

CHAPTER 4

NON- BANK FINANCE

4.1 Insurance

Since Cambodia joined ASEAN in 1999 and WTO in 2004 and has experienced an economic boom over the last decades the Gross Domestic Product (GDP) in Cambodia expanded 7.0 percent in 2015 the previous year, according to Asian Development Bank (ADB) economic forecasts for Southeast Asian Countries. GDP annual growth rate in Cambodia average 7.9% from 2000 to 2015, reaching an all time high of 13.30 percent in 2005 and a record low of 0.10 percent in 2009. The Gross Domestic Product (GDP) in Cambodia was worth 18.05 Billion US dollars in 2015. The GDP value of Cambodia represents 0.03 percent of the world economy. GDP in Cambodia averaged 4.93 USD billion from 1960 to 2015, reaching an all time high of 18.05 USD billion in 2015 and a record low of 0.51 USD billion in 1972. GDP in Cambodia is reported by the World Bank Group. Compared with regional and world markets, the insurance market in Cambodia is still small. The insurance market in Cambodia is limited to a few types of insurance products, and as of 2010 only six insurance companies, plus one reinsurance company, were licensed to operate in Cambodia. At the end of 2010, the total assets of the industry accounted for only 1.2% of the total assets of the financial sector.

The Cambodian economy grew a robust 7.0% in 2015 on the back of strong contributions from the real estate and garment manufacturing sectors. The IMF praised Cambodia's rapid growth and integration into the world economy in its Article IV conclusions, published on 18 July. However, it also warned against financial instability should credit growth continue unchecked: private sector credit growth has averaged almost 30% over the last three years and is increasingly concentrated in the real estate sector. The Fund also recommended further diversification efforts to move the economy away from garment manufacturing. Meanwhile, Malaysia and Cambodia signed a trade and investment deal in August.

Cambodia's garment sector has remained a linchpin of the nation's economy. Over the years, the industry has faced intense internal pressures, including the global economic crisis, increase competition, and a trend of young Cambodians choosing to work abroad over factory jobs. Yet the sector continues to thrive and drive the nation's economy. Today, the industry employs over 700,000 workers and accounts for \$5 billion, or roughly 80 percent, of Cambodia's total export revenue.

Agriculture contributed 27 percent to the GDP and employed about 67percent of the workforce in 2015. Most Cambodian farmers are smallholders with less than two hectares per household. The country's agricultural resources consist primarily of 3.7 million hectares of

cultivated land, of which 75 percent is devoted to rice, primary commodity and source of income for the majority of farmers and 25 percent to other food and industrial crops, primarily rubber. Freshwater and marine fisheries and aquatic resources provide employment to over three million people. Fish is also a major source of protein in the domestic diet. Rice production has registered significant productivity improvements in terms of both labor and land. Paddy is also a key commodity for exports: in 2015, Cambodia exported a record level of 1.2 million tons of rice; accounting for more than 3 percent of the total worldwide rice exports. The success of Cambodian agriculture helped four million people out of poverty. The poverty headcount dropped from 50% in 2007 to 12% in 2015.

4.2 Legal and regulatory framework

It is a very essential step to state and discuss the detail research study with friends especially Dr. Vijit, a Dean of Master of Business Administration (MBA) in Siam University. We were doing the research purpose by using our questionnaire on both local and international tourists to collect data. Basically, the result from this survey was used for basic understanding, developing the qualitative research tools and questionnaire. Most of the research time was spent on during of the period. Qualitative and quantitative approaches were applied. Qualitative data was collected before interviewing tourists. Synthesis information had been completed after discussions in sufficient time. Quantitative data collecting was conducted immediately after the questionnaire was revised. Generally, all outputs from the survey were used for evidence in study research.

4.3 Industry framework.

Exactly, after collecting qualitative data, we synthesized information immediately after friend discussion for checking and controlling the data. All results and synthesis paper were arranged in files carefully. And then, we listed all relevant data from each tool. Also, we interpreted all information regarding to our research questions.

