



KINGDOM OF CAMBODIA
NATION RELIGION KING

NATIONAL BANK OF CAMBODIA

Number.....

Remark by
H.E. Neav Chanthana
Deputy Governor of the National Bank of Cambodia
On the Official Launch of “Fast Payment”

Koh Pich City Hall, 15 July 2016

Excellencies, Nak Ouknha, Distinguished Guests, Ladies, and Gentlemen

Today I am pleased and honored to attend the official launch of “Fast Payment”, which is a new milestone for Cambodia. On behalf of the National Bank of Cambodia, I would like to express my appreciation to the working group of the National Bank of Cambodia and pioneer member institutions for all the efforts to develop this system, which offers a convenient mean for commercial banks and microfinance deposit-taking institutions (MDIs) to execute fund transfer and payment transactions in Khmer Riel across institutions for their customers.

Taking this opportunity, I would like to inform Excellencies, Nak Ouknha, Distinguished Guests, Ladies and Gentlemen that payment system is a crucial financial infrastructure for the country to facilitate the circulation of money in the economy. Over these last few years, Cambodia’s economy has grown remarkably every year, and it is expected that this growth will continue in the coming years. In order to support the economic growth, payment system development is a priority for the National Bank of Cambodia to provide safe, effective, convenient, and fast electronic payment facility for both local and regional trade settlements.

For the time being, even though the Cambodian economy is still highly cash-based, it is noted that the payment system has developed remarkably such as the introduction of new electronic payment services and instruments by some commercial banks, MDIs, and third party processors; namely, internet or mobile banking, mobile payment, payment cards (debit and credit), ATM, and POS machine. The use of these services and instruments is increased year by year indicating the rising popularity of electronic payment transactions in line with current regional and global payment system development trend which is moving toward electronic generation. Meanwhile, the National Bank of Cambodia has also been working on

the strengthening of regulatory and oversight frameworks to promote public confidence in payment systems.

Excellencies, Nak Ouknha, Distinguished Guests, Ladies, and Gentlemen

Given the importance of retail payment system mentioned earlier, the National Bank of Cambodia is putting all the efforts to modernize payment systems sequentially including the development of appropriate regulatory and institutional frameworks in consistent with the Financial Sector Development Strategy of the Royal Government of Cambodia. With this regard, the National Bank of Cambodia had launched National Clearing System in December 2012, which allows for centralized clearing of interbank transactions using checks and electronic payment order.

“Fast Payment” development is anew initiative of the National Bank of Cambodia in modernizing payment system in Cambodia. This service enables customers to withdraw funds immediately in response to their liquidity need and help enhances the efficiency of payment services through formal channels. Meanwhile, in order to take part in the implementation of government policy in promoting financial inclusion, the National Bank of Cambodia decides to extend the membership of this service to MDIs because of their outreach network coverage which is easily accessible by the rural population. I believe that the introduction of this service will offer an alternative mean for customers to make payment and fund transfer transaction across commercial banks and MDIs all over the country, promote the use of local currency, enhance transparency through electronic payment, reduce cash circulation in the market, and finally improve effectiveness of financial resources utilization.

The recent progress achieved so far is the outcome of the National Bank of Cambodia’s effort as the payment system authority in developing payment system infrastructure and adopting conducive regulatory framework, which provide favorable environment for the market growth. With this regard, the National Bank of Cambodia has been working on the capacity building in carrying out the supervision and oversight roles to ensure that the payment system is operated in a safe and effective manner and the public confidence is promoted, which finally contribute to economic development.

Another important issue to be taken into consideration is the regional integration. Cambodia is a member of ASEAN community and is now in the process of integrating its economy into ASEAN Community. To be successful, Cambodia is required to have appropriate payment infrastructures which are able to connect with other ASEAN members in order to facilitate cross border trade settlements between Cambodia and other members. The development of efficient and safe electronic payment system by adopting ASEAN common standard will enable Cambodia to integrate its payment system with other ASEAN members. Therefore, the official launch of “Fast Payment” today is another step forward for Cambodia to better support its participation in ASEAN Economy Community.

Excellencies, Nak Ouknha, Distinguished Guests, Ladies, and Gentlemen

Last but not least, I would like to encourage all commercial banks and MDIs to support and help promote the use of “Fast Payment” in order to contribute to the economic development.

Once again, I wish Excellencies, Nak Ouknha, Distinguished Guests, Ladies, and Gentlemen with the four gems of Buddhist blessings of longevity, nobility, health, and strength.

I may now declare the official launch of “Fast Payment”.

Thank You!