Prime Minister Lee Hsien Loong called on Singaporeans to “constantly come up with fresh ideas” and be “ready to break new ground” to remain competitive and bolster the country’s economic prowess as the state is not insulated from global risks.

He cautioned that the “world is entering a more troubled period” and Singapore should be ready to face future challenges in all aspects.

“We face grave challenges. One – economic uncertainties, with trade and globalisation under pressure. Two – strategic risks, with growing frictions between the major powers. And three – existential threats, with global warming and rising sea levels. Singapore will not be immune to these global problems.

“On the economic front, they will disrupt supply chains, alter trade patterns and shift investment flows. We must get ourselves ready for a very different future,” Lee said in his National Day speech on Thursday.

He said Singapore’s economy has slowed down this year as global demand and international trade continue to weaken.

“This has affected our manufacturing sector and trade-related services. In particular, we are feeling the worldwide cyclical downswing for electronics – which performed strongly last year.

“But other parts of our economy are still doing well. We have experienced such slowdowns before, and we will take this one in our stride. Should it become necessary to stimulate the economy, we will do so,” added Lee.

Singapore, he added, continues to make good progress in transforming its workforce to be future ready.

“Skills Future is building up the skills of tens of thousands of Singaporeans, helping them be more productive and employable, and preparing them for the new jobs being created. All these structural measures will not only address our longer term challenges, but also help see us through a more immediate downturn,” said Lee.

“Besides, the government will continue to promote affordable education for its citizens. By continuing to invest heavily in our people, we enable each one of us to take advantage of new opportunities at every stage of life. This is a joint endeavour.

“The government will keep on helping every citizen to achieve their potential and contribute their best to Singapore. Each one of us must strive to improve ourselves, do our best, and chase our dreams. And I know parents are making the effort to bring up children well, with the right character and values.

“We intend to make preschool and tertiary education even more affordable, especially for lower and middle-income families. To help older Singaporeans, we have protected them for their healthcare and retirement needs. For those who wish to work longer, we will be raising the retirement and re-employment ages,” said Lee.
When PhillipBank and Kredit MFI merger, some 1,700 employees will be reskilled with new banking skills, which will help to expand the banking services across the Kingdom and deepen financial inclusion.

PhillipBank, part of Singapore-based PhillipCapital Group, and Kredit MFI, will complete their merger by end of this year. While mergers and acquisitions often lead to downsizing of workforce to improve productivity, in this case the outcome could be different.

PhillipBank’s Shareholders’ Representative Ong Teong Hoon has set out his vision clearly despite early “trepidation” towards the corporate exercise. Ong explained to The Post about his plans for the merge.

“In any merger or acquisition there will be redundancy, retrenchment. In our case, nobody is going to lose their jobs. When we become a merged commercial bank, there will be more products, more job functions and we will redeploy some employees and give everyone a chance to grow.

“For that growth to happen, staff’s skill sets will be upgraded through training in (both) hard skills such as banking technical skills, and soft skills, such as a mindset change to better prepare them for the new business environment.”

The merger has received positive feedback from staff at both ends, said Ong.

“The good thing is people in Kredit MFI are looking forward to becoming a bank. And people in the bank are happy that from six bank branches it will become 80 to 90 branches.

Typically in a merger and acquisition scenario, there is the mindset of the victor and the vanquished but in our case, both parties belong to the same shareholder. We are getting married as equal partners,” he added.

Both Kredit MFI and PhillipBank belong to the same Phillip Capital Group of Companies.

However, the exercise is “not going to be a walk in the park,” cautioned Ong, as the two are entirely different entities and both institutions have different customer profiles and hence, different methods of conducting their businesses.

PhillipBank has only six branches and 250 staff, while Kredit MFI boasts of 81 branches, backed by a strong workforce of nearly 1,700 staff, and mainly serves rural customers.

“We have to be realistic; Kredit [MFI] is a microfinance and Phillip [Bank] is a commercial bank. Both have different cultural mindsets and prac-
tices. Microfinances are used to lending money to the poor segment. Commercial banks are used to lending money to the lower middle and upper income groups.

“There is going to be a lot of adjustments, there are new products that have to be thought through, skill sets need to be transferred and mindsets got to change. In banks, custom-
ners tend to be more demanding but I am not sure if that is the same of customers in the microfinance space.

