



Cambodia Rapid eTrade Readiness Assessment



NOTE

Within the UNCTAD Division on Technology and Logistics, the ICT Analysis Section carries out policy-oriented analytical work on the development implications of information and communication technologies (ICTs) and e-commerce. It is responsible for the preparation of the *Information Economy Report* (IER) as well as thematic studies on ICT for Development. The ICT Analysis Section promotes international dialogue on issues related to ICTs for development, and contributes to building developing countries' capacities to measure the information economy and to design and implement relevant policies and legal frameworks. It also monitors the global state of e-commerce legislation (unctad.org/cyberlawtracker). Since 2016, the ICT Analysis Section coordinates a new multistakeholders' initiative entitled *eTrade For All* which aims to improve the ability of developing countries, and particularly least developed countries, to use and benefit from e-commerce.

This document has been edited externally.

The following symbols have been used in the tables:

Two dots (..) indicate that data are not available or are not separately reported. Rows in tables have been omitted in those cases where no data are available for any of the elements in the row;

A dash (-) indicates that the item is equal to zero or its value is negligible;

Reference to “dollars” (USD) means United States of America dollars, unless otherwise indicated;

Details and percentages in tables do not necessarily add up to the totals because of rounding.

The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area, or of its authorities, or concerning the delimitation of its frontiers of boundaries.

The material contained in this document may be freely quoted with appropriate acknowledgement.

UNCTAD/DTL/STICT/2017/2

Copyright © United Nations, 2017



PREFACE

The eTrade for All initiative, launched at the fourteenth Ministerial Conference of UNCTAD in July 2016, is a practical example of how to harness the digital economy in support of the 2030 Agenda for Sustainable Development, notably Sustainable Development Goals (SDGs) 5, 8, 9 and 17. The initiative seeks to raise awareness, enhance synergies and increase the scale of existing and new efforts by the development community to strengthen the ability of developing countries to engage in and benefit from e-commerce by addressing seven relevant policy areas:

- E-commerce readiness assessment and strategy formulation
- ICT infrastructure and services
- Trade logistics and trade facilitation
- Payment solutions
- Legal and regulatory frameworks
- E-commerce skills development
- Access to financing

As part of the initiative, demand-driven assessments are envisaged to provide a basic analysis of the current e-commerce situation in the countries concerned, and to identify opportunities and barriers. The resulting reports will serve as valuable inputs to these countries' involvement in various discussions related to e-commerce and digital trade, such as in the WTO Work Programme on E-Commerce and the new UNCTAD Intergovernmental Expert Group on E-Commerce and the Digital Economy. It may furthermore help LDCs to identify areas in which they could benefit by assistance from partners of eTrade for All.

The first e-Trade Readiness assessment was conducted in Cambodia in November-December 2016. I would like to express my sincere appreciation to His Excellency Pan Sorasak, Minister, Ministry of Commerce, Royal Government of Cambodia, for his relentless dedication to e-commerce development in Cambodia for the past 20 years and for his personal support for eTrade for All. Also, I would like to express my sincere appreciation to all those who have contributed to this assessment. Let me assure of UNCTAD's commitment to continue support of Cambodia in the development of e-commerce.

Shamika N. Sirimanne

Director, Division on Technology and Logistics, UNCTAD



ACKNOWLEDGEMENTS

This eTrade Readiness assessment for Cambodia was prepared by Mr. Sven Callebaut, UNCTAD Consultant, under the supervision of Ms. Cecile Barayre, Economic Affairs Officer, and the overall guidance of Torbjörn Fredriksson, Chief, ICT Analysis Section, Science, Technology and ICT Branch, Division on Technology and Logistics, UNCTAD. Inputs, comments and suggestions provided by Ms. Sabrina Ielmoli-Beux and Ms. Smita Lakhe have considerably increased the quality of the report.

In Cambodia, special recognition goes to His Excellency Pan Sorasak, Minister, Ministry of Commerce, Royal Government of Cambodia. Additional thanks go to His Excellency Sim Sokheng, Director-General, International Trade, Mr. Eng Nguon Lao, Director, Planning, Trade and Statistics Department, and Mr. Long Kemvichet, Acting Director, International Cooperation Department, Ministry of Commerce, for their assistance in ensuring participation of relevant ministries in the assessment.

