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CAMBODIA
10 YEARS FOR BUSINESS SINCE 2011

NATIONAL CONFERENCE ON CONSUMER PROTECTION

Driving Cambodia's Consumer-First Environment Progress & Achievements

Thursday 11 November 2021
Hybrid: Raffles Hotel Le Royal | Zoom

EVENT AGENDA

Session 1: Introduction

09:00 – 09:05	National Anthem
09:05 – 09:15	Welcome Remarks
09:15 – 10:00	Updates on Law of Consumer Protection – Key Progress & Achievements
10:00 – 10:20	COFFEE BREAK

Session 2: NCPP / NCCP

10:20 – 10:40	Introduction to NCCP and NCPP
10:40 – 11:40	Panel Discussion
11:40 – 11:50	Photo Session
11:50 – 13:00	Lunch Break

Session 3: E-Commerce

13:00 – 13:25	Realizing Cambodia's E-Commerce Potential / E-Commerce Ecosystem in Cambodia
13:25 – 13:35	The Role of MoC in Nurturing Effective E-Commerce Ecosystem

13:40 – 14:30 Panel Discussion

14:30 – 14:45 **COFFEE BREAK**

Session 4: Towards Consumer Associations & Legal Obligations for Private Sector Actors.

14:45 – 14:55	Introduction to the Rationale & Relevance of Consumer Associations
14:55 – 15:10	Consumer Networking Around Food Safety Issues and Further Steps Toward Establishment of a Cambodian Consumer Association
15:10 – 15:20	Best Practices of Consumer Association Worldwide – Next Steps Cambodia Should Aim For
15:20 – 15:35	PANEL DISCUSSION
15:35 – 15:50	Legal Obligations of Companies in Cambodia under the 2019 Law on Consumer Protection, and Recent Updates
15:50 – 16:00	Closing Remark





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SESSION 1

INTRODUCTION



Mr. Frank Jattke

Leader of GIZ-ASEAN Projects
in Cambodia Team Leader,
Regional Economic Integration
(ASEAN-REI KH)

WELCOME REMARKS

Frank Jattke is working for the Deutsche Gesellschaft für Technische Zusammenarbeit (GIZ) GmbH since 1997. Taking over the function as Team Leader ASEAN in January 2020, he is responsible for the implementation of the country activities of several German-ASEAN as well as other regional cooperation projects with focus on: Consumer Protection, Competitiveness, Support for Small and Medium Enterprises, Agricultural Value Chains, Regional Economic Cooperation and Trade, Sustainable Consumption and Production, as well as Solid Waste Management and Circular Economy.

Between 2008 and 2019, he was based in Jakarta/ Indonesia and coordinated as Portfolio Manager the implementation of the German Development Cooperation in Indonesia, Timor-Leste and with ASEAN. Before that, he contributed in different positions to the implementation of support projects for the German national Minorities in Russia, Kazakhstan, Kirgizstan, Uzbekistan, and Ukraine.

He graduated from Potsdam University, Germany in September 1994 with Diploma on Politic Science, majoring on International relations and administration.





Mr. Thomas Hesketh

Deputy Executive Director,
European Chamber of
Commerce in Cambodia

WELCOME REMARKS

Thomas recently joined EuroCham in the role of Business Services Manager, where he'll be managing the services team in the implementation of short term consulting projects across Cambodia, and assisting European companies get started in the country.

Prior to joining EuroCham, Thomas was a Consultant at Emerging Markets Consulting (EMC), based in Lao PDR, where his work included the development and implementation of project methodologies for both development partners and private sector companies, including Save the Children, Plan International, The World Bank, IFC and GIZ, as well as multinational companies interested in Cambodia, Myanmar and Lao PDR. Most recently, this included a study on the entrepreneurship ecosystem in Lao PDR, as well as an assessment of the readiness for renewable energy investment in the Philippines.

Before joining EMC, Thomas worked as a Business Management Scheme entrant for BT Group Plc, undertaking rotations as an operations manager of a 24 person operations team, and as a project manager in charge of services quality. Prior to venturing into telecommunications, Thomas worked at Pfizer Pharmaceuticals as a Regulatory Strategist at the firms UK headquarters.

Thomas is a British Citizen, and received his degree in Natural Sciences from the University of Bath, UK.





H.E. Mr. Phan Oun

Delegate of the Royal Government of Cambodia in Charge as Director-General, Consumer Protection, Competition and Fraud Repression Directorate-General (CCF), Ministry of Commerce, and Secretary of NCCP

WELCOME REMARKS

H.E. Phan Oun has been appointed as Director General of Consumer Protection Competition and Fraud Repression (CCF) in early 2020. He graduated with a Business Management Degree from the University of Management. He later obtained his master's degree from Monash University, Australia. He has been also nominated as an Advisor to the Ministry of Commerce with a rank equivalent to Under-Secretary of State. Currently, he is also a member of the newly-established National Commission for Consumer Protection (NCCP) as well as the head of the NCCP's Secretariat. He has been actively participated in drafting and commenting many commercial laws and regulations including the enacted Consumer Protection Law, draft competition law, draft food law, etc





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COFFEE BREAK



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SESSION 2

NCPP / NCCP



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Introduction to the National Commission for Consumer Protection (NCCP), and the Establishment of the National Consumer Protection Program (NCPP).

By Ms. Sok Vanseka

Managing Partner, Sethalay Law Office



Ms. Sok Vanseka
Managing Partner, Sethalay
Law Office

ABOUT OUR SPEAKER

Vanseka has around ten years of experiences in legal practices specialized in financial laws. Currently, she is the managing partner of Sethalay Law Office, where she has been assisting the Ministry of Commerce through GIZ for drafting the National Consumer Protection Programme, Prakas on Unfair Contract Terms, Prakas on Cooling Off Period and Guideline on Pyramid Scheme. As well, she has also assisted regulators in drafting and reviewing regulations on financial technology and other regulations for introducing new financial products by taking into consideration the consumer protection aspects. For private practices, she has advised and assisted clients in financial market entries, real estate development, investment projects, cooperate secretary and governance, commercial contracts and other legal transactions. She is also a consultant for the cross-cutting reforms in Cambodia namely Public Financial Management Reform, Public Administration Reform, Decentralization Reform and Legal and Judicial Reform. On project basis, she also works as an expert or consultant for the International Monetary Fund and the World Bank.





ដែលមិនត្រូវបាន និងសេដ្ឋកិច្ច
Legal and Economic Empowerment

NATIONAL CONSUMER PROTECTION PROGRAMME

Content

PART A : GENERAL OVERVIEW

- A.** Legitimate Needs of Consumer Protection
- B.** Guideline for the National Consumer Protection Policy
- C.** National Commission for Consumer Protection (“**NCCP**”) versus National Consumer Protection Programme (“**NCPP**”)