All questionnaires were given a code number. All of them were punched into the files carefully after we checked already, and then we input all variables into Statistic Package Social Sciences v16.0 (SPSS v16.0) program for analyzing. We analyzed data by using frequency, and descriptive tools for description of data. The total sample sizes of 125 respondents from aged 18 over. The 125 samples are represented 6.1% of 3,693,248 visitors in 2015 to Phnom Penh, Siem Reap, and Battambang destination sites in 2015. With 31% of the total sample sizes are allocated for domestic tourists and 69% of foreign tourists from other countries.

3.4. Survey Indicators

The following indicators are used for this survey. The main purpose of this survey is to know how the targeted destination sites are aware of and response to the materials and message. These indicators are provided into two parts, first; we focus on demographic, and second; talk about tourists' interest in travel. Here following questions that input and output indicators are primarily used for this survey.

4.4 building Capacity

We spent seven days for collecting papers. First day, I was in Royal Palace and National bank, there are 57 respondents, third day, I went to Siem Reap and was in Angkor Bank and ANZ loyal bank 48 respondents and forth day we took a bus from Siem Reap to Battambang and last day, I was in front of French colonial buildings along Sangkae River are 20 even the destinations a bit far from each other but we still had power to complete our duty for this survey. A total of 125 surveys were sent out to tourists collected during three days in the five destinations.

The surveys were conducted at sites commonly frequented by both national and international tourists. The five destination sites collected 125 respondents and other 20 non- respondents are through on the ground. Here following table show five destination sites were conducted on the way.

4.5 Strategy and Planning in Future

Bank always increase from year to year remarkably, the number of 775,231 international using in 2015, as a 6.1% increase over 2014 with 502,775 international t arrivals to Cambodia, and 350,937 international 2015, 5.08% increased from 237,286 international arrivals to Siem Reap destinations. Even the world is facing economic crisis or political issue, Cambodia tourism is still expected to be strong though because government has a policy to attract more Asian tourists especially Chinese by providing those to be able to use their own currency in Cambodia.

The most beautiful nature and rich culture are the main things to attract more tourists to visit Cambodia; those places such as Complex, Royal Palace, and Museum are human-made decorated by natural things living for long year to make tourists never forget their memory here. Supply thing is in our hands, so government needs to show it up and appeal them to consume, otherwise government should make MOU with major countries by providing single visa, free duty visa or e-visa.

Cambodia is surely facing many crucial issues to make her tourism industry step up, and all things need to be resolved immediately. Hence, Cambodia needs to regular and implement important laws to protect tourism benefits and people livings. Especially those laws should be focused on preventing Cambodian beautiful culture, countering human trafficking and illegal drug sales and usages, and protecting environment.

4.1. Demographic Description

In this part, it details more about tourist’s nationality, age, sex, education, occupation, income, and etc.

Table 4.1: Respondent of Nationality

Nationalities	Code	Freq.	Total (%)	Chart
Khmer	1	39	31%	
Vietnamese	2	21	17%	
Thai	3	12	10%	
Laos	4	6	5%	
Australian	5	9	7%	
U.S.A	6	15	12%	
European	7	14	11%	
Others	8	9	7%	
Total		125	100%	

Based on above table 4.1 the results of the survey indicate that there are 39 (or 31%) of national and 86 frequencies (or 69%) of international tourists; hereafter called respondents, accept the interviews. As of total, 31% are Khmer. The rest of 69% consists of more 6 different nationalities with the majorities are listed down above table.

Table 4.2: Respondent of Gender

Sex	Code	Freq	Total(%)	Chart
Male	1	68	54 %	
Female	2	57	46 %	
Total		125	100 %	

Accordance with respondent of gender in table 4.2 the majority was appeared 68 (or 54 %) of male with 57 (46 %) of female are joined. Above table is a sex indicator as a result of the survey.

Table 4.3: Respondent of Age

Age	Code	Freq.	Total (%)	Chart
18 to 22	1	19	15 %	
23 to 28	2	31	25 %	
29 to 35	3	21	17 %	
36 to 41	4	24	19 %	
42 to 47	5	17	14 %	
48 to 55+	6	13	10 %	
Total		125	100.0	

The table 4.3 respects to group age respondent, the majority were 31(or 25%) of from age 23 to 28 aged group, in middle class of aged group from 36 to 41 (or 19%) and followed by age 29 to 35(17%)

aged groups, age 18 to 22 (or 15 %) of aged groups, age 42 to 47 (or 14 %) of aged groups, and final is age 48 to 55 plus (or 10 %) of aged groups.