The assessment benefited from the cooperation of the ICT Federation of Cambodia (ICTF), in particular of Mr. Steven Path, President, Mr. Hor Serey Vath, Adviser and Mr. Ed Grimmer, Secretary General. Their respective support to ensure timely responses to the questionnaire by ICTF members was very valuable. The consultant received early access to the information and recommendations contained in the “eCommerce Readiness and Opportunities in Cambodia: Overview of Cambodia’s eCommerce Market Landscape” prepared by MangoTango Asia and funded by Mekong Biz Initiative (MBI/ADB) thanks to Mr. Ros Khemara (ADB/MBI), Mr. Chris McCarthy (MangoTango Asia, BritCham), Ms. Nancy Jaffe (MangoTango Asia). The consultant is indebted to Ms. Ratana Phurik Callebaut, Executive Director, EuroCham for her guidance in targeting the most relevant eCommerce stakeholders. Access to data from the “Connected Life” study (Cambodia) was granted by Mr. Eelco Dijkhuizen (TNS Kandara Cambodia). All inputs provided have been very useful and all individual contributions have been thoroughly appreciated.

The views expressed in this report are those of the consultant and do not necessarily reflect the views of UNCTAD or the Royal Government of Cambodia.

Desktop publishing and the cover were prepared by Nadège Hadjémian. The document was externally edited by Nancy Biersteker.

Funding for this report was provided by the Government of Sweden.



TABLE OF CONTENTS

PREFACE	v
ACKNOWLEDGEMENTS	vi
GLOSSARY OF TECHNICAL TERMS AND ABBREVIATIONS	viii
EXECUTIVE SUMMARY	1
METHODOLOGY	3
SUMMARY OF FINDINGS AND RECOMMENDATIONS	4
FINDINGS UNDER THE SEVEN eTRADE FOR ALL POLICY AREAS	5
1. E-commerce readiness assessments and strategy formulation.....	5
2. ICT infrastructure and services.....	5
3. Trade logistics and trade facilitation	6
4. Payment solutions.....	7
5. Legal and regulatory frameworks	9
6. E-commerce skills development.....	9
7. Access to financing	10
CONCLUSION	11
THE WAY FORWARD: ACTION MATRIX	12
NOTE	14



GLOSSARY OF TECHNICAL TERMS AND ABBREVIATIONS

3G	3 rd Generation of wireless mobile telecommunications technology
4G	4 th Generation of wireless mobile telecommunications technology
ADB	Asian Development Bank
AEC	ASEAN Economic Community
APAC	Asia Pacific
API	Application Programme Interface
ASEAN	Association of Southeast Asian Nations
ATM	Automatic Teller Machine
BPO	Business Process Outsourcing
BritCham	British Chamber of Commerce (in Cambodia)
DP	Development Partner
EuroCham	European Chamber of Commerce (in Cambodia)
ICT	Information and Communication Technology
ICTF	ICT Federation of Cambodia
IT	Information Technology
ITU	International Telecommunications Union
MCFA	Ministry of Culture and Fine Arts
MFI	Micro Finance Institution
MOC	Ministry of Commerce
MOIH	Ministry of Industry and Handicrafts
MPTC	Ministry of Posts and Telecommunications
MSME	Micro, Small and Medium Enterprises
NBC	National Bank of Cambodia
NiDA	National ICT Development Authority
NIPTICT	National Institute of Posts, Telecommunications and ICT
POS	Point of Sale
TPP	Third Party Processor
UNCTAD	United Nations Conference on Trade and Development
UPU	Universal Postal Union
WEF	World Economic Forum



EXECUTIVE SUMMARY

The potential for e-commerce development is significant in Cambodia, promising to diversify the economy, provide new jobs, and increase financial inclusion, as well as contributing to improved lives and livelihoods.

Cambodia is in a stage of development in which e-commerce is becoming visible, with an IT-hungry urban middle class that has emerged over the past 10 years, and with 60 per cent of the population below the age of 25. Consumers prefer traditional markets or retail stores and the financial market still relies on cash. The demand for e-commerce is currently limited to products that customers cannot find through regular retail outlets.