PART B : ASSESSEMENT

- A.** Laws and Regulations
- B.** Government Policy
- C.** Society and Economy

PART C: RECOMMENDATION

General Overview: Legitimate Needs

Access and Sustainable Consumption

Protection of Vulnerable, Economic Interest and Privacy

Health and Safety

Right to Information and Education

Dispute Resolution and Redress

Consumer Group

General Overview: Guideline for Policies

Good Business Practices

Right to Information and Education

Fair Conduct

Secure Payment Mechanisms

Dispute Resolution and Redress

Privacy and Data Security

General Overview: NCCP versus NCPP

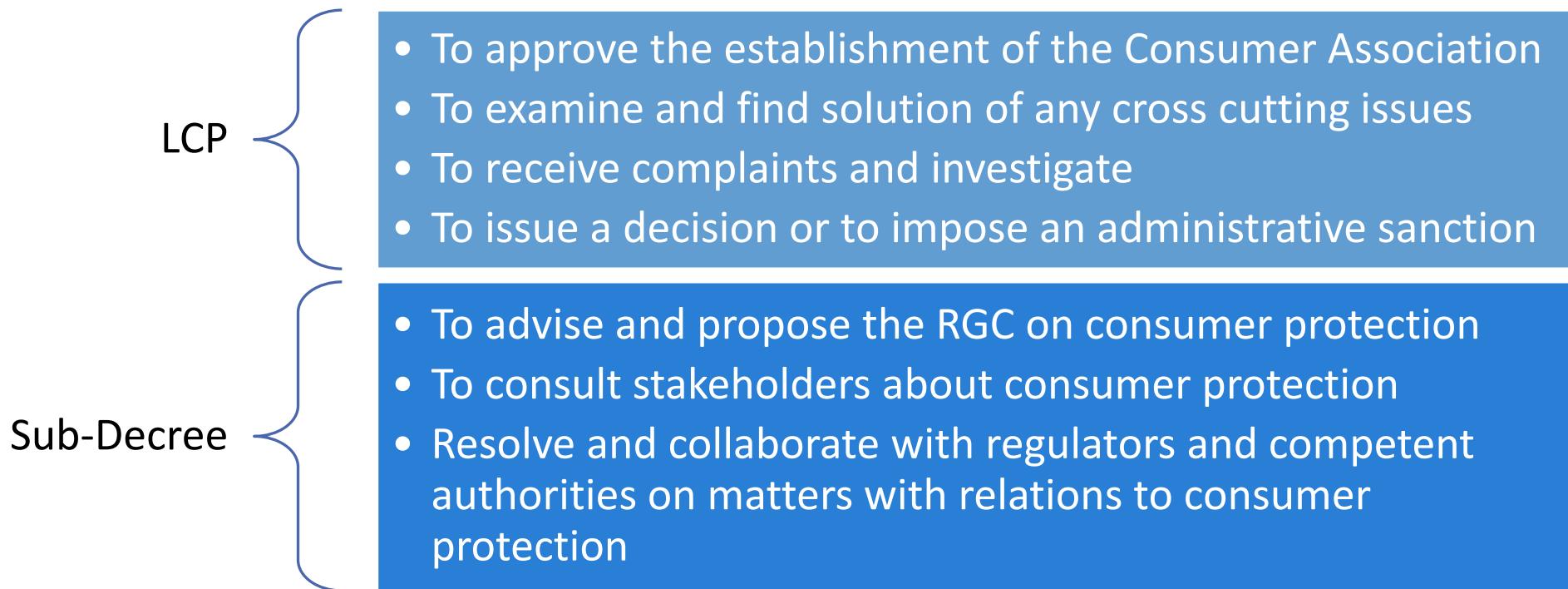
NCCP

- Established in accordance with the Law on Consumer Protection (“**LCP**”) by the Sub-Decree No. 135 dated 27 August 2020
- Members of the NCCP were appointed by the RGC’s Decision No. 95 dated 13 October 2020
- To promote the effective implementation of the Law

NCPP

- The NCCP has a task to “prepare and promote the policy and strategic plan related to consumer protection”
- The NCPP is a national consumer protection programme for 5 years prior to the creation of the National Consumer Protection Policy

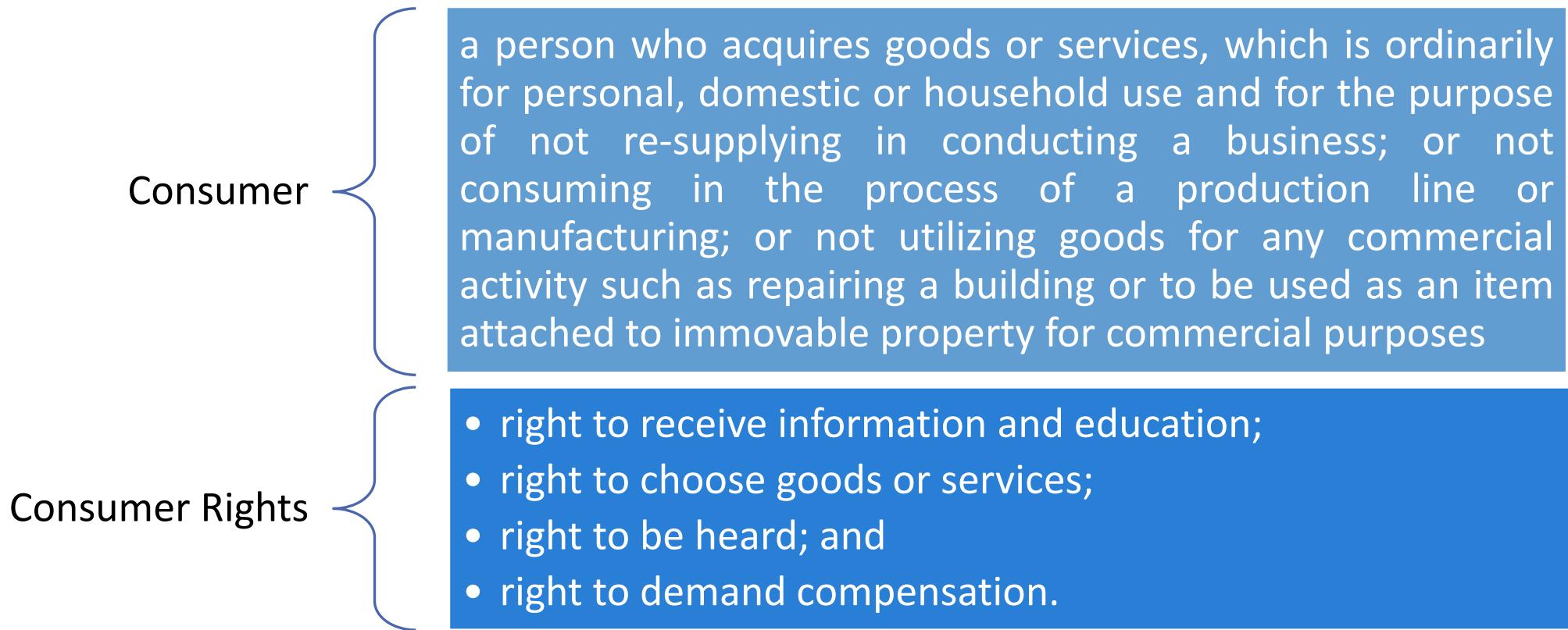
General Overview: NCCP versus NCPP (Roles of the NCCP)



Assessment: Law and Policy



Assessment: Law on Consumer Protection



Assessment: Society and Economy

Demand Side

- Final Consumption Accounts for 76.6% of GDP
- Literacy Rate in Cambodia is 87.7% but low in digital literacy

Supply Side

- 90% of businesses are SMEs and 95% of SMEs are not registered
- Corporate Governance and Accountability

Intervention

- Harmonization of Consumer Protection Framework
- Balancing of Consumer Protection with Efficiency in Doing Businesses
- Major Concerns to Rights to Safety and Security and E-commerce

Recommendations

Objectives

- To promote consumer empowerments for inclusive economy
- To develop coherence consumer protection frameworks for fair market conduct
- To enhance trust in commercial activities for economic efficiency

Actions

- Good Business Practices
- Consumer Empowerment
- Harmonization of Consumer Protection Frameworks

Implementation

- CCF to coordinate, facilitate and prepare
- NCCP to review and decide
- Other stakeholders to participate and implement

Recommendations: Actions

Good Business Practices

- Guideline and Recognition of Corporate Responsibilities and Accountabilities
- Ethical Code of Business Operation
- Fair Market Conduct and Practices: regulations, training, implementation and enforcement

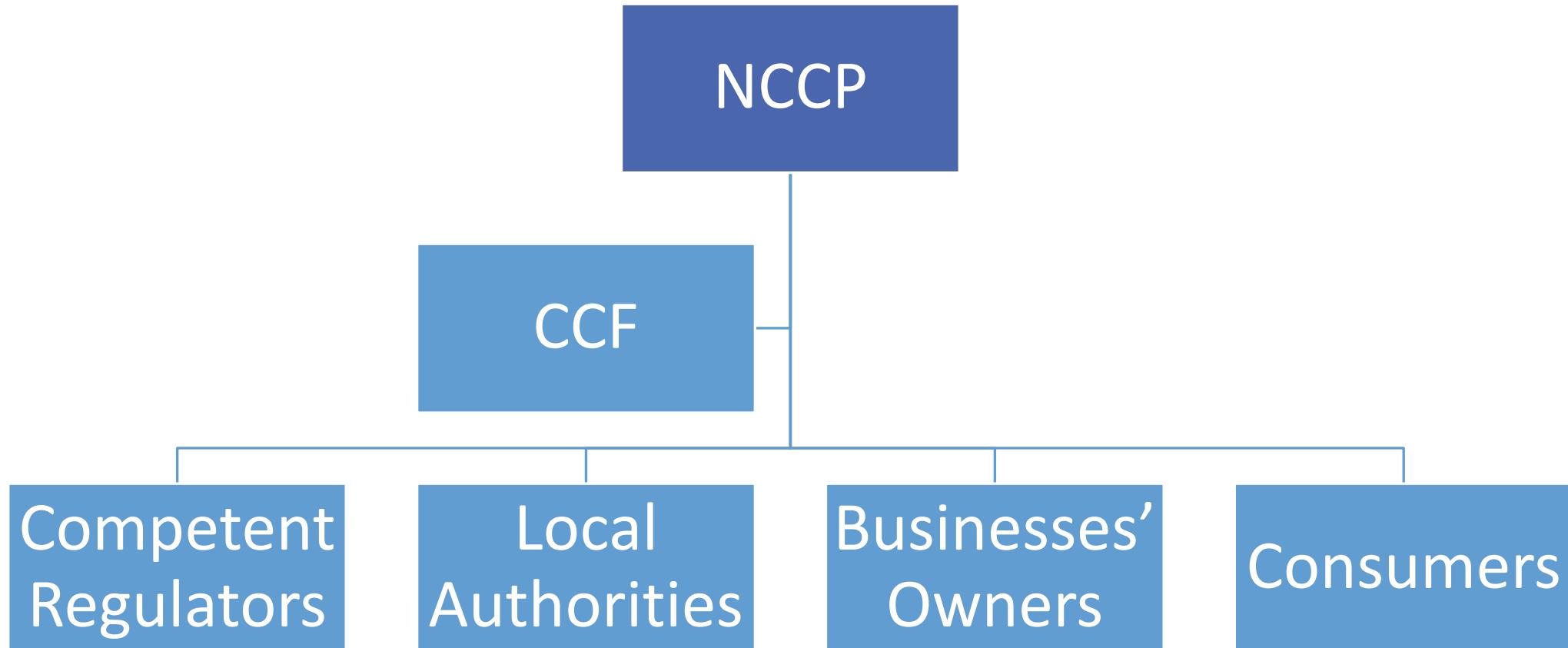
Consumer Empowerment

- Consumer Education: school curricula, publication, campaign and seminar
- Consumers' Rights to be Heard: association and involvement
- Consumers' Rights to Redress: Alternative Dispute Resolution