“By merging, we are covering the entire spectrum, from the “less affluent” to the “better off” and the reason we want to do that is we see a convergence between commercial banks and microfinance institutions. We see commercial banks reducing their loan sizes and some microfinance institutions moving up the scale.

“PhillipBank will bring several competitive advantages once the merger is completed, such as mobile/internet banking, digi-
talisation of its operations, re-
mittance and most importantly, the re-skilling of employees.

“I started with little trepidation but customers will benefit. I will immediately introduce internet banking, we are looking very earnestly at digitalization and will embrace fintech. It is going to be a massive challenge but it is worth taking. End of the day, we as a bank will cater to the full spectrum of customers,” said Ong, who is optimistic of the merger.

Ong says reskilling of employees will be a top priority once the merger is completed.
Singapore marks the bicentennial year of its founding. Since the arrival of Sir Thomas Stamford Raffles on the island 200 years ago, the colonial outpost has transformed into a world-class metropolis.

The city state’s only natural resource was its people, and the government from very early on recognised the strategic importance of attracting and developing human capital.

Today, Singapore’s education system is one of the best in the world. Not only does the country consistently rank at the top of the OECD’s Programme for International Student Assessment (PISA) where 15-year-olds are tested in maths, reading and science, Singapore students also emerged top in an OECD global survey on collaborative problem-solving abilities.

Similarly, Cambodia acknowledges young people as the Kingdom’s greatest asset. This is why the Singapore Institute of Management (SIM) Group set foot into Cambodia a few years ago to establish Singapore (Cambodia) International Academy (SCIA).

SCIA is not only a registered school of Cambridge Assessment International Education but is also recently appointed by Singapore Examinations and Assessment Board (SEAB) as an Overseas Examination Centre to conduct the Singapore International Primary School Examination (iPSLE).

Building on Singapore’s success in equipping its young nation population with the education and skill sets to be future-ready, the academy aims to accomplish the same in Cambodia by providing a holistic education. One of the achievements includes producing innovative and award-winning students.

At the recent 34th China Adolescents Science & Technology Innovation Contest (CASTIC), two SCIA high-school students nominated by the Ministry of Education, Youth and Sport to represent Cambodia won 3rd place in the International Projects category.

Their science project - “Re-circulating Aquatic System of Agriculture (RASA)” is a sustainable aquatic farming system that aims to increase farm productivity while reducing the use of natural resources.

Representing Cambodia to take part in this competition is a testament to the success of SCIA’s STEM (science, technology, engineering and mathematics) curriculum, and also an opportunity for students to gain international exposure.

On top of STeM education, the academy offers subjects like entrepreneurship and leadership to build qualities such as grit and resilience. Schools that encourage entrepreneurship and leadership are likely to create thought leaders whose creativity is limitless in an uncertain and rapidly changing world.

“SCIA is here to stay. We are committed to nurturing the future leaders of Cambodia. Together with the community, SCIA strives to raise children with good character and resilience. Ultimately, we want to be the education portal for our students’ lifelong learning journey, preparing them to be future-ready,” explained Anselm Chu, managing director and school director, SCIA.

On top of a well-rounded K-12 curriculum, the academy has also started offering university preparatory courses such as the International Foundation Programme (awarded by University of London) and Management Foundation Programme at the Foundation Studies Centre (FSC). In the near future, SCIA will also be looking into offering higher education and continuing education.
Himawari Hotel Apartments - blooms all season like sunflower in the middle of Phnom Penh

When a young Andrew Tay visited Cambodia some two decades ago on a study trip as his brother was stationed in Cambodia at that time. He loved what he saw and his family decided to set up a hotel apartment in Phnom Penh, as there were limited accommodation for tourists then. An ardent fan of Japanese culture, he even decided to name it as Himawari, which means sunflower in Japanese language.

“I used to study Japanese culture. The sunflower always faces the sun and the Japanese people are always happy to see the sunflower, so we wanted the hotel to be a happy and a lively place when guests come to stay,” Tay, the executive director of the Himawari Hotel and Apartment told The Post.

Located along the Tonle Sap river, today the hotel with 115 rooms has transformed into a luxury five star property and easily competes with its neighbouring competitors, mainly because of its unique location and business model.

