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Press Release

Workshop on the Role of Banking Sector and FinTech in Digital Economy in Cambodia

On September 22nd, 2022 at Hyatt Regency Phnom Penh Hotel, the Digital Economy and Business Committee and the National Bank of Cambodia co-organized the Workshop on "The Role of Banking Sector and FinTech in Digital Economy in Cambodia". This Workshop was attended by high-ranking officials of the Ministry of Economy and Finance, Digital Economy and Business Committee, National Bank of Cambodia, members of the working group on drafting Cambodia's FinTech Development Policy, associations, and financial institutions. There were 90 participants attending physically and 110 participants attending virtually. The Workshop aimed to (1) disseminate the government's policies, laws, and regulations on digitalization and the banking sector as well as its recent development, (2) identify the current trends, challenges, and opportunities of digitalization in the banking sector in Cambodia, and (3) gather input from different stakeholders in the banking sector for drafting Cambodia FinTech Development Policy.

The Workshop was embarked upon by welcome remarks from **Mr. Raymond Sia Say Guan**, Chairman of the Association of Banks in Cambodia, and followed by a keynote address from **H.E. Dr. Kong Marry**, Under Secretary of State of the Ministry of Economy and Finance, and Secretary General of General Secretariat of the Digital Economy and Business Committee. In his keynote address, **H.E. Dr.** highlighted the potential of FinTech in both the development of the banking sector as well as the development of the non-banking and decentralized finance sectors. **H.E. Dr.** noted that the three major activities in the banking sector, including payment, saving, and lending, have made remarkable progress. **H.E. Dr. Kong Marry** suggested that *"more attention should be given to some new trends with the potential to develop the banking sector, including Open Banking and Central Bank Digital Currency (CBDC) by considering on directions and policy to prevent risks which may happen due to the use of these new technologies. Open Banking refers to a banking system which operates entirely on the internet without any physical infrastructures, and with open API (Application Programming Interface) which allows third-party financial intermediaries to access data and enable interoperability transactions. CBDC is a new form of currency in a digital format which utilizes blockchain technology, and it is issued and managed by the Central Bank."*

The Workshop was officially opened by **H.E. Ou Chandara**, Secretary General of the National Bank of Cambodia and Vice-Chairman of the working group on drafting Cambodia's Financial Technology Development Policy. In his opening remarks, **H.E.** said, *"Over the past two decades, Cambodia's banking system has developed both in terms of physical infrastructures and quality and has played an important role in the development of economy*

and society. At the same time, Cambodia's banking system has also helped promote Cambodia's economic integration regionally and globally by supporting and promoting economic growth, financial inclusion, and poverty reduction." **H.E. Ou Chandara** added that all financial institutions have played an essential role as intermediaries in the provision of traditional financial services. Some financial institutions have already launched digital banking services, especially digital payment services, including online banking, Internet or mobile banking, mobile payment, card payment, and QR Code payment services.

Three presentations and a panel discussion provided all participants with comprehensive knowledge of the role of the banking sector and FinTech in digital economy development. The presentations were on (1) "Open Finance on Cloud" by **Mr. Akash Jain**, Principal Architect, Financial Services, APJ, Amazon Web Services, (2) "Central Bank Digital Currency (CBDC): A Case Study in Thailand" by **Mr. Kasidit Tansanguan**, Director of Digital Currency Team, the Bank of Thailand, and (3) "FinTech Development and Innovation in Cambodia's Banking Sector" by **Mr. Ouk Sarat**, Director of Payment System Department, National Bank of Cambodia. After the presentations, a panel discussion on "Digital Banking Service in Cambodia" was held with 3 panelists, including (1) **Mr. Ouk Sarat**, Director of Payment System Department, National Bank of Cambodia, (2) **Mr. Han Peng Kwang**, CEO of Wing Bank (Cambodia) Plc., and (3) **Mr. Char Sopheap**, Head of Product Development Division, ACLEDA Bank Plc, and this discussion was moderated by **Mr. Kea Borann**, CEO of AMK Microfinance Institution.

The Workshop proceeded smoothly and achieved the expected outputs, with interactive and lively discussions among presenters, panelists, and participants with the spirit of sharing and engagement. Through the discussions and sharing of concepts, innovative ideas, and experiences from stakeholders, **the Digital Economy and Business Committee** received valuable input to develop an effective and holistic foundation for Cambodia's FinTech Development Policy.