Harmonization of Consumer Protection Frameworks

- Data Sharing: shared portal of data for internal use and publication of data for external research
- Market Surveillance: reactive, proactive, product-focused, risk- focused and business-focused
- 360 Dialogues: consultation with all stakeholders

Recommendations: Implementations





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PANEL DISCUSSION

**The Establishment of the National Commission
for Consumer Protection (NCCP)**

PANEL DISCUSSION

MODERATOR



Ms. Sok Vanseka

Managing Partner,
Sethalay Law Office

PANELISTS

CCF



H.E Mr. Phan Oun

Delegate of the Royal Government of Cambodia in Charge as Director-General, Consumer Protection, Competition and Fraud Repression Directorate-General (CCF), Ministry of Commerce, and Secretary of NCCP

Telecoms



H.E. Kong Phallack

Undersecretary of State, Ministry of Post and Telecommunications (MPT), Member of the National Commission for Consumer Protection (NCCP).

Health



Ph. Aing Hoksrung

Chief of Bureau, Department of Food Safety, Ministry of Health (MOH).

Finance



Mr. Heng Bomakara

Deputy Director General of Banking Supervision, National Bank of Cambodia, Member of NCCP



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Ms. Sok Vanseka
Managing Partner, Sethalay
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ABOUT OUR MODERATOR

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Delegate of the Royal Government of Cambodia in Charge as Director-General, Consumer Protection, Competition and Fraud Repression Directorate-General (CCF), Ministry of Commerce, and Secretary of NCCP

ABOUT OUR PANELIST

H.E Phan Oun has been appointed as Director General of Consumer Protection Competition and Fraud Repression (CCF) in early 2020. He graduated with a Business Management Degree from the University of Management. He later obtained his master's degree from Monash University, Australia. He has been also nominated as an Advisor to the Ministry of Commerce with a rank equivalent to Under-Secretary of State. Currently, he is also a member of the newly-established National Commission for Consumer Protection (NCCP) as well as the head of the NCCP's Secretariat. He has been actively participated in drafting and commenting many commercial laws and regulations including the enacted Consumer Protection Law, draft competition law, draft food law, etc





H.E. Kong Phallack

Undersecretary of State, Ministry of Post and Telecommunications (MPT), Member of the National Commission for Consumer Protection (NCCP).

ABOUT OUR PANELIST

H.E. KONG Phallack holds the rank of Under Secretary of State, Ministry of Post and Telecommunications (MPT), he is also a Member of the National Commission for Consumer Protection (NCCP). H.E. KONG Phallack is Managing Partner (KhmerLex Legal Solutions); Dean and Professor (Faculty of Law and Public Affairs). Prior to this, Excellency KONG Phallack was a Jurist & Consultant for the Cambodian Model Court Project. Consultant for USAID-EWMI (Legal Aid Project) and GTZ (Baseline Survey Project) at the Council for Legal and Judicial Reform. AusAid-CCJAP Team Review member. Legal Assistant (JICA and the Ministry of Justice Civil Code and Civil Procedure Code Project). Professor of Law (Royal University of Law and Economics).



ABOUT OUR PANELIST



Mr. Heng Bunmakara

Deputy Director General
of Banking Supervision,
National Bank of
Cambodia

Mr. Heng Bomakara is currently a Deputy Director General of Banking Supervision of the National Bank of Cambodia (NBC). He is responsible for overseeing the performance of the banks and financial institutions, developing and discussing regulation frameworks, conducting macro surveillance and supervising credit bureau. Before that, he held various appointments in NBC, including Director of Off-Site Supervision, Director of Data management and Macro Surveillance Department, and Chief of Internal Audit Division. Concurrently, Mr. Makara is a team leader of the Financial Inclusion Working Group of the NBC and member of various working groups, such as Advisory Committee for MSME Financing research project in Cambodia, National Committee for Consumer Protection (NCCP) and, currently, Co-chair of ASEAN WC-FINC. Mr. Bomakara holds Master degree from Australian National University in field International and Development Economics and Master degree from the University Utara Malaysia in field Management.





Ph. Aing Hoksrun

Chief of Bureau, Department
of Food Safety,
Ministry of Health (MOH)

ABOUT OUR PANELIST

Ph. AING Hoksrun is an expert on food safety and public health. He is currently the Director of the Department of Food Safety, Ministry of Health (MOH). Prior to this he was Chief of the Food Bureau at the Department of Drugs and Food, Ministry of Health, and before this, Deputy Chief of Food Safety Bureau Drugs & Food, within the Ministry of Health.



PANEL DISCUSSION

MODERATOR



Ms. Sok Vanseka

Managing Partner,
Sethalay Law Office

PANELISTS

CCF



H.E Mr. Phan Oun

Delegate of the Royal Government of Cambodia in Charge as Director-General, Consumer Protection, Competition and Fraud Repression Directorate-General (CCF), Ministry of Commerce, and Secretary of NCCP

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PHOTO SESSION



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LUNCH BREAK



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SESSION 3

E-COMMERCE



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Realising Cambodia's E-Commerce Potential / E-Commerce Ecosystem in Cambodia.

By Ms. Choronai Leangreth

Investment Analyst, Profitence



Ms. Choronai Leangreth

Investment Analyst,
Profitence,

Co-author of E-Commerce
Ecosystem in Cambodia
Report

ABOUT OUR SPEAKER

Choronai has experience working as a junior economist for a Hedge Fund company in Hong Kong with a focus on macroeconomic research. At PROFITENCE, she is leading market research practice in e-commerce, healthcare, real-estate, construction and MFIs sectors. Choronai also focuses on identifying investment opportunities, developing business plans and assisting clients for government or development sector grant applications. Choronai holds a bachelor's degree in Economics with a minor in Development Studies from Asian University for Women.



E-commerce Ecosystem in Cambodia

By PROFITENCE

September 2021

Snapshot of Cambodia	4
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Disclaimers

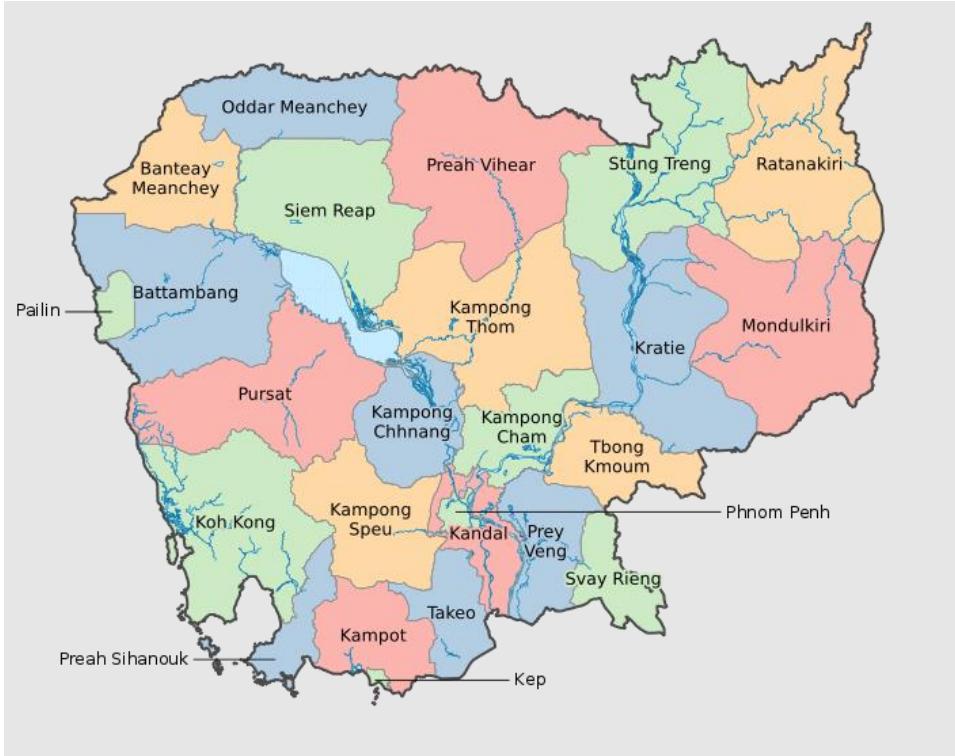
This study is not an exhaustive study and is prepared for a general understanding of the e-commerce ecosystem in Cambodia only. It is not designed as or should be deemed as professional advice from PROFITENCE. Information and data contained in this study is either collected from publicly available sources or based on the author's understanding of the market. PROFITENCE is neither a legal nor a tax expert, so the legislation around e-commerce business was cited from published articles of reputable legal entities in Cambodia which have been accredited accordingly. Under no circumstances will PROFITENCE be deemed liable or responsible for the accuracy of the information.