Table 4.4: Respondent of Education Level

Education Level	Code	Freq.	Total(%)	Chart
High School	1	39	31%	
Bachelor's Degree	2	57	46%	
Master degree and above	3	29	23%	
Total		125	100.0%	

Relied on the table 4.4 show number of despondent of education from primary school to master and above, the number of majority is 57(or 46%) of bachelor's degree of the 125 respondents totally, high school is 39(or 31%), and master's degree and above is 29 (or 23%). The number show education of people in Cambodia as like other countries in the world are high knowledge today.

Table 4.5: Respondent of Occupations

Occupations	Code	Freq.	Total(%)	Chart
Government official	1	25	20%	
Own Business	2	47	38%	
Student	3	32	26%	
Private Business Employee	4	19	16%	
Total		125	100%	

Table 4.6: Respondent of Income

Income (5)	Code	Freq.	Total(%)	Chart
\$250-\$450	1	23	18%	
\$450-\$650	2	28	22%	
\$650-\$850	3	31	25%	
\$850-\$1000	4	18	14%	
\$1000-\$1250	5	15	12%	
\$1250+\$1500plus	6	11	9%	
Total		125	100%	

According to table 4.6, it showed that tourist’s average monthly income was appeared. As you know among them who got lowest salary from is 12% of the 125 respondents total only, and the number of 1250 to \$1500 plus is high income, it equal 25% of total number respondents. The numbers want to show better living of citizens in ASEAN region.

4.6. Suggestion Bank

As we know clearly the potential in the Bank sectors, we should know how to manage and grip of its upcoming fruitful for nation and for development of this Banks sector. The includes institutions and companies that are regularly not in the first instance considered as belonging to the Banking field, as following

- Based on the official data from MOT, 25% of the revenue from this sector was leaked out of the country through imported foreign products to serve this sector, so government should be aware how to strengthen our quality of material and agricultural products.
- More human resources of this sector are needed; government should train more people to fix up with this sector. In addition, as the country moves into ASEAN integration and will receive 7 million visitors in 2020 as government target, the amount of professional will also need in double.

- Government need to increase the awareness of environment that can negatively influence the Bank field because it will be important to inform all key stakeholders and tourists about the problem.
- The involvement of entities that most stakeholders trust is needed to communicate research results and assist adaptation processes.
- Should be controlled mechanism on the Banking industry and to enforce regulations.
- Continues to perverse the landscapes and should contribute to the attractiveness of
- The regions and should provide conditions for tourism to flourish.

The Cambodian government continues still to need Bank professionals by next year more and intends to create a new training school.

Besides the above points, this study understands there is an information gap about initiatives within the tourism industry as well as about the exact work of the tourism committee of the Ministry of Tourism. The studies could be considered more empirical research with specific tourism representative, such as accommodation suppliers from different regions of the country, different regions of the country, different smaller and bigger tour operators, and other service suppliers.

Respondent of four Services

Tour Services	Code	Freq.	Total(%)	Chart
Good	1	57	45%	
Very good	2	42	34%	
Need improvement	3	26	21%	
Total		125	100%	

Table 4.14, it demonstrates all tourists' interests in tourism services. They are focus on all services like roads, staying, self-security, safety, and other services in the ways. Number of percentage of the tourists who arrived by previous ways express their idea around facilitated services are 55% answered good, and 34% is very good, and the number of 21% refers to need improvement more in the future.

4.7 Banking Sector Key Accomplishments:

- The banking system is privately owned with the majority of the licensed commercial banks having foreign equity interest.
- The National Bank of Cambodia trebled the capital requirement for banks in effect from December 2010.

