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by

H.E Dr. Chea Chanto, Governor of the National Bank of Cambodia
on the occasion of opening the seminar on AML/CFT
National Bank of Cambodia, 27 November 2007

- **Mr. Jean-Pierre MICHAU, Advisor to the Governor of the Bank of France**
- **Excellencies, ladies and gentlemen**

Today I have a great pleasure to meet all of you here at the seminar on Anti-money Laundering and Combating the Financing of Terrorism, which is jointly hosted by the National Bank of Cambodia and the Bank of France. The seminar is organized after Cambodia's Law on AML/CFT was passed and in the period of time that we are preparing ourselves to establish our Financial Intelligence Unit (FIU) in the near future.

Mr. Jean-Pierre MICHAU arrived in Cambodia at the same time that Cambodian people throughout the country were celebrating the Water Festival, our traditional festival days since the ancient time. I hope that Mr. MICHAU found his joyful time with a new atmosphere and traditional culture exchanges in Cambodia.

Our today seminar organized, is a part of the implementation of the bilateral cooperation between the National Bank of Cambodia and the Bank of France signed by Governor Christian Noyer and myself in earlier 2006. Mr. MICHAU visited Cambodia two times. This is his second visit. I still remember that his first visit to Cambodia was answered to the invitation from the National Bank of Cambodia in later 2004 to give presentations on Anti-money Laundering and Combating the Financing of Terrorism after Cambodia had become a full member of Asia-Pacific Group (APG), and to help Cambodia providing some useful comments for improving our draft Law on Anti-money Laundering and Combating the Financing of Terrorism.

Taking this opportunity, I would like to express my sincere gratitude to the Bank of France for providing the National Bank of Cambodia continuous support and technical assistance

and especially, to express profound thank and warm welcome to Mr. MICHAU, for taking his invaluable time to visit the National Bank of Cambodia to share his experiences on anti-money laundering and Combating the Financing of Terrorism amid Cambodia joining the countries in the region and the world to fight against money laundering and financing of terrorism.

Excellencies, ladies and gentlemen

Anti-money laundering and combating the financing of terrorism is a hot and critical topic that all countries in the region and in the globe are focusing on preventing and eliminating them to make our country, region and globe free from the recent widespread of international terrorism activities, which are threatening safety of the innocent people, social stability and the national, regional and global economic development process. The size of social and economic infrastructure destruction by terrorists is badly severe; they are cross-border-linkage organized, and especially fund channels through financial system from various sources, that our concern.

Sometimes, the money launderers use financial system that we regard as a core of economic development for cleaning their money, whereas terrorists use these institutions for committing political sabotage, murdering the innocent people and destroying economic and social infrastructures of a country. By seeing worse situation, **Samdech Akka Moha Sena Padei Techo Hun Sen**, Prime Minister of the Kingdom of Cambodia, decided on 15 June 2004 to allow Cambodia to become a member of Asia-Pacific Group in order to join with international community taking preventive action against money-laundering and terrorism-financing crimes.

From 26 February to 14 March 2007, the Mutual Evaluation Group led by the World Bank came to Cambodia to evaluate the legal aspects and the level of cooperation between Cambodia and regional community by putting in place the preventive mechanism on the 40 recommendations: money laundering and 9 special recommendations: terrorism financing. Later on, the Law on AML/CFT was adopted by the National Assembly of the Kingdom of Cambodia and put it into force to show the Government's political commitment in joining with the international community to prevent money laundering and terrorism financing.

Right now our main task is to implement the present law, thus we have to establish an FIU Board of Directors. Each of the BOD's members is to get nominated from the Ministry of Justice, the Ministry of Interior, the Ministry of Economy and Finance, the Council of Ministers and the National Bank of Cambodia and its secretariat locates in the National Bank of Cambodia. Hence, our challenge we are facing is to create and to function an FIU and what next is to implement this Law in a very smooth and effective way.

Excellencies, ladies and gentlemen

Due to this work is new for Cambodia and especially it is new for our executive officers, we start implementing it by using our concept of "*working by learning and sharing views and experiences from our amity countries*". I do hope that our two-day seminar Mr. MICHAU will present us a very important one on both theory and real practice, and especially, it exactly answers to our needs.

Once again, I strongly hope that Mr. MICHAU will also tell us about his international experiences and Cambodia's context on anti-money laundering and terrorism financing. Therefore, I want all of you trying your best to pay attention on learning and participating to debate to make our seminar going to end smoothly and successfully.

At the end, I would like to wish Mr. MICHAU have a pleasant stay in Cambodia, and also take this opportunity before the new year 2008 coming to wish you all have a good health and be successful in all endeavors.

Now May I now declare the opening of the seminar on Anti-money Laundering and Combating the Financing of Terrorisms.

Thank you!