In our annual publication report last year, [Overview of E-commerce Landscape in Cambodia](#), we provided a general understanding of the e-commerce concept in the country. This year's report, **E-commerce Ecosystem**, is an extended version that aims to provide a more holistic view of the e-commerce industry. This report includes a consumer behavior survey, overview of the e-commerce ecosystem, trends of key industries, and a brief summary of the key legislation.

E-commerce in Cambodia is still at an early stage, and with the government's efforts and main growth drivers such as mobile penetration, and a large population of youth, the industry is expected to follow the same positive growth trend as Thailand's e-commerce. Main challenges of the sector still revolve around the lack of IT experts, infrastructure and a large unbanked population. While COVID-19 has become a catalyst for several e-commerce businesses such as food delivery, it also hinders growth of others such as ride hailing. The current legislation related to e-commerce is yet to be entirely formalized, so businesses must stay alert and have up-to-date knowledge to mitigate the risk of non-compliance.

After analyzing Thailand's e-commerce journey, we have learnt that the key to a successful e-commerce business depends on the number of buyers and sellers, consumer experiences and strong support from the government.

Snapshot: Cambodia



Inflation Rate

2.5%

IMF, 2020

GDP Growth Rate

-3.1%

World Bank, 2020

Capital

Phnom Penh

(GMT+7, 24 Provinces)

Local Currency

Cambodian Riel

(Aug 18, 4,079 riel = 1.00\$)

Density

95 P/Km²

(Worldometer, 2020)

GDP (US\$)

25.3 billion

(World Development Indicators, 2020)

Population

16.71 million

(World Development Indicators, 2020)

GDP Per Capita (US\$)

1,655

(Statista, 2020)

Language

Khmer

Other Languages : 3%

Unemployment Rate

0.13%

Statista, 2020

Religion

95%

Buddhists

2%

Malay & Chams

1%

Christians

Median Age



25.3

Total

24.6

Man

26

Female

“An e-commerce transaction is the sale or purchase of goods or services, conducted over computer [or mobile] networks by methods specifically designed for the purpose of receiving or placing of orders. The goods or services are ordered by those methods, but the payment and the ultimate delivery of the goods or services do not have to be conducted online. An e-commerce transaction can be between enterprises, households, individuals, governments, and other public or private organizations”.

E-commerce can be classified into different types such as Business-to-Business (B2B), Business-to-Consumer (B2C), Consumer-to-Consumer (C2C), Direct-to-Consumer (D2C), Consumer-to-Business (C2B), Business-to-Government (B2G) and Consumer-to-Government (C2G).

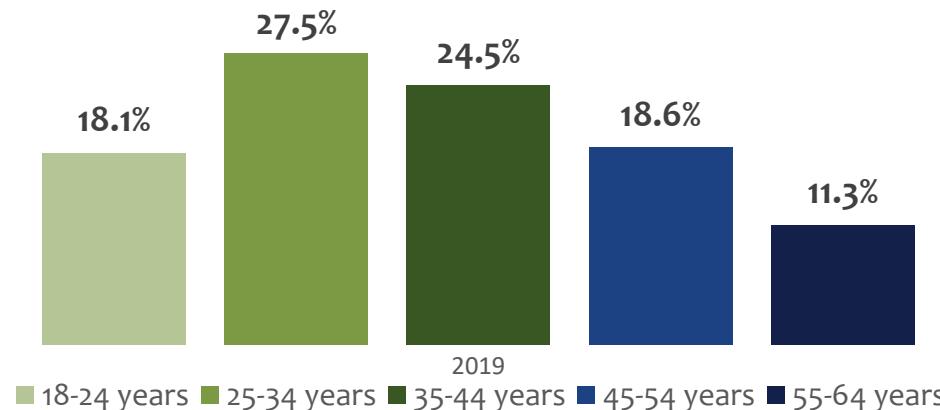
According to Sub Decree No.65, “Electronic commerce” refers to the activities of purchasing, selling, leasing or exchanging products or services, including electronic commercial and civil commercial activities. A non-exhaustive list of examples of electronic commerce include:

1. Electronic Order Processing of Tangible Products
2. Electronic Ordering and Downloading of Digital Products
3. Electronic Ordering and Downloading of Digital Products for Purposes of Commercial Exploitation of the Copyright
4. Updates and Add-Ons
5. Limited Duration Software and Other Digital Information Licenses
6. Single-Use Software or Other Digital Products
7. Application Hosting-Separate License
8. Application Hosting-Bundled Contract
9. Application Service Provider-ASP
10. ASP License Fees
11. Website Hosting
12. Software Maintenance
13. Data Warehousing
14. Customer Support over a Computer Network
15. Data Retrieval
16. Delivery of Exclusive or Other High-Value Data
17. Advertising
18. Electronic Access to Professional Advice
19. Technical Information
20. Information Delivery
21. Access to an Interactive Website
22. Online Shopping Portals
23. Online Auctions
24. Sales Referral Programs
25. Content Acquisition Transactions
26. Streamed (Real Time) Web Based Broadcasting
27. Carriage Fees
28. Subscription to a Website Allowing the Downloading of Digital Products

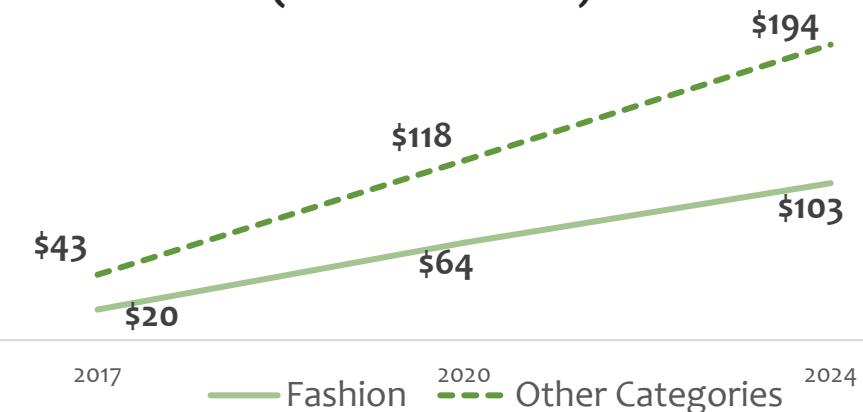
Demographics

Over 50% of e-commerce users in Cambodia are between 25 to 44 years old and female consumers are slightly higher than male. The main consumer groups are from low and middle-level income, and fashion was the most bought item online in 2020.

Cambodian E-commerce Users by Age



Cambodia E-commerce Revenue by Category (In USD million)



Demographic of E-commerce Users



- 43.4%** Low income
- 47.6%** Medium income
- 9.1%** High income

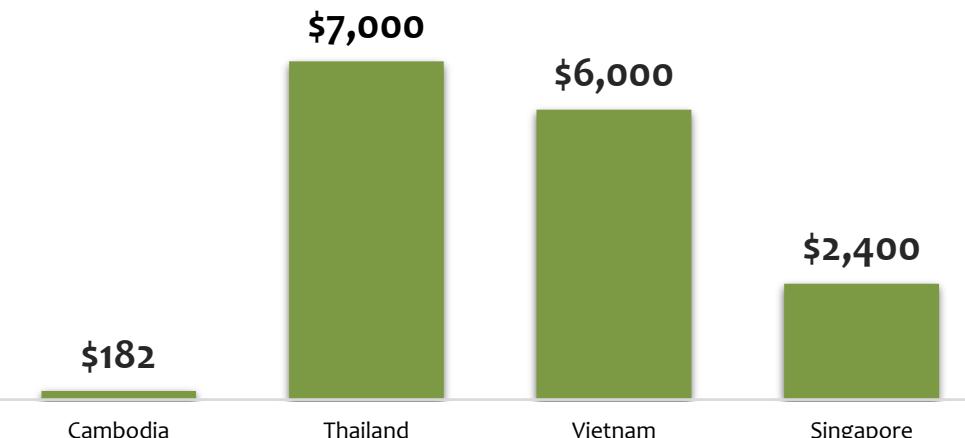
E-commerce Users by Gender



1.4% more women than men use e-commerce

Market Size

E-commerce Revenues in 2020 (In USD million)



Source: Statista, 2020

% of E-commerce Users to Internet Users



Source: Datareportal, eCommerce ASEAN

Source: ADB, Statista

- Electronic commerce is a relatively new market concept in Cambodia, having its law legislated recently in 2019. The country is gradually formalizing this industry, making it an attractive investment with long-term potential high growth.
- With over 60% of internet users using e-commerce platforms, just slightly lower than the regional average, Cambodia is seen as being on the right path and moving towards the same positive growth trend as its regional peers.
- Statista, a global provider of market and consumer data estimated the market size* of e-commerce in Cambodia to be USD 182M in 2020 and USD297M in 2024.
- According to ADB, 27.6% of the USD 470M revenue in tech and digital business in 2019 is from e-commerce, followed by 7.8% from e-services, 10.2% from digital media, 12.7% from advertising technology, 3.8% from transportation and 37.9% from online travel.