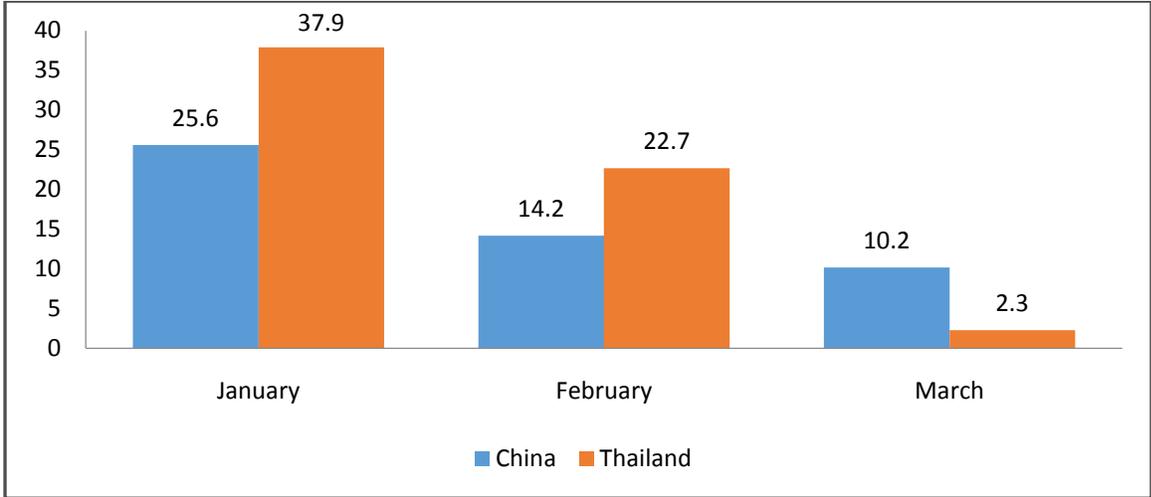
Cambodia is officially known as the Kingdom of Cambodia and once known as the Khmer Empire Cambodia has a population of over 15 million in 2014. She is considered as a developing Country depending on four main economic sectors for GDP growth. Among the four main sectors, Tourism is the second largest one to share dramatically country

Banking noticeably, in 2004, increased most highly up to 50.5%, then after global financial crisis in 2010 it was up from 1.7% in 2009 to 16%. In 2013, tourism arrivals increased by 17.5% year on year, with business travelers increasing 47%. So to attest that tourism which is one of the most important sectors driving Cambodia's economy grow healthy. World tourism outlook for 2014 and 2015 stated international tourist arrivals grew by 4.3% generated US\$ 1.5 trillion in export earnings in 2014.

While Cambodia received International Tourist arrivals by 6.1% in previous year. According to the above forecasting, government policy to attract tourism grows up to 7 million international tourist arrivals by 2020 with working hard to promote tourism through international broadcasting media such as CNN, BBC, PSB, TTR Weekly (Thailand Website), est. visa exemption grant to ASEAN member states, a three-year multi-entry visa valid for Chinese, South Korean and Japanese tourists, cooperating with Thailand to offer a two- country visa applied last year, and Tripadvice, international famous website of tourism, released data about most attractive places in the world itself which Angkor Wat (Cambodia) ranking in number 3 of the world most attractive place and number 1 in Asia. Therefore, Cambodian tourism will be expected to be up in 2016 as Ministry of Tourism's Statistics and Information Department director, Kong Sopheareak, also said tourist arrivals inched up during the first quarter of the year 2016 as Cambodia continued to draw more Asian Travelers. One more thing, even the world is concerning about Chinese economic slowdown, but it is not a big issue to worry too much as Alibaba CEO, Jack Ma, answered to former US President Bill Clinton who interviewing in

Global Bill Clinton Forum that why the world needs to concern too much on China, for his view pointed out even Chinese economic decreases to 7%-6%, it is still enough to grow up and in addition, Chinese still have money to spend, the reason is raised up by controversial culture to be plain in this interview that European earns today, spends tomorrow but for Asian earns today, deposits and waits to spend when any emergency case or disaster occurs. Therefore, tourism is still expected to be up by Asian tourists especially from China and Thailand as below table:

Table 1.1: Bank is expected to be up in 2016



The above data compared between Thai and Chinese in a first quarter released by the ministry to make Cambodia still get tourists increase this year, even the world worrying about the Chinese and the rest of the world economic slowdown.

