



NATIONAL BANK OF CAMBODIA
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Monetary Authority
of Singapore

Phnom Penh, 11 July 2023

JOINT MEDIA RELEASE

**National Bank of Cambodia and Monetary Authority of Singapore
sets up Financial Transparency Corridor to support SMEs**

1. Phnom Penh, 11 July 2023, the National Bank of Cambodia (NBC) and the Monetary Authority of Singapore (MAS) have signed a Memorandum of Understanding (MoU) to collaborate on a Financial Transparency Corridor (FTC) initiative. The initiative aims to establish supporting digital infrastructures to facilitate trade and cross-border related financial services between small and medium-sized enterprises (SMEs) in Singapore and Cambodia.
2. Under the FTC, a Singapore financial institution, in assessing financing support for a Singapore SME buyer's cross-border business with a Cambodian SME seller, can utilise the FTC to acquire trusted information from a Cambodian financial institution on the Cambodian SME seller. Similarly, a Cambodian financial institution supporting a Cambodian seller can obtain trusted information on the Singapore buyer through the FTC. Through such enhanced information flows, this can help SMEs in Singapore and Cambodia access broader digital trade networks such as the Business Sans Border Proxtera¹ global network, and provide SMEs with greater trade connectivity within ASEAN and other growth regions.
3. The supporting digital infrastructures under the FTC initiative aims to:
 - Establish a consent-based digital infrastructure to facilitate information exchange between participating financial institutions in Singapore and Cambodia, to support the provision of cross-border financial services to SMEs.
 - Support financial institutions' loan assessments for trade financing and an SME's compliance with anti-money laundering rules to mitigate risks and potential trade disputes.
4. Mr. Sopnendu Mohanty, Chief FinTech Officer, MAS, said, "We are excited to partner with NBC to create the Financial Transparency Corridor, a first for our engagements in Asia. The Financial Transparency Corridor will support open trade flows for businesses, in particular SMEs, through enhancing financial trust data for financial services between Singapore and Cambodia. This will lead to closer partnerships between our financial centres for better products and innovative solutions, and stronger growth together for our economies in the global digital economy."
5. Dr. Serey Chea, Deputy Governor, National Bank of Cambodia, said, "In March, Singapore and Cambodia collaborated on cross-border sharing of individual consumer credit profiles that makes it easier for citizens from both countries to access financial services in their country of residence. We are also excited to take part in the creation of the Financial Transparency Corridor, which will further extend the two countries' cross-border information sharing to businesses and SMEs. SMEs are the backbones of the Cambodian and Singaporean economies and their abilities to access financing beyond the border will greatly help them grow their operations and better contribute to both countries' economic growth."

¹ Proxtera is a digital platform that aims to facilitate cross border trade connectivity among emerging market SMEs.

About National Bank of Cambodia

The National Bank of Cambodia (NBC), the nation's central bank, is the monetary and supervisory authority. The mission of the NBC is to determine and direct the monetary policy aimed at maintaining price stability in order to facilitate economic development within the framework of the kingdom's economic and financial policy. The NBC conducts this in consultation with the Royal Government and in consideration of the framework of the economic and financial policy of the kingdom. As the monetary authority, the NBC is the sole issuer of the Khmer riel, the national currency. In doing so, this helps maintain monetary stability.

As the supervisory authority, the NBC has the authority to license, delicense, regulate and supervise banks and financial institutions in Cambodia. The NBC also conducts regular economic and monetary analysis, publishes various publications, oversees the nation's payment systems, establishes balance of payments, and participates in the management of external debt claims.

About Monetary Authority of Singapore

The Monetary Authority of Singapore (MAS) is Singapore's central bank and integrated financial regulator. As a central bank, MAS promotes sustained, non-inflationary economic growth through the conduct of monetary policy and close macroeconomic surveillance and analysis. It manages Singapore's exchange rate, official foreign reserves, and liquidity in the banking sector. As an integrated financial supervisor, MAS fosters a sound financial services sector through its prudential oversight of all financial institutions in Singapore – banks, insurers, capital market intermediaries, financial advisors and financial market infrastructures. It is also responsible for well-functioning financial markets, sound conduct, and investor education. MAS also works with the financial industry to promote Singapore as a dynamic international financial centre. It facilitates the development of infrastructures, adoption of technology, and upgrading of skills in the financial industry.

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MAS

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