* Note: Scope of the market size:

- Sale of physical goods via a digital channel to a private end user (B2C)
- Purchases via desktop computer (including notebooks) and purchases via mobile devices (e.g. smartphones)

Growth Drivers

Becoming more digitalized

Mobile Penetration

126%

(21.18M Mobile Connection)

A need for e-commerce platforms to connect businesses with consumers



Number of SMEs
>500,000

High level of internet access

Internet Penetration

53%

(8.86M Internet Users)



Higher consumer spending



GDP Per Capita

USD 1,720

Up 3.91% from USD 1655.39 in 2020

People embrace digitalization due to COVID-19



COVID-19 as a catalyst that pushes more people to shop online

Affordability leads to more usage

Mobile Internet

\$5 per month for 4G
2.6% of minimum wage (\$190)

Large pool of target consumers



> 50%

Are under 25 years old

Challenges

Lack of Trust

- Being extremely skeptical that goods will actually appear once money is paid in advance.
- Consumers are not confident of the quality of products.
- Fear of being unable to get a refund or exchange.

Medium of Payment

- Approx. 22% of the population has an account with FI's and 3.8% of them purchase or pay bills online.
- Cash on delivery remains the main method of payment.
- For business models that require advance payments, it is inconvenient for consumers.

Lack of IT Readiness

- The concept of e-commerce is new in the country, accompanied by a lack of qualified e-commerce IT experts to support the complications & manage platforms.

Limitation of Infrastructure

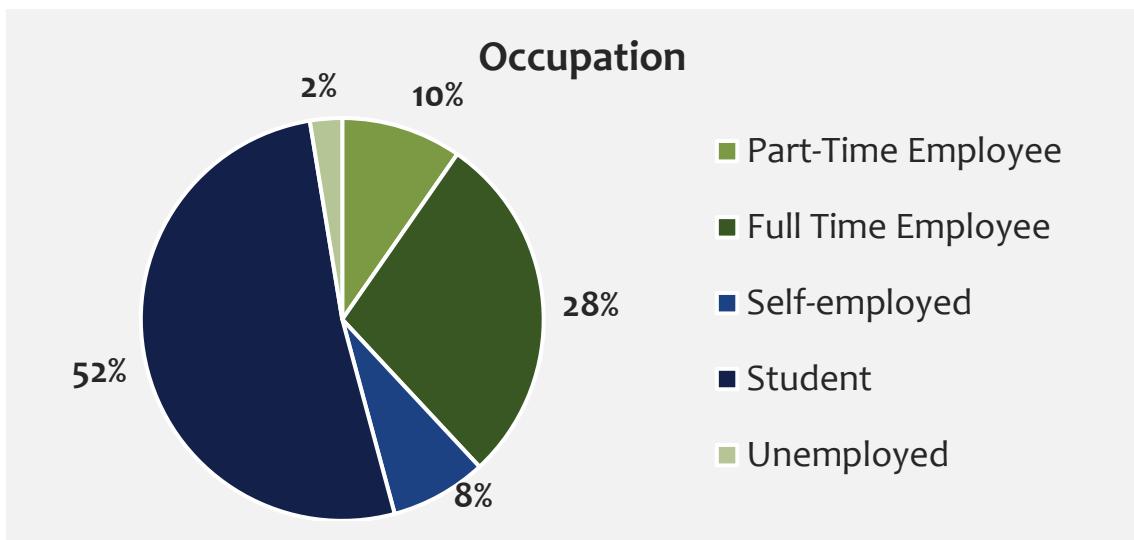
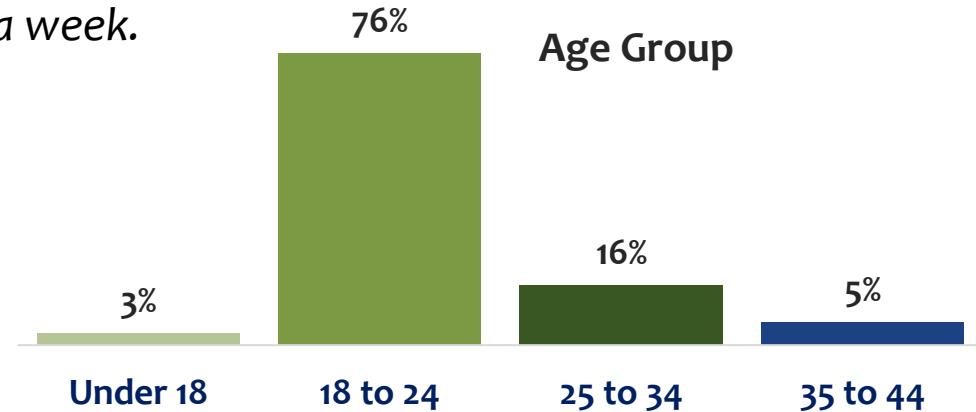
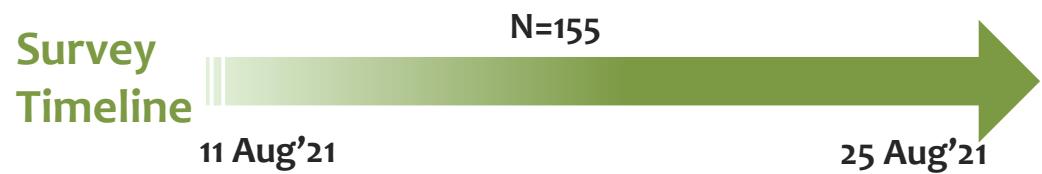
- Outside of Phnom Penh, roads & house numbers are not properly labeled.
- Door delivery service is not smooth.
- A centralized system of e-commerce is yet to be introduced.

Inventory Issue

- MSMEs face issues of maintaining inventory stock for online stores, especially during the COVID-19 period when the whole supply chain system has been interrupted.

Survey Design

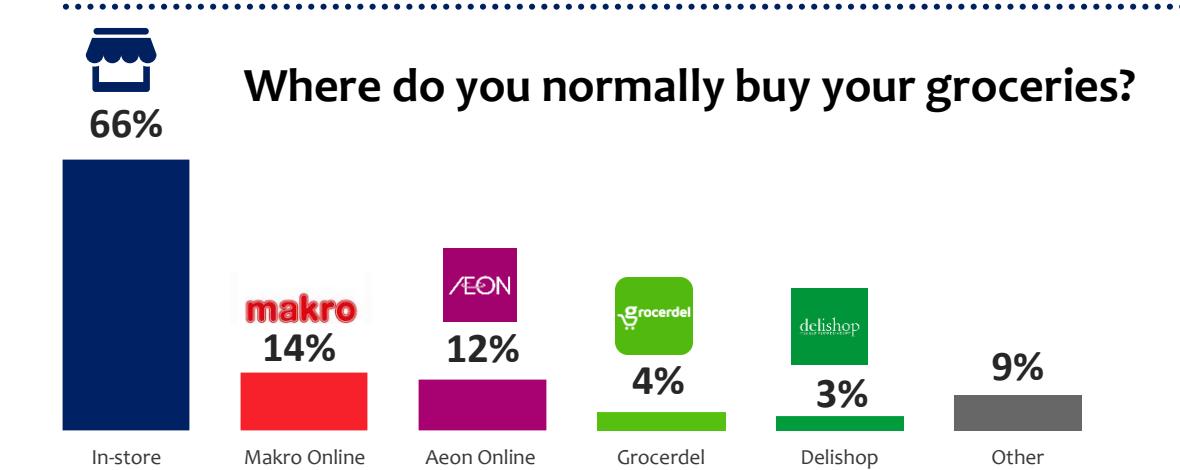
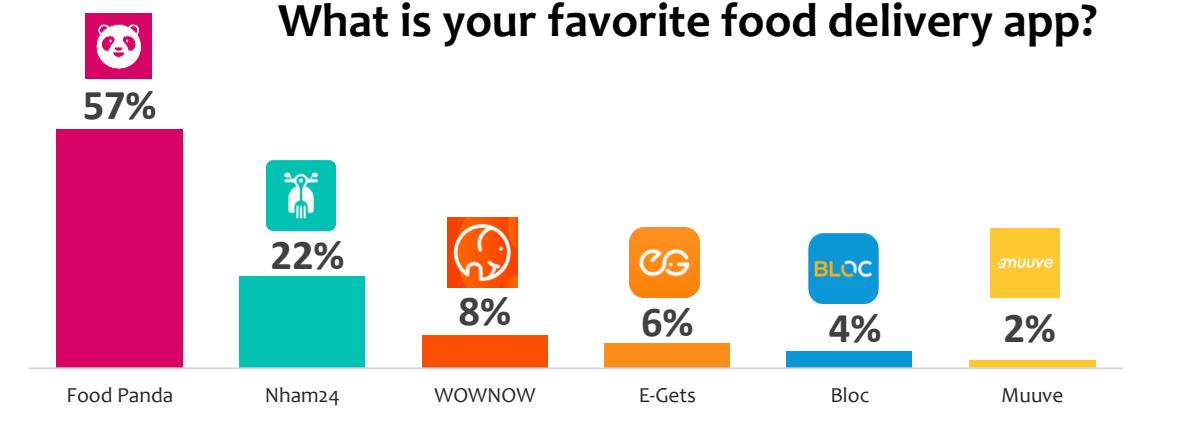
To understand online shopping behavior of Cambodians, PROFITENCE conducted a short survey that ran for 2 weeks from 11 August to 25 August 2021. The sample size was n=155*, concentrated mostly in Phnom Penh, among university students and young professionals. The frequency of online shopping is once a week. 76% Age Group



