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Opening Remarks by

Her Excellency Dr. CHEA SEREY, Governor of the National Bank of Cambodia
at CamTech Summit 2024

Center for Banking Studies – Phnom Penh, 18th September 2024



A Very Good Morning!

Excellencies, Distinguished Guests, Ladies and Gentlemen!

It is an honor and a great pleasure to welcome you to the CamTech Summit 2024, organized by the National Bank of Cambodia (NBC) in collaboration with the Cambodian Association of Finance and Technology (CAFT). This year's theme, **"Fintech for All: Impact and Sustainability,"** reflects our commitment to fostering an inclusive digital landscape. Throughout the year, our partnership has played a crucial role in CamTech's success and has significantly advanced our shared vision of a digitally progressive Cambodia.

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When we discuss Fintech, it's crucial to understand that payment system infrastructure serve as the backbone of the entire ecosystem. They are not just a means of transaction but the essential infrastructure enabling seamless interactions between consumers, businesses, and financial institutions. Efficient payment systems facilitate trust, enhance user experience, and drive innovation by providing the necessary framework for various financial services to thrive.

This is why developing trustworthy payment system is a priority for the National Bank of Cambodia. We aim to establish an innovative, secure, and efficient payment

infrastructure that supports the Royal Government's financial inclusion agenda and contributes to economic development. To achieve this, the National Bank of Cambodia is dedicated to fostering fintech adoption, innovation, and fair competition, as outlined in the Fintech Development Roadmap 2020-2025. This roadmap aligns closely with the National Financial Inclusion Strategy 2019-2025, the Cambodia Financial Technology Development Policy 2023-2028, and the Cambodia Digital Economy and Society Framework 2021-2035.

In line with these frameworks, we are eager to continue our close collaboration with the private sector to maximize the benefits of technological advancements for consumers. Our joint digital and financial literacy campaigns represent a good example of our collective efforts. I look forward to more dialogues and interaction between the National Bank of Cambodia and the private sector to further our common goals. Together, we can address the challenges through shared insights and collaborative actions, fostering a healthy, dynamic, fair, and inclusive environment.

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I would like to take this opportunity to share some exciting development the National Bank of Cambodia has made in modernizing our payment system infrastructure, which is crucial for driving fintech development in the country.

So far, we have embraced new technologies to modernize our payment systems. We have introduced several key initiatives, including the National Clearing System, Fast Payment, Online Banking, NBC-Platform, Cambodian Shared Switch, and the innovative BAKONG. These efforts aim to make payment services more accessible, particularly for individuals and businesses residing in rural areas, encouraging everyone to engage in digital financial transactions. It is wonderful to see that as we build these infrastructures, we are also witnessing a significant increase in digital payment methods, like KHQR Code payments. This technology has truly transformed how Cambodians pay for goods and services, bringing many benefits to both consumers and businesses alike.

Recently, we also launched the first phase of the “BAKONG Tourists App” in Siem Reap, designed to enhance the tourism sector in Cambodia by providing a digital payment solution for international visitors. This app allows tourists to enjoy a seamless payment experience without needing physical cash. They can easily download the app from the App Store or Google Play Store, register effortlessly, and top up their wallets using various payment channels from BAKONG members and business partners. This initiative aims to reduce reliance on cash, allowing tourists to make payments by scanning with KHQR Codes at approximately 3.3 million merchant locations nationwide. In the near future, we plan to enable tourists to link their international payment cards for account top-ups and transfers.

Regarding the cross-border collaboration framework, we have successfully established partnerships with several countries, including Thailand, Vietnam, Laos, UnionPay International, and just recently JB Financial Group from South Korea and tomorrow we will also launch our collaboration with Maybank. Our primary objective is to enhance an inclusive payment system and improve cross-border connectivity while encouraging the use of local currency. These partnerships allow citizens from those nations to make payments in Cambodia through their mobile banking apps—and vice versa—simply by scanning a QR code. This user-friendly approach aligns with the Royal Government’s vision for a digital economy and social development. Furthermore, we are actively working to strengthen connectivity with additional regional partners, including Singapore, China, India, Japan, and the Philippines.

Additionally, in our ongoing effort to support Cambodian SMEs and tackle their challenges, we are excited to announce the official launch of the Financial Transparency Corridor (FTC) in partnership with the Monetary Authority of Singapore (MAS) on June 18th, 2024. This initiative established a consent-based digital infrastructure and network between financial institutions in both countries, aimed at facilitating increased trade and cross-border financial services for SMEs. The FTC will enhance data accessibility for financial institutions in Singapore and Cambodia,

enabling better credit risk assessments. We are currently in the first phase of this initiative and are onboarding an initial group of participating financial institutions, with plans to carry out our first live financing transactions later this year.

At the same time, the National Bank of Cambodia has also been taking part of the project of Universal Trust Credentials (UTC), initiated by the UNDP (United Nations Development Program) and MAS (Monetary Authority of Singapore) and officially introduced at the Singapore Fintech Festival in November 2023. The UTC aims to promote financial inclusion and simplify cross-border transactions for micro, small, and medium-sized enterprises (MSMEs) by leveraging digital credentials to address the financing gaps due to collateral issues and high interest rates. We are currently in the development phase, working closely with key stakeholders, and anticipate rolling it out soon.

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The CamTech Summit provides a unique opportunity to bring together policymakers, regulators, businesses, and technology leaders across various sectors. It serves as a platform to share insights, exchange ideas, and collectively navigate the opportunities and challenges of fintech and technological advancements. We aim to equip policymakers with the knowledge they need to craft regulations that can adapt to a rapidly evolving technological landscape.

Through fostering collaboration and innovation, we are strengthening our financial systems and positioning Cambodia to transition from a middle-income to an upper-middle-income nation, ultimately preparing Cambodia for its digital future.

Together, we can build a future where Fintech is truly for all.

In conclusion, I extend my heartfelt appreciation to the Cambodian Association of Finance and Technology and all our sponsors for their collaboration, dedication, and support in organizing this significant event. My sincere thanks also go to the moderators and panelists from diverse sectors, as well as our development partners and relevant organizations. Your willingness to share your insights, experiences, and

best practices is invaluable in addressing the opportunities and challenges posed by financial technology and technological advancement in Cambodia.

Thank you all for your contributions; I look forward to the fruitful discussions ahead, and I would like to wish all excellencies, distinguished guests, ladies and gentlemen good health, prosperity, and success in all your endeavors.

Thank you!