

CONTENTS

This only under the perview of my own research (Mr. KHUON Virak)

1. Cambodia's E-commerce landscape
2. E-Commerce regulatory framework in Cambodia
3. Key challenges facing the regulatory framework
4. Challenges in E-commerce Negotiations
5. Future prospects

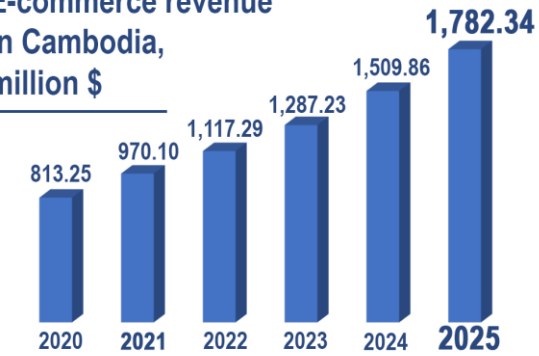
1. CAMBODIA'S E-COMMERCE LANDSCAPE



1. CAMBODIA'S E-COMMERCE LANDSCAPE

E-COMMERCE IS EARNING MORE

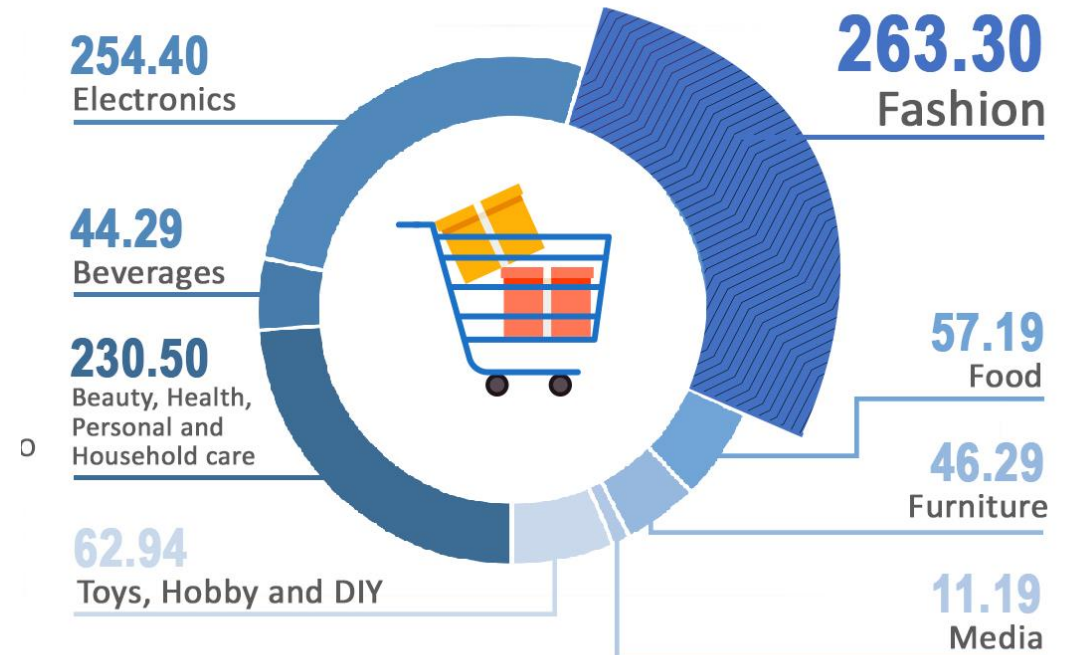
E-commerce revenue
in Cambodia,
million \$



By 2025, the e-commerce
revenue in Cambodia
is projected to reach

\$1.78 billion

E-commerce revenue by sectors, million \$



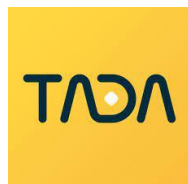
Sources: World Development Indicator, Data Reportal, Statista

E-COMMERCE KEY PLAYERS

E-Marketplaces



Taxi & Hailing



Booking and Reservation



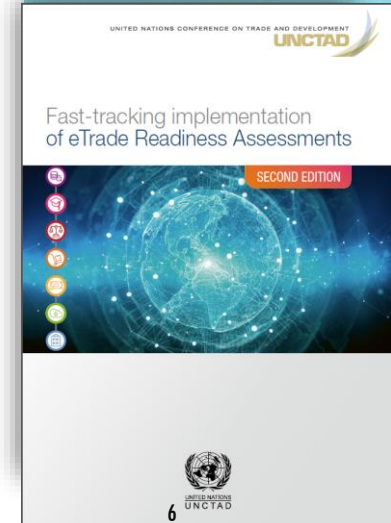
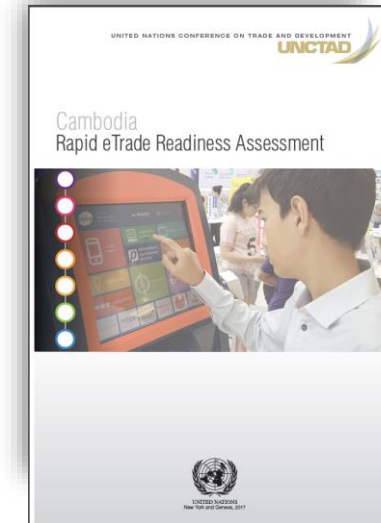
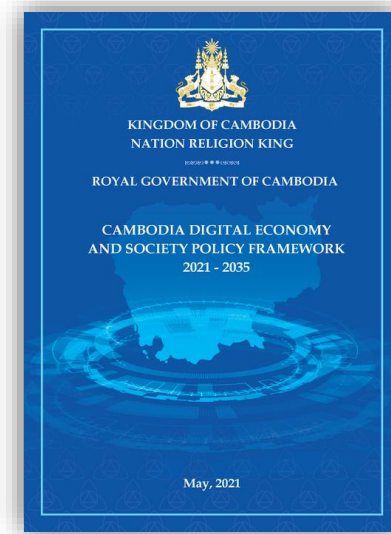
E-Payments