* A more comprehensive study that covers larger pool of participants can be done through the increase of sample size, upon request.

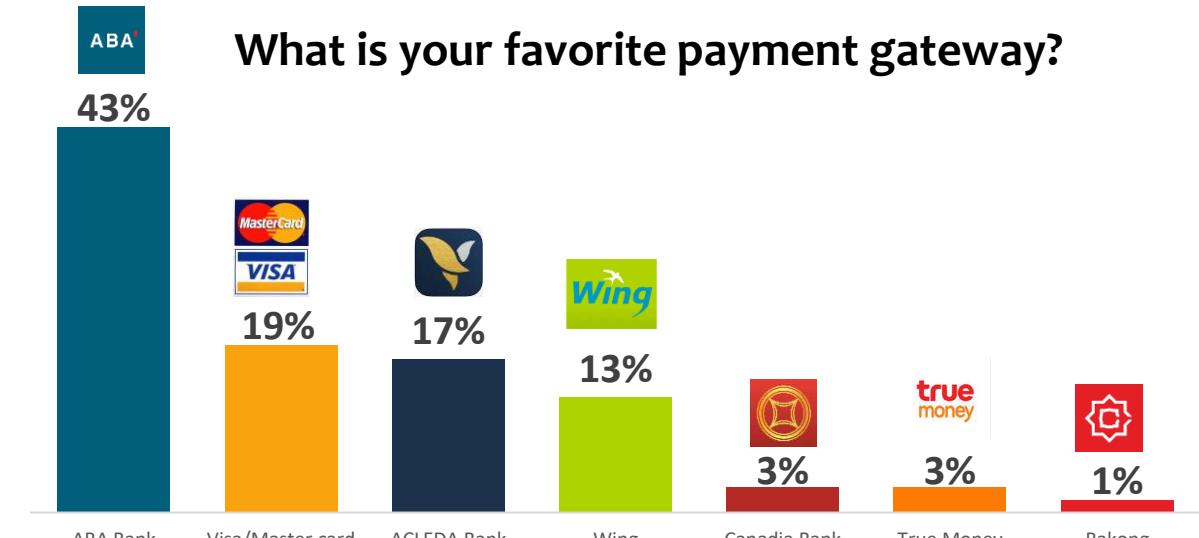
Survey Results (1)

The survey result illustrated that the most-bought item online in 2021 is food and groceries, followed by fashion & apparel, with respective share of 30% and 28%. Food is dominated by top food delivery app; Food Panda. Specifically on groceries, however, over 60% of respondents prefer to shop in-store, possibly due to a concern of freshness of meat and vegetables.



Survey Results (2)

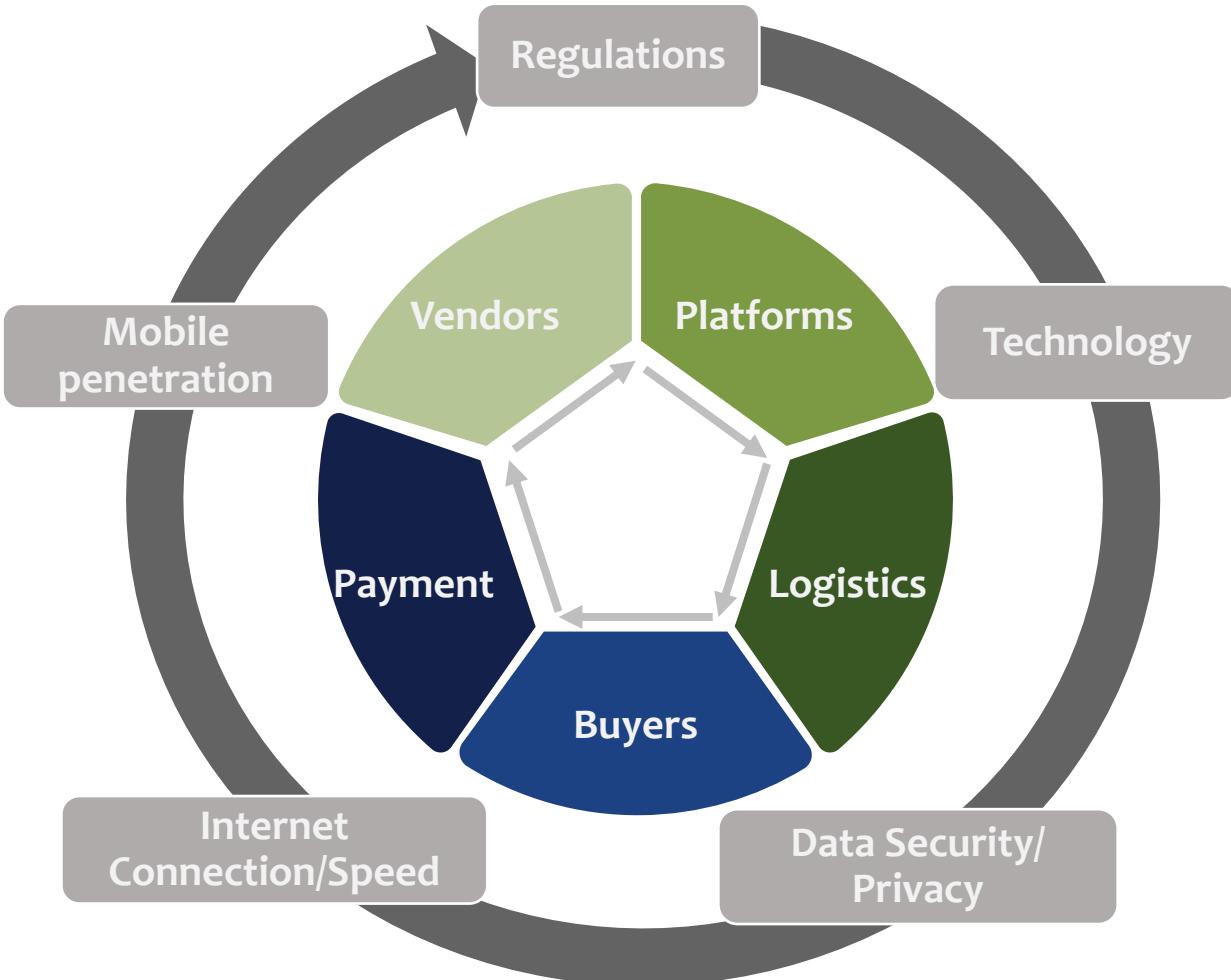
Facebook is the most used platform for online shopping, followed by Instagram and Taobao. Online payment is dominantly done via ABA, and over 60% of respondents reported to be quite comfortable with online/digital payment.



How comfortable are you now with online/digital payment?



E-commerce Ecosystem



- E-commerce ecosystem can be defined as a network of interconnected functions that enable the full cycle of selling and purchasing online.
- It starts with vendors listing their products on an online platform, buyers browsing and purchasing products, products getting delivered to buyers, and finally payments being made to vendors.
- To attract and retain consumers, an e-commerce platform must have:
 - All product categories (all-in-one app)
 - User friendly interface (easy to navigate, not heavily occupied by ads and ideally 3 clicks away from making payment)
 - Enough stock inventory
 - Same day delivery
 - Product return options
 - A variety of payment methods
- The whole ecosystem relies not only on vendors and buyers, but also on the readiness of the country in terms of regulations, technology, data security/privacy, internet speed and level of mobile penetration.

