



**KINGDOM OF CAMBODIA**  
NATION RELIGION KING

**NATIONAL BANK OF CAMBODIA**

Number.....

**Remark**

**By**

**H.E. Dr. CHEA SEREY**

**Assistant Governor and Director General of the National Bank of Cambodia**

**MOU Signing between the Ministry of Post and Telecommunications and Cambodian**

**Association of Finance and Technology**

**Venue: Phnom Penh, Sosoro museum, Dated 04 March 2022**

**A very good evening!!!**

**H.E. Dr. Chea Vandeth, Minister of Ministry of Post and Telecommunications**

**Mr. Remi Pell, Chairman of Cambodian Association of Finance and Technology**

**Excellencies, Distinguished Guests, Ladies and Gentlemen!**

Today it is my great pleasure to attend the MOU signing between Ministry of Post and Telecommunications and Cambodian Association of Finance and Technology.

The purpose of this MOU is to strengthen a closed collaboration between the royal government and private industry to promote the development of technology, digitization, digitalization, innovation, and inclusion in financial and related sector in Cambodia.

As you all know the need for digital economy has never been so pronounced, and to some extent easier to explain to non-believers, than a couple of years ago. Physical distancing and limited people's movements provide opportunities for all things digital to blossom from e-commerce, e-meetings, e-conferences, e-entertainment, and of course to support this digital economy we need e-finance or FinTech.

In Cambodia, Fintech related banking activities has been growing significantly through the introduction of innovative banking products and services such as virtual payment card, contactless technology, mobile payment, QR payment, online credit application, credit ratings etc. This development could not have been possible without the remarkable development of the ICT infrastructure under the guidance of the Ministry of Post of Telecommunication. The overwhelmed penetration of mobile phones and the affordable and wide access to internet made it possible for banking industry to take advantage of mobile phone as a channel of distributing financial services to the those in remotes area and underserved.

Fintech is believed to provide convenient and affordable access to finance that could improve financial inclusion and provide socio-economic benefits to SMEs and people who have no access to formal financial services. More importantly, the adoption of Fintech in the financial services improve social well-being and support the economic recovery during the Covid 19 pandemic where the preventive measures are implemented and the demand for digital payment is accelerating.

However, the adoption of Fintech remains fragmented as banking and financial institutions focus on bilateral arrangement which may cause inconvenience, high transaction cost, and risk concentration for the market. In this regard, the National Bank of Cambodia as a regulator, made it a priority to promote interoperability and level playing field among different players, to enhance the efficiency of the payment system and promoting affordable interbank transactions for the general publics. To this end, many core infrastructures have been introduced. Recently, Bakong backbone payment system was launched to address the issue of interconnectivity and interoperability across platforms of payment operators, to achieve efficiency (lower cost, faster speed and more secure) in payment systems, promote financial inclusion, and increase usage of our local currency, Khmer Riel.

To balance risk and innovation, The National Bank of Cambodia continue to upgrade its capacity to keep pace with rapidly evolving technology industry. The National Bank of Cambodia has been updating a number of key aspects in its regulatory framework support safe innovation including interoperability, access to central infrastructure, governance, cybersecurity, standard, consumer protection, and anti-money laundering and combating financing of terrorism, to ensure stability and integrity. Last year Fintech Development Roadmap was

launched and provides clear policy guidance to NBC to ensure safe and sound adoption of Fintech by entities under NBC's jurisdiction as well as to contribute of the Government's strategy in promoting Digital Economy.

Besides the progress mentioned above, the cooperation and collaboration with the relevant stakeholders is key success factor to Fintech innovation and development in Cambodia. The National Bank of Cambodia signed MOU with Ministry of Post and Telecommunications in 2021, to provide a framework for sharing the information on technology and innovations. On international level the National Bank of Cambodia signed MOU with Monetary Authority of Singapore on information sharing on financial innovations in both jurisdictions.

**Excellencies, Distinguished Guests, Ladies and Gentlemen!**

To further move ahead and balancing between the benefit and drawbacks of Fintech and innovations development in Cambodia, a collaboration among public and private sector is important in the successful accomplishment digital economy and regional integration. Therefore, the MOU signing between Ministry of Post and Telecommunications and Cambodian Association of Finance and Technology today is believed to further build a synergy between public and private sector to stimulate the development of Fintech and innovations as well as provide an opportunity to share, to observe, and to learn on the risks and benefits of such innovations before allowing into the market.

To conclude, I would like to congratulate Ministry of Post and Telecommunications and Cambodian Association of Finance and Technology for having this MOU and hope it would produce a fruitful outcome through the growth of innovative Fintech development that may contribute to the sustainability of financial and economic development and inclusion in Cambodia and in the region. I wish excellencies, distinguished guests, ladies and gentlemen good health, prosperity, and success in all endeavors.

Please stay safe.

Thank you