The views expressed in this presentation are those of the author and do not necessarily represent the views of the NBC.
Agenda

• Financial Inclusion Landscape
• Regulatory Framework
• Financial Inclusion Strategy
• Support Infrastructure for inclusion
• Challenges for Fintech Development
Financial Inclusion Landscape

Access to Credit and Saving

Payment Instruments

Access to Payment Services
Access to Credit and Saving

Number of Customer Deposit (2007 – 2017)


Number of Customer Loan (2007 - 2017)

Payment Instruments

Number of Checks Clearing, Cards, ATM machine, POS, Internet and Mobile Banking (2016 – 2017)

- Mobile Banking: 16
- Internet Banking: 17
- POS: 15,368
- ATM machine: 1,876
- Credit Card: 56,303

Number of Mobile Banking operator: 2006 = 1,145,237
Number of Internet Banking operator: 2006 = 2,585,096
Number of POS: 2006 = 0
Number of ATM machine: 2006 = 500,000
Number of Credit Card: 2006 = 1,000,000
Number of Debit Card: 2006 = 1,500,000
Number of Checks Clearing: 2006 = 2,000,000
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Payment Instruments

Volume of Check Clearing, Debit Card, Credit Card, Internet and Mobile Banking (2016 – 2017)
Payment Services Network

Payment Services Transactions


Value of Money transfer, Mobile payment, and E-commerce (2016 – 2017) (in Million USD)
Regulatory Framework

- Law on the Organization and Functioning of the National Bank of Cambodia
- Law on Banking and Financial Institutions
- Law on Foreign Exchange
- Law on Negotiable Instruments and Payment Transactions
- Law on Anti-money Laundering and Combating the Financing of the Terrorism
- Law on Secured Transactions
- Draft Law on Consumer Protection
- Draft Law on E-commerce
- Draft Trust Law
- Draft Law on Competition
- Draft Law on National Payment System
Regulatory Framework

- Testing Environment
- Microfinance and Deposit Taking Institutions
- Other Credit Institutions and Credit Information
- Payment Service Institutions

Mean of Payment
Credit
Deposit
Financial Inclusion Strategy

- Encourage Savings in Formal Financial Institutions
- Promote Innovative Credit Products for Consumers and MSMEs

- Prioritize the Development of a Well-Functioning Insurance Market
- Role of Capital Market in Financial Inclusion

- Strengthening the Capacity of the Financial Sector Regulator

- Encourage Savings in Formal Financial Institutions
- Promote Innovative Credit Products for Consumers and MSMEs
- Enable Expansion of Payment System Capabilities
- Increase Consumer Empowerment and Sector Transparency

Role of Fintech
Support Infrastructure

1. Encourage Saving in Formal Financial Institution
2. Promote Innovative Credit Products for Consumers and MSMEs
3. Enable Expansion of Payment System Capabilities
4. Increase Consumer Empowerment and Sector Transparency
# Encourage Saving in Formal Financial Institutions

## Key Activities
- Promotion of Saving Culture
- Tax Incentive for Low-Income Clients
- Role of Agent to Collect Saving
- Support the Development of Low-Cost Approaches to Mobilize Saving

## Fintech Support
- Online Banking Services
- Mobile Banking Apps
- Automated Saving Programs
- Spending and Budgeting Programs
## Promote Innovative Products for Consumers and MSMEs

### Key Activities
- Explore Modalities for Expanding Non-collateralized Credit for MSMEs
- Improved Credit Reporting and Credit Risk Assessments
- Establishment of A Well-Functioning Dispute Handling Mechanism

### Fintech Support
- Peer to Peer Lending
- Invoice Financing
- Smart Credit Decision Tools
- Credit Management
- Accounting and Bookkeeping
- Digital Payment and E-invoicing
Enable Expansion of Payment System Capabilities

<table>
<thead>
<tr>
<th>Key Activities</th>
<th>Fintech Support</th>
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<tr>
<td>• Plan for Transition to Digital Transactions</td>
<td>• RTGS System</td>
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<td>• Facilitate the Development of Remittance Channels</td>
<td>• Real Time Funds Transfer</td>
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<td>• Incentivize Development of Payment Infrastructure</td>
<td>• Central Shared Switch</td>
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<td>• Review Interconnection Options and Explore possibility for Regional Inter-linkages</td>
<td>• Online Platform</td>
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<td>• Forward Looking Regulations to Encourage Market Growth</td>
<td>• Open API</td>
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<td>• Payment Card and Mobile Payment</td>
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<td>• APN Connection</td>
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Increase Consumer Empowerment and Sector Transparency

Key Activities

• Promote literacy campaigns to address low level of financial literacy scenario
• Strengthen Consumer Protection Provisions

Fintech Support

• Social Media
• Web Base Platform API for Information on the Products and Services
• Open Data Platform
Challenges for Fintech Development

- Legal Framework
- Standardization and Interoperability
- Consumer and Businesses Behavior
- Innovation and Stability
- Privacy and Cyber Security
- Money Laundering and Terrorist Financing
Thank for your attention!