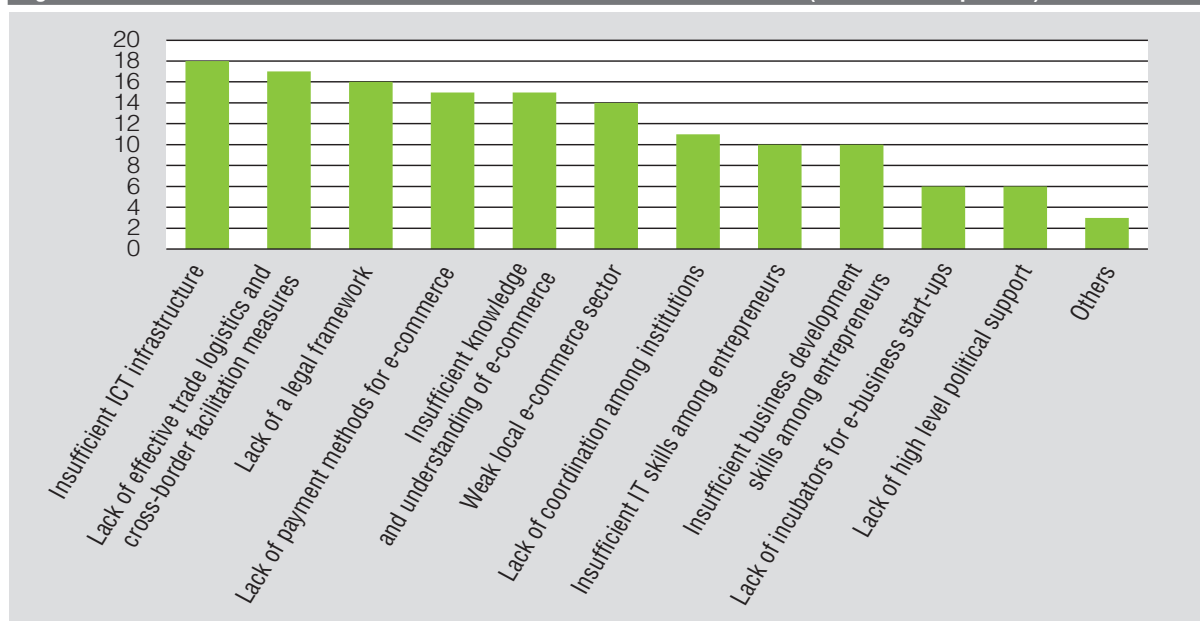
There is nonetheless a real opportunity in Cambodia for small entrepreneurs buying products overseas to sell them online, mainly through Facebook or Instagram platforms. There is already a potential clientele of some 15,000 consumers for most current e-commerce ventures.

The transformation of Cambodia into a digital economy is advancing with rapid improvements in Internet accessibility and affordability. The Ministry of Posts and Telecommunications expects the

number of citizens with regular Internet access to almost double to 9.5 million by 2020 (60 per cent of the population). Cambodia has considerable advantages that could be leveraged to create ICT jobs and benefit the national economy, such as the highest rate of Internet connectivity growth in the Asia-Pacific region and a very young population. Over the coming years, enhanced connectivity will continue to create new opportunities and online platforms for Cambodian businesses to reach customers. If effectively harnessed, these opportunities can significantly improve financial performance and contribute to economic growth and sustainable development.

E-commerce, however, remains limited compared to other ASEAN countries, and the potential for export development is relatively low. Despite recent progress, Cambodia ranked only 119 out of 137 in the UNCTAD B2C e-commerce index 2016. A relatively small market size, low broadband Internet penetration (especially in rural areas), payment issues and poor logistics networks are cited as stumbling blocks to e-commerce development in questionnaires and interviews.

Figure 1. Main bottlenecks for the effective use of e-commerce in Cambodia (number of responses)



Source: UNCTAD



Going further, the eTrade readiness assessment conducted with key stakeholders confirmed that barriers to further e-commerce development include: (1) confusion within and between relevant government agencies and public institutions over priorities and implementation processes; (2) technical factors, including accessibility and affordability of broadband Internet infrastructure, the digital divide between cities and the countryside;

limited access to financial services, and logistical challenges related to the delivery of goods; (3) trust factors, i.e. moving from a cash to a cashless society, building consumer trust in online platforms and mobile payment solutions; (4) unclear legal and regulatory framework; and (5) focus on copying existing platforms for quick return rather than on innovating or investing in new skills and knowledge to bridge a persistent market mismatch.

Summary statistics



Population of Cambodia 2016:
15.4 million



Mobile phone subscribers:
20.5 million
Cambodia is a “mobile first” market, where most Cambodians go online via their mobile device.
(Source: MPTC, 2016).



Registered fixed-line Internet subscribers:
82,926 as of June 2016, compared to more than 7 million mobile Internet subscribers
(Source: MPTC, 2016).



The majority of Cambodians are unbanked:
22% of Cambodians had bank accounts in 2014,
39,000 possessed credit cards, and 1.5 million people – or **10%** of the population – had bank cards.
(Source: World Bank, 2015)



The vast majority of e-commerce transactions are for imports or domestic trade. While there are no statistics available on foreign eTrade volume, online exports are limited to tourism and handicrafts (including through the Government-led e-visa system)

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_9336

