CAMBODIA'S REMARKABLE LEAP IN DIGITAL PAYMENTS

Cambodia does not fit the image many Koreans have of it. Traditional banking usage is low, and credit cards are rarely used here — yet **even street vendors and traditional market sellers accept payment by QR code.** The share of adults making or receiving digital payments jumped from 36% in 2017 to 73% in 2024, even though traditional bank-account ownership still sits around the low-30% range.

That gap captures the essence of Cambodia's digital finance system. The country never worked its way through the advanced-economy sequence of "bank branch → internet banking → mobile." Before banking infrastructure had even spread, it **leaped straight to mobile and QR payments.** The same "leapfrogging" that let developing countries skip landlines and go straight to mobile phones happened here in finance as well.

1. THE STATE BUILT THE ENTIRE PAYMENT INFRASTRUCTURE

The most fundamental difference from Korea lies here. In Korea, payments run on separately competing networks run by many private players—card companies, VAN operators, banks, and fintechs. Credit cards are the mainstay, with various digital payment systems layered on top.

Cambodia took the opposite path. The **central bank (NBC) built a single national payment infrastructure.** Rather than each private firm building its own network, the state paved a common road and had everyone — from banks to fintechs — run on top of it.

That infrastructure is **Bakong**. Built by the NBC together with the Japanese firm Soramitsu on a blockchain foundation, it went live in 2020 — one of the earliest central bank-led digital payment systems in the world. Whether you are a bank user or a mobile money wallet user, once you are on Bakong, you can send and settle with everyone else instantly.

Running on top of it is the unified QR standard, **KHQR** (introduced in 2022). The key point is that **KHQR is not any single company's payment method but a "channel" everyone shares.** A merchant displays a single KHQR code, and customers pay with that code, regardless of which bank or wallet they use. There is no need for the clutter of multiple payment QR codes at the checkout counter, as in Korea. This unification lets even small vendors and street sellers adopt digital payments easily.

2. "MOBILE MONEY" IS DIFFERENT FROM KOREA'S PAY APPS

Here, we must clarify a concept that Koreans often misunderstand. Korea's Digital payment systems are ultimately payment tools **layered on top of a bank account** — they only work if you have an account with a balance.

Cambodia's **mobile money** (led by Wing) was designed to work **even without a bank account.** A user hands cash to a neighborhood agent, and that amount is topped up as an electronic money (e-money) balance on their phone. With that balance, they send money, pay, and settle bills — never touching a bank. So even rural residents or low-income people with no bank account can use financial services, as long as they have a phone and a local agent. This is exactly where the earlier paradox — low bank account ownership but high digital payment usage — comes from.

So, is this e-money a "private currency" that the operator prints at will? No. A **trust-account structure** prevents that. The total cash users top up is deposited, as is, into a separate trust account held by the operator at a bank, and it is always matched 1:1 with the e-money issued into circulation. Even if the operator goes bankrupt, this money is ring-fenced from the operator's own assets and returned to users. In other words, e-money is not newly created money but **a digital receipt for cash that exists in a bank.**

3. QR THAT CROSSES BORDERS: EARLY STEPS WITH KOREA

Bakong's KHQR does not stay within Cambodia. Bakong is pursuing cross-border QR payment links with China, Thailand, Malaysia, Japan, and others. Connections to Korea have also begun. In 2024, the NBC and Alipay+ announced a partnership that includes KakaoPay and Toss Pay among 12 international payment apps, and Jeonbuk Bank launched a KHQR payment service through its mobile app. In practice, however, usage remains limited for now. Transactions are restricted to riel-denominated merchant QR codes, personal QR transfers are not supported, and the services are still in early-stage rollout. In a market where most everyday payments happen through personal account transfers rather than merchant QR codes, the gap between announcement and practical use is still being closed.

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