

KINGDOM OF CAMBODIA

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Ministry of Economy and Finance

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Press Release

National Consultation Workshop on Policy and Direction of Cambodia's Financial Technology

Digital technology is an integral part of people's daily life and provides opportunities for the creation of potential and innovative startups. The Royal Government of Cambodia has been paying close attention to maximizing the benefits of digital technology in building the digital economy, an important pillar of Cambodia's socio-economic development. In the context of COVID-19, digital technology has increasingly contributed to maintaining economic activities and stability, promoting economic diversification, and creating jobs as well as creating new potential businesses. In this regard, digitalization has become an influential trend and a driving force for Cambodia's economic growth.

In May 2021, the Royal Government of Cambodia launched the “**Cambodia Digital Economy and Society Policy Framework 2021-2035**”, considering the digital economy as a new economic growth driver and an ecosystem that contributes to the increase of economic productivity in other sectors. Financial technology, commonly known as FinTech, is also an essential basis in the digital economy architecture. However, the FinTech sector in Cambodia has been facing several barriers including shortcomings and uncertainties in the regulatory frameworks, lack of digital enablers, lack of human resources, and lack of FinTech innovation in other sectors besides the banking sector.

To establish holistic policy measures for the FinTech development in Cambodia, the Digital Economy and Business Committee organized the National Consultation Workshop on “**Policy and Direction of Cambodia's Financial Technology**” for one day and a half on April 26 and 27, 2022 from 8:30 a.m. at Hyatt Regency Phnom Penh Hotel. This workshop was presided over by **His Excellency Akka Pundit Sopheacha Aun Pornmoniroth**, Deputy Prime Minister, Minister of Economy and Finance, and Chairman of the Digital Economy and Business Committee. The workshop was also attended by top officials and representatives from ministries and institutions, embassies, development partners, bank and non-bank institutions, associations, financial technology companies, businessmen, and innovators.

The National Consultation Workshop on “**Policy and Direction of Cambodia's Financial Technology**” was organized with three primary objectives: 1) to collect inputs from stakeholders for drafting Cambodia's FinTech development policy, 2) to enhance the

understanding of the current FinTech development and challenges in Cambodia, and 3) to exchange ideas and insights among professionals to foster the FinTech development in Cambodia. The workshop went smoothly and achieved the expected outputs, with interactive and lively discussions among presenters, panelists, and participants with a spirit of sharing and close attention. Through this workshop, **the Digital Economy and Business Committee** received valuable inputs from participants who are the experts with experience in the field of FinTech and gained a deeper understanding of the best practices in other countries from other ASEAN member countries including Singapore, Thailand, Indonesia, and the Philippines, and challenges and current development of FinTech in Cambodia.

This National Consultation Workshop is a good starting point in the process of drafting a connected, sharp, holistic, and agile policy with efficiency and inclusion. However, more insightful inputs from key stakeholders in specific sectors of FinTech are essential in the process of drafting this policy. In this regard, **the Digital Economy and Business Committee** will continue to organize a series of workshops in each specific sector such as insurance, banking, and decentralized finance.

The Digital Economy and Business Committee strongly believes that Cambodia's FinTech development policy will strategically and holistically contribute to setting the directions, principles, and policy measures for Cambodia's FinTech sector development as a whole including bank, non-bank, and decentralized finance. This will build a foundation to set priorities and specific action plans aimed at promoting digital economy development in Cambodia.