2019

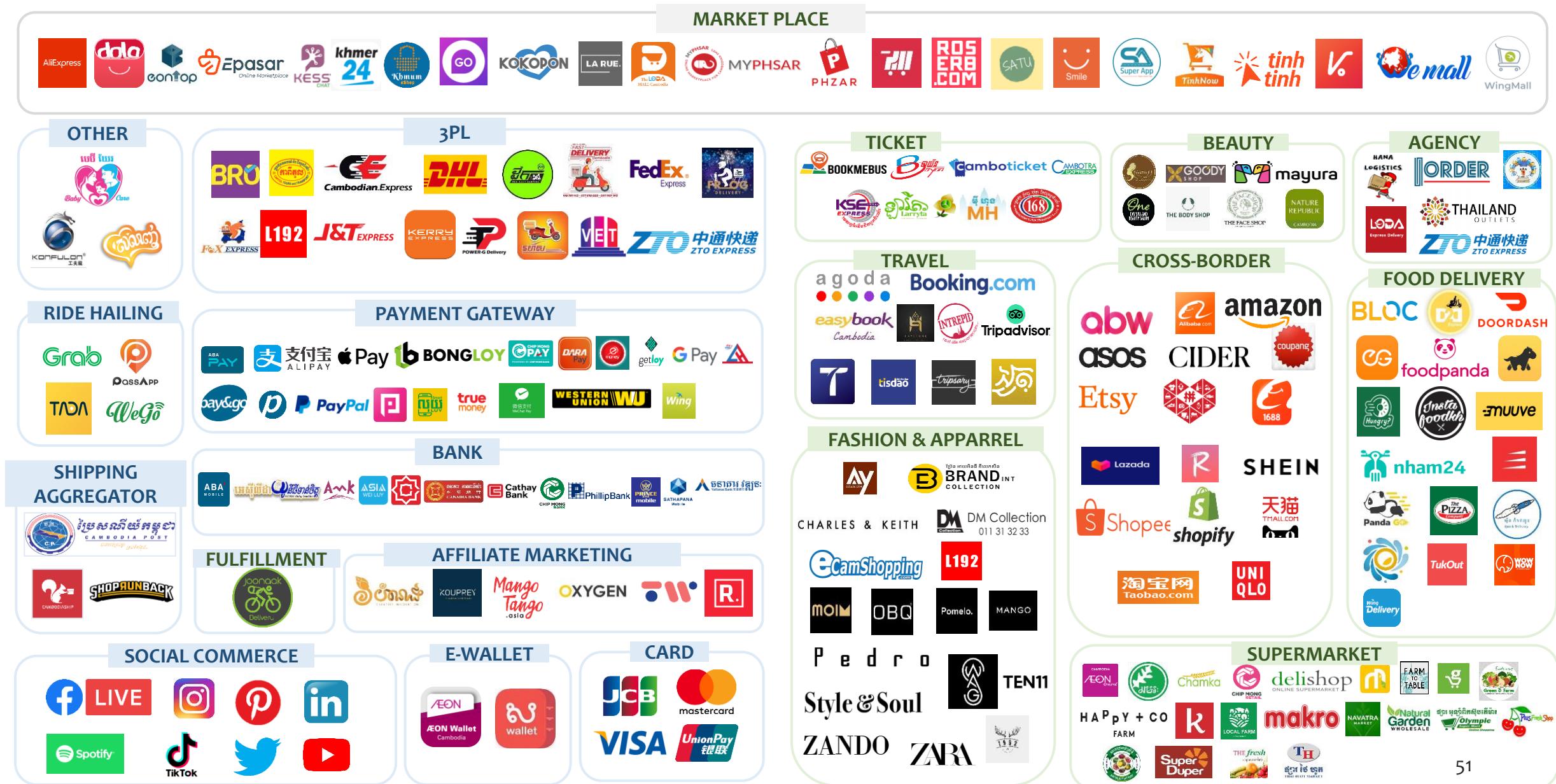
- October 2019 : Law on Consumer Protection
- November 2019 : Law on E-commerce
- January 2020 : Prakas No.098, “online business” shall be deemed to have a Physical Establishment (PE) in Cambodia
- June 2020 : Single Portal; a new online business registration system launched by the government
- August 2020 : Sub Decree No.134, the determination of Types, Formalities, and Procedures for issuing Approvals or License to intermediaries and Electronic-Commerce (“e-commerce”) Service Provider and Exemptions

2020

- October 2020 : Prakas No. 290; on granting of e-Commerce Permits or License
- October 2020 : Bakong; Cambodia’s only all-in-one mobile payment and banking app launched by National Bank of Cambodia
- November 2020 : E-commerce Strategy; launched by UNDP

2021

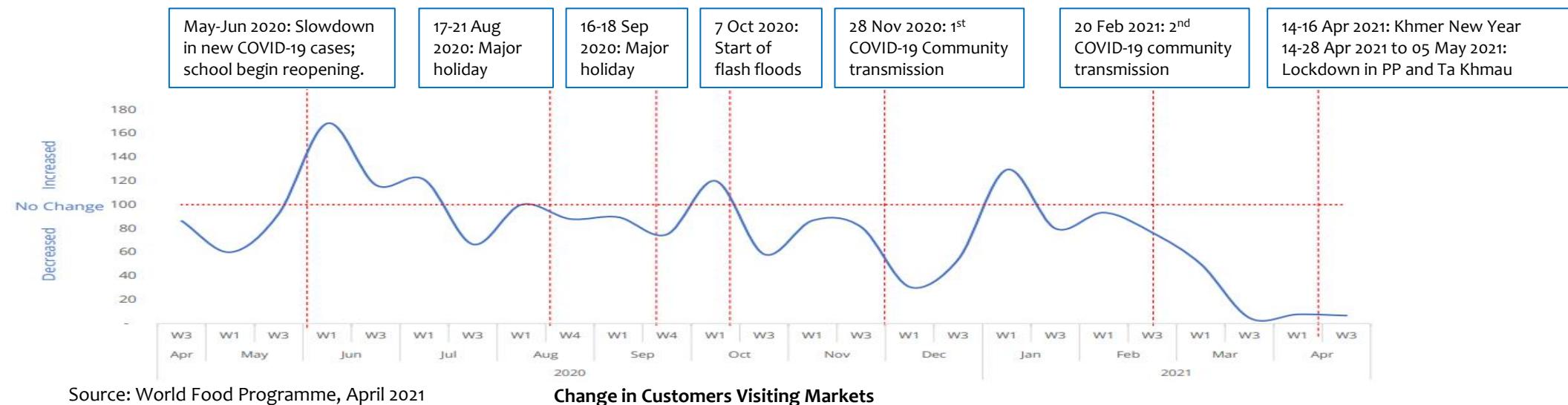
- January 2021 : Prakas No.009; the new reclassification of Taxpayers to replace Prakas 025
- April 2021 : Sub Decree No.65; application of value added tax (VAT) on e-commerce
- May 2021 : Cambodia Digital Economy and Society Policy Framework 2021-2035; explores how digital offers a new model of economic growth for the country



- Leading food delivery companies tend to cater to big cities such Phnom Penh, Siem Reap, Kampot, Kep and Battambong, and are progressively extending their footprint to the whole of Cambodia. With the current situation of COVID-19 and consumers' behavioral change from offline to online, food delivery companies observe a spike in their Gross Merchandise Value (GMV) and more players start to enter the market.
- The competitiveness of food delivery service depends not only on discounts, coupons, low delivery fee, contactless payments, and time saving, but also on the variety of choices of restaurants (equal balance between food and drinks) available on the platform. While discounts and coupons attract consumers to stay with the app, fair benefits and low commission are what keep restaurants on the platform, and therefore, sustain the growth of the business. Thus, sustainable strategy of food delivery businesses relies on experience and benefit of both consumers and vendors.

