Bank of Cambodia and the Bankers Association, in order to assist the National Bank of Cambodia to undertake policy reforms for the development of viable inter bank markets and other services, envisaged in the Financial Sector Program Loan Cluster by the Asian Development Bank in 2001.

Article 2.

The Working Group shall undertake all necessary preparatory works for the establishment of:
   - viable inter bank market arrangements,
   - an arrangement for sharing credit information among the members of the Bankers Association, and
   - a banking institute for professional training of staff of the members of the Bankers Association.

The Working Group shall carry out, inter alias:
   - developing a plan to establish arrangements for sharing credit information among the members of the Bankers association,
   - drafting a NBC guideline for operational procedures for the arrangements, including commercial banks reporting requirements,
   - developing inter bank market arrangements,
   - drafting (a) operational protocol, (b) code of ethics for dealers and brokers, qualifications for dealers/brokers, and (c) NBC regulations for inter bank markets,
   - simulating the proposed credit information system and inter bank market arrangement with the participation of all member banks, and

- Drafting a plan to establish an inclusive banking institute for the staff of members of the Bankers Association with training courses and funding plan.

Article 3.

The Working Group shall comprise representatives and experts 3 members from the National Bank of Cambodia and 2 members of the Bankers Association.

Article 4.

The Working Group shall appoint a Secretary.

The Secretary maintains the minutes of the working Group meetings, and is responsible for logistic arrangement and support related to the operations of the Working Group.

Article 5.

The chairman of the Working Group will prepare the meeting agenda in consultation with the secretary. The chairman will prepare and issues paper for meetings, when he/she deems necessary to facilitate the discussion.

The member(s) who propose(s) an extraordinary session of the Working Group meeting shall prepare agenda and an issues paper in consultation of the chairman. If deemed necessary, the Chairman may request to form a small group of experts to prepare an issues paper.

Article 6.

To facilitate the discussions of the Working Group by providing expertise inputs, the Chairman can invite appropriate international and domestic experts related to the issues in question.

The Chairman shall to initiate invitation experts or her owns capacity or by Chairman based on the recommendation of other members of the Working Group.

Article 7.

The General Direction, the General Secretariat, the General Cashier, the General Inspection, all Departments of the National Bank of Cambodia, and all Banking and Financial Institutions under the NBC's supervisory authority shall implement this Prakas.

Article 8.

This Prakas shall have effect from the signing date.

Phnom Penh , 08 November, 2001

Governor

Signed and sealed: Chea Chanto

cc: - The Members of the Board of Directors
    - CM "for info"
    - Administration
    - Department of CM
     " for publication in the National Gazette"