“Twenty years ago good quality accommodation was scarce, so we decided to go into hotel business. We cater for the expatriate market since then and it remains our main focus. We are situated in a good location, near the Sisowath Quay, close to the museum and tourist areas and easy access to the city,” he added.

The hotel enjoys a healthy 70 per cent to 80 per cent occupancy rate throughout the year and it has become attractive for long-stay guests, mostly who are on business trip to Cambodia. And, at least 90 per cent of its guests are foreigners.

“The main segment has always been our service apartment. Our rooms are designed for long stay and for family stay, and the rooms come with kitchen facilities. Guests stay for months or years. Our clients range from international corporate sectors, governments and NGO (non-governmental organisations), because our location is close to government offices and institutions.

“We also see a new demographic group of guests coming here, the Chinese who are mostly businessmen.

“On average tourists make up about 30 to 40 per cent and during high season it could reach 30 per cent, and the balance are government, corporate and NGOs, mostly foreigners,” said Andrew.

Shepard Ku, general manager of Himawari Hotel Apartments, said that the hotel has its own unique selling points (USPs) which provide an added advantage to compete with existing and new hotels in the capital.

“Our USP is our beautiful location in the city, great river view, ample car park and our own freshly brewed craft beer which has its own following and also the safety in our hotel,” he added.

To give a fresh look to its room and to attract more guests, the management carried out extensive renovations in the last few months, which is expected to boost the property’s image.

“We have given a new facelift to the rooms and have renovate extensively. I look very positively at growth prospects with the newly renovated room, this will help our sales for 2019, said Ku.”
PhillipCapital

We are the Phillip Capital Group of companies operating in Cambodia since 2009. Headquartered in Singapore and established since 1975, the Group operates in financial hubs in over 15 countries including the USA, UK, Turkey, China, Australia, Japan, UAE, India, Thailand, Indonesia, Malaysia, Vietnam, Hong Kong and Singapore.

We have 5,000 employees and more than one million clients worldwide providing services ranging from securities broking, futures & derivatives trading, commodities trading, foreign exchange, fund management, life and general insurance, and property consultancy. The Group’s shareholder funds is in excess of USD1.5 billion.

In Cambodia we are represented by Phillip Bank with our six branches which will soon merge with KREDIT MFI, a microfinance institution, with more than 80 branches. Together we will have the third largest branch network in Cambodia. We are complemented by our two wholly owned insurance companies Philip General and Phillip Life. We are, in short, a financial services supermarket offering a complete suite of financial and protection products backed up with convenient access by our presence throughout the kingdom of Cambodia.

PhillipBank

Phillip Bank Pte is the only Singaporean owned Commercial Bank operating in Cambodia. Together with our sister company, KREDIT MFI, with which we are in the process of merging, we offer a range of financial services and products to Corporate, Retail, SME, and Microfinance customers. These products are uniquely bundled or packaged with insurance protection offered by our two wholly owned insurance companies, Philip General and Phillip Life.

Our recent product promotions include Auto Loans with free insurance cover, multi-purpose easy-to-apply Personal Loans, and Auto Save accounts which pay a high interest on checking accounts.

We are therefore a unique Bank in this market, unique in our ability to meet the entire lifetime financial and protection needs of our customers through product innovation and convenient physical and on-line access, catering to a wide range of customer segments from lower to middle-income customers, to high net worth individuals, SMEs and larger corporations.

PhillipGeneralInsurance

The growth of the insurance market over the past two decades has been remarkable. In spite of the challenges in this young market such as public awareness and human resource issues, prospects for growth are bright. At Phillip General Insurance, we see these challenges as opportunities by offering better protection and real benefits. Our strength is in the expedient settlement of claims. We are committed to superior claims services as we stand by every cover be it for the protection of businesses, homes, property or personal protection. It is our corporate policy and principle to issue payments on claims within 7 working days.

PhillipLife

Phillip Life Assurance Cambodia is quickly forging ahead as part of the nascent and fast expanding Cambodian Life Insurance industry, offering competitive products in both commercial and retail markets. We are ably supported by Phillip Life Assurance Thailand, a market leader in online insurance, and Phillip Capital Singapore, which brings with it a global network of financial services institutions. Together with our sister companies, Phillip General Insurance, and Phillip Bank, we will soon be offering Cambodians a full suite of innovative financial products and services that they can easily access throughout the country. We are proud of our strong foundation – our solid financial backing from Phillip Capital shows that we are trusted stewards of our clients’ savings, and our international standards means we can deliver outstanding customer service and performance to all Cambodians.