The receipts of tourists flew into Cambodia last year generated more than US\$3 billion and 6.1 in percent compared with 2014 BANK data.

Here, another report of Bank data from January to June provided by Ministry of Tourism to clarify the Cambodia tourism increase in this year, 2016 as below

Banking has achieved growth for national better economics and emerged to develop country in all sites. The role of tourism industry is the second economic growth of Cambodia which created jobs prospect for Cambodian people in the communities, generated income and profits for them that allows in the different communities based on enhancing citizens' life standards, improve physical infrastructure, and alleviated poverty in conformity with the strategy of the Royal Government of Cambodia.

All Banking as a catalyst for economic growth, and their active participation in the tourism industry for the sake of national political and economic interests.

Cambodian government is looking to promote eco-tourism and cultural tourism in its local including the trends of tourism sites and development which is to poverty reduction and ensure equitable distribution of benefits if tourism revenues to local community. The vision and policy of Cambodian government about tourism is sustainable direction development of tourism sites to improve the economic in this country.

This study is exploring the external environment factor of the architectural sites and its development in Cambodia 2015. The study is conducted with the three important points namely: architectural protection, architectural development and management, infrastructure and tourism marketing. Here some are following spots talking about main objectives in this study.

1. To study the existing architectural situation of tourism sites in Cambodia
2. To understand about differences of increasing international tourists in the year of 2015
3. To explore information from visitor arrivals to the architectural tourism sites in Cambodia
4. To propose guidelines for sustainable cultural tourism planning and management that could be applied in the future growth of architectural tourism destinations in Cambodia.

1.4 The Benefits of the Study

This study contributes to the background information for the development of TAC (Tourism Authority of Cambodia) which is intended to improve the management of tourism

sites. The study is very important tools for understanding exact knowledge own related to the topic that is worked. Therefore, after the study finished, it will be gotten more benefits about architectural tourism field in Cambodia as following:

1. To develop and manage architectural sites in Cambodia under sustainable tourism development and management approaches.
2. To apply the possible results of the study and use of the experience gained from tourism business to build up the sustainable tourism development model to facilitate, sustain the tourism development in the national protected areas of Cambodia and improve more knowledge for own-self in cultural tourism development in the present and future.

The main scope of the study focuses on the government and UNESCO’s policies on the architectural tourism sites and the key stakeholders who involved in this sector, engaging in the implementation of the policies. The researcher is attempting to involve the opinions from a few organizations including UNESCO, Apsara Authority, Ministry and department of tourism, and Ministry of Land Management, Urban Planning and Construction (MLMUPC) and civil society working in the relevant architectural sector.

1.6 The Bank Expected of Study

The outcome of the study would be useful information to enhance my knowledge in the good ways of cultural tourism development which is effectively increase the number of tourists and revenue. Moreover, it could be helpful data for involving ministries and international and national organizations to develop and manage. Additionally, this study could be also beneficial information for furthering beautiful and cultural tourism sites in the future.

Disability Foundation

Capital Market

Development	Short- term 2011-2020	Medium2014- 2017	Long 2017-2020	concerned
Operation of a government securities market	Develop the government securities market: • Develop the legal	Monitor and strengthen government securities market performance: • Review	Deepen the development of government securities market: • Consider	MEF, NBC, SECC Lead agency:

	<p>and regulatory framework to support the issuance and trading of government securities.</p> <ul style="list-style-type: none"> • Consider issuing short-term treasury bills denominated in riel based on a predetermined borrowing program with NBC to determine the timing of market distribution for investment and reserve Purposes. • Develop bidding procedures and an auction system for issuance of government Securities. • Establish a system for accreditation of primary market dealers in government Securities. 	<p>performance of primary market dealers and develop performance based accreditation procedures on the basis of incentives And penalties.</p> <ul style="list-style-type: none"> • Consider issuing treasury securities of duration of more Than 1 year. 	<p>issuing Government bonds.</p>	
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