2. E-COMMERCE REGULATORY FRAMEWORK IN CAMBODIA

1. POLICY AND STRATEGY DEVELOPEMNTS

- The RGC has a long-term vision and strong ambition to promote the development of e-commerce in Cambodia through the inclusion of action plans and strategies related to e-commerce in some high-level documents of the government's strategy and policies, such as *the Rectangular Strategy Phase IV, Cambodia Digital Economy and Society Policy Framework 2021-2035, Cambodia Trade Integration Strategy 2019-2023*.
- In November 2020, the Ministry of Commerce launched *the Cambodia E-Commerce Strategy* which serves as a guiding map for e-commerce development under a harmonized and well-coordinated framework.
- With support from UNCTAD, two essential documents were developed to assess and analyze the current e-commerce situation in Cambodia and identify opportunities and barriers.



2. E-COMMERCE REGULATORY FRAMEWORK IN CAMBODIA

2. LAWS AND REGULATIONS

- **Law on Electronic Commerce** was promulgated by His Majesty the King on 2 November 2019 along with the **Law on Consumer Protection**. The law aims to govern electronic commerce in the Kingdom of Cambodia and with the international and create legal certainty in the civil and commercial transactions by electronic system.
- Sub-Decree No. 134 on *the Determination of Types, Forms and Procedures for Issuance of Permission Letter or Licenses to Intermediaries and Electronic Commerce Services Provider and Exemptions (2020)* was issued by the RGC to effectively strengthen the mechanism for managing e-commerce and to ensure the implementation of the law on e-commerce in the Kingdom of Cambodia.
- Sub-Decree No. 65 on *the Implementing the Value Added Tax on E-Commerce (2021)* aims to determine the special conditions and to set out the mechanism for implementing the VAT on digital goods and digital services being commercially transacted via an electronic system for consuming in the Kingdom of Cambodia.



3. KEY CHALLENGES FACING THE REGULATORY FRAMEWORK

Limited
Resources
and
available
supports

Limited Resources: despite a well-prepared strategy and policy development for the e-commerce sector, Cambodia is still facing a big challenge in a shortage of resources (human and financial) to fulfill the action plans as prepared in the documents. In addition, the lack of human resources could impact the process of developing a right and timely regulatory framework for the e-commerce sector in Cambodia.

Public
Awareness
and People
Trust

Public Awareness and People Trust: e-commerce law provides a new legal landscape for commercial and civil transactions in Cambodia, after the promulgation of the law, many people, including businesses, do not well aware of and understand the application, operation, and enforcement of the provisions of the law. *For example, formation of electronic contracts, validity and legal recognition of electronic communications, time and place of dispatch, and receipt of electronic communications...*

Regulatory
Challenges

Lack of
Expertise

Lack of Expertise: e-commerce law is relatively new in Cambodia. Thus, some areas of implementation would require legal and technological experts to support those. *For example, electronic authentication, electronic evidence and forensic, safe and secure electronic record and signature...*

Rapid
Development
of Technology
and Business
Models

Rapid Development of Technology and Business Models: technology is developing very fast and changing the world every day. Thus, it would course a big threat to policy and legal adaptation. At the same time, technology also plays a crucial role in business innovations and emerging business models that might impact policy and regulatory regimes or might create some legal uncertainty for the sector.

4. CHALLENGES IN E-COMMERCE NEGOTIATIONS

Cambodia has participated in a number of e-commerce negotiations in bilateral and multilateral free trade agreements such as:

- ASEAN Agreement on Electronic Commerce (2019)
- Electronic Commerce Chapter under RCEP (2020)
- Electronic Commerce Chapter under CCFTA (2020)
- Electronic Commerce Chapter under Upgrading of AANZFTA (2022)
- Digital Trade Chapter under Cambodia-UAE CEPA (2023)

With our previous experiences, we have faced some of the identical challenges as follows:



5. FUTURE PROSPECTS

To unlock the potential of e-commerce growth in Cambodia, there are some possible ways forward that the Government, Private Sectors, and Development Partners should work together.