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YouAdMe gets funds to transform face of advertising

HOMEGROWN start-up YouAdMe looks to establish a foothold in the region by tapping on young, technologically proficient youths to transform the face of advertising and subsequently create an entire ecosystem for digitising Cambodia.

The company’s efforts have received a timely boost in the form of an exclusive partnership agreement and with strategic investment from Wing (Cambodia) Limited Specialised Bank.

YouAdMe is operated and managed by individuals with rich advertising and financial industry experience. The team is tapping into the large pool of social media savvy youths to place authentic, human-driven reviews back under the spotlight by connecting brand partners with their customers interested in creating custom content.

YouAdMe has already gone live in Phnom Penh. The app currently hosts more than 500 merchants with more than 50,000 consumers participating in advertising activities on the platform.

“Investment intends to develop an infrastructure and solutions that link businesses to their customers. We look to provide more innovative digital products and solutions that provide consumers with a source of incentives, access to more digital services, and generally helping them leapfrog into the digital age,” said Bernard Teo, co-founder and CEO of YouAdMe.

Jojo Malolos, board director and advisor of Wing said that he saw a “disruptive but creative nature of advertising that will not only impact the mid to upper market but Wing’s target market - the micro, small and medium enterprises.”

“Wing’s CEO Manu Rajan (left) and Bernard Teo unveil the YouAdMe app on July 27.

Consistent with the goals and objectives of Wing, which is to provide mobile financial access to every Cambodian, this partnership will endeavour to give micro-entrepreneurs and urban and rural customers the opportunity to be creative, earn income and improve their business.

Malolos believes the partnership is not like any other partnerships. Wing has signed before, because it is a strategic integration of talents, ideas, resources and common goal to improve the lives of people at the base of the income pyramid. Other strategic thrusts of the partnership include bringing financial inclusion and providing future-ready digital solutions that will transform the ecosystem in Cambodia.

“More efforts are put in to improve the lives at the base of the income pyramid. Other strategic thrusts of the partnership include bringing financial inclusion and providing future-ready digital solutions that will transform the ecosystem in the Kingdom. ■

Stable Cambodian economy remains a haven for Singaporean investors

T he vibrant economy and better understanding of Cambodia’s friendly investment policies continue to draw more Singaporean investors to Cambodia.

Steadfast growth of the Kingdom’s gross domestic product (GDP), political stability, ease of doing business and close proximity to Singapore are some additional factors that attract businesses from the island state.

“Before Singaporeans did not have much knowledge about Cambodia, but now with the internet and as more news goes viral, people are able to read and understand about the country. In the last six months, a lot of trade missions from Singapore have come to Cambodia, other organised groups to do market research or through government or business federations,” said Andrew Tay, vice-president of Singapore Club Cambodia, told The Post.

Singapore is a key investor in the Kingdom with total fixed-asset investment of $1.2 billion in 2017. While bilateral trade touched $3 billion between both countries in the same year, according to media reports.

Singaporean entrepreneurs are operating in every sphere in Cambodia – hospitals, hotels, cafes, schools and trading, just to name a few.

Bilateral relations between both nations began in 1965 and Cambodia was one of the first countries to recognise Singapore’s sovereignty, after it broke away from neighbouring Malaysia. Two years ago, Singapore and Cambodia signed the double tax avoidance agreement.

Describing it as an “exciting times”, Tay said Cambodia continues to impress international investors because of its long-term commitment to develop the country, which is now one of the fastest growing economies in the region.

“Cambodia’s GDP is booming, the construction sector is also booming. No doubt there are obstacles but the government continues to assure investors that there is security for investors. More efforts are put in to improve the lives at the base of the income pyramid. Other strategic thrusts of the partnership include bringing financial inclusion and providing future-ready digital solutions that will transform the ecosystem in the Kingdom.”

“More efforts are put in to improve the lives at the base of the income pyramid. Other strategic thrusts of the partnership include bringing financial inclusion and providing future-ready digital solutions that will transform the ecosystem in the Kingdom. ■

Prosperous Singapore is a major investor in fast-growing Cambodian economy. AFP

Singapore Foreign Service officials and their Cambodian counterpart at a reception in March this year.