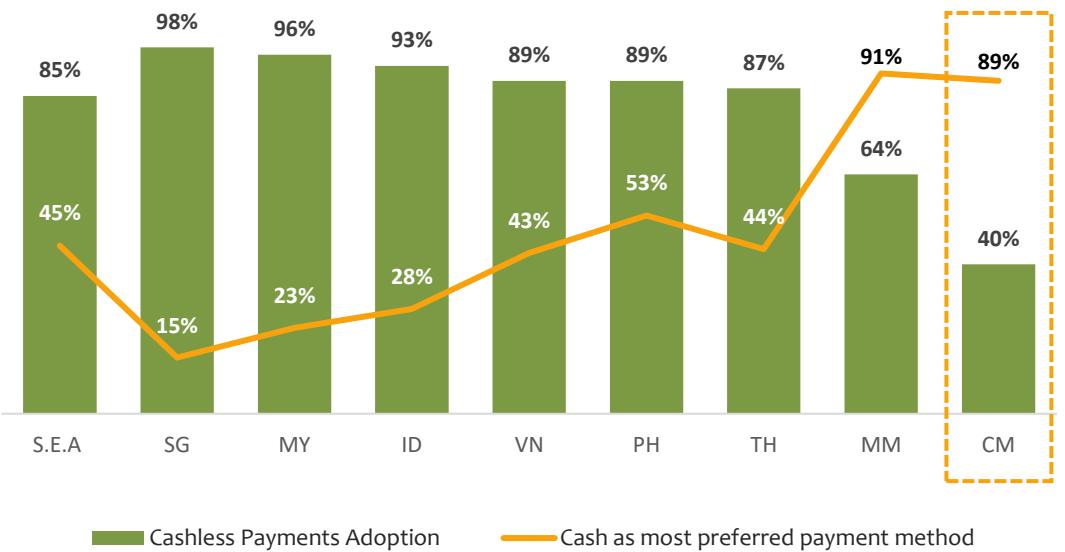
Descriptions				
Establishment	2019	2015	2020	
Social Media Supporter and Rating	5.86M Likes, 5.87M followers  58K	514k Likes, 527k followers  424	66k Likes, 68k followers  1.2K	
Market Coverage	Phnom Penh, Siem Reap, Battambang, Kampong Cham, Kampot, Kampong Thom, Sihanoukville, Poipet, Banteay Meanchey, Pursat and Kampong Speu & more	Phnom Penh, Siem Reap, Battambang, Sihanoukville, Kampong Cham, Takeo, Poipet, Kampot, Koh Kong, Kratie, Takmaol, Kampong Speu & more	Phnom Penh, Preah Sihanouk & more	
Food & Services	Cosmetics, Electronics, Food & Beverages, Flowers, Groceries, Pharmacy, etc.	Booking, Buy & Sell, Express, Food & Beverage, Flowers, Groceries, Pharmacy, Shop, etc.	Cosmetics, Electronics, Food & Beverage, Flower, Groceries, Pharmacy, Online Shopping, etc.	
Payment Gateway	ABA, Cash on Delivery, Union Pay, Master/Visa Card	ABA, ACLEDA Bank, Alipay, Cash on Delivery, Chip Mong Pay, e-money, Master/Visa Card, Phillip Bank, Pipay, Phillip Bank, Sathapana Bank, Wallet, WeChat Pay	ABA, Cash on Delivery, Master/Visa Card, Union Pay, Wallet, WeChat Pay, Wing Pay	
Business Vertical	Food Delivery, Pandamart	Nham24, Nham24 Express, Nham24 Fresh	Food Delivery, Online Shopping, Game, Top Up	
Marketing Strategies	PromoCode, Buy 1 Get 1, Marketing through social media influencers, Discount, Free Delivery, Coupons, Challenges and Rewards, Invite Friends, Promotion, COVID Equipment Charity.	PromoCode, Buy 1 Get 1, Marketing through social media influencers, Discount, Free Delivery, Coupons, Membership, Referral, Advocate for COVID19	PromoCode, Buy 1 Get 1, Marketing through social media influencers, Discount, Coupon, Lucky Draw, Channel for Advertisement.	
		Precaution Methods, Channel for Advertisement.		

Trend: Grocery Delivery



- Wet markets and supermarkets are the main channels for grocery shopping, and in-store shopping has been the most preferred method of shopping. However, due to lockdowns and restrictions, consumers refrain from visiting stores and instead opt for online grocery delivery. Many malls and supermarkets such as AEON, Chip Mong, Lucky, Thai Hout and others responded to the drastic decline in the footfall by introducing online shopping websites and partnering with delivery companies.
- At the same time, COVID-19 restrictions and market closures have led to a new phenomenon of scattering traditional markets in every corner of the street. Wet markets are not as centralized anymore, and consumers can easily find grocery sellers sitting at a corner next to their house, and that provides more comfort for in-person shopping.
- Despite this new phenomenon, supermarkets have reported to have seen an increase in their sales particularly in the fresh food category as people consider them safer compared to wet markets. Shopping trends now indicate higher basket sales with lower frequency as consumers restrict their number of visits. With the main concern of 'freshness' of vegetables and meat, people will continue to shop for groceries in-store although the grocery delivery business is seen as an emerging trend that will continue to strive in the future.

The Use of Cash in Cambodia



21.7%
Has the account with
Financial Institutions



5.7%
Has Mobile Money
Account



0.6%
Has Credit Cards



3.8%
Do online purchase

- With over 70% of the population being unbanked, cash is the most preferred method of payment in Cambodia. 89% of people prefer paying by cash. The number is twice higher than the region average of just 45%. Cashless payment adoption in Cambodia is the lowest (40%) in South East Asia, and the regional average is 85%.
- Digital transactions in the country are expected to grow and follow the same trend as its regional peers with the current COVID-19 and government effort as key catalysts.
- COVID-19 has accelerated digital transformation of many sectors including banking. Digital payments provide comfort and convenience of making transactions at home. In addition, the effort of the National Bank of Cambodia in introducing an inter-bank transaction app, Bakong, has boosted consumers' confidence to make more transactions online. According to the NBC, cited in Phnom Penh Post, the number of digital transactions across the Kingdom jumped to 350% from the end of 2019 to the end of 2020, and total value surged by 200% to USD 68B.
- Some of the winning strategies for digital banking apps rely on simplicity, seamlessness, all-in-one, source of funds, security, and user friendliness.

Trend: Logistics

- Cambodia's transportation and storage sectors have grown rapidly in the last several years. GDP from the transportation and storage sector had increased to KHR 8 618 billion (approximately USD 2.1B) in 2019 from just over KHR 3 000 billion (approximately over USD 0.7B) in 2009. The sector represents 7.8% of the country's economy. The main mode of transportation in Cambodia is road transport.
- Revenue in the transportation and storage sector is expected to rise during COVID-19 pandemic because people are more confined to home and shopping behaviors have shifted from brick and mortar to online shopping, which will result in explosive sales for e-commerce retailers and delivery companies.



- Delivery companies see a boom in delivery of consumer products from countries like China. Many delivery companies are trying to grasp this opportunity by modernizing/digitalizing their business operations to align with requirements from young consumers. Delivery companies charge a China-Cambodia delivery fee from 1\$/kg to 175\$/m³, and 1\$-2\$ from delivery in Phnom Penh and up to 3.5\$ for delivery to provinces.
- Product purchasing agencies have also emerged to provide comfort and confidence to non-Chinese speaking consumers to still buy products from China. Such agencies like LODA and iOrder charge a purchasing fee of 1%-4% of the product price. Some other existing delivery companies also integrate with such agency services to capture a larger revenue share, ZTO is an example.
- With the current wave of purchase of consumer goods and sales of retail e-commerce, delivery logistic companies and product purchasing agencies are on the rise.

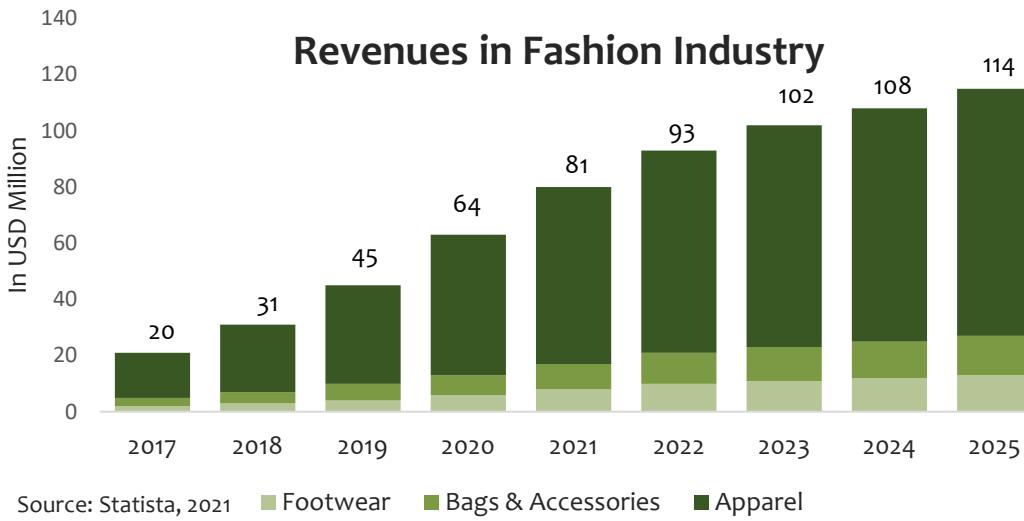
Trend: Ride-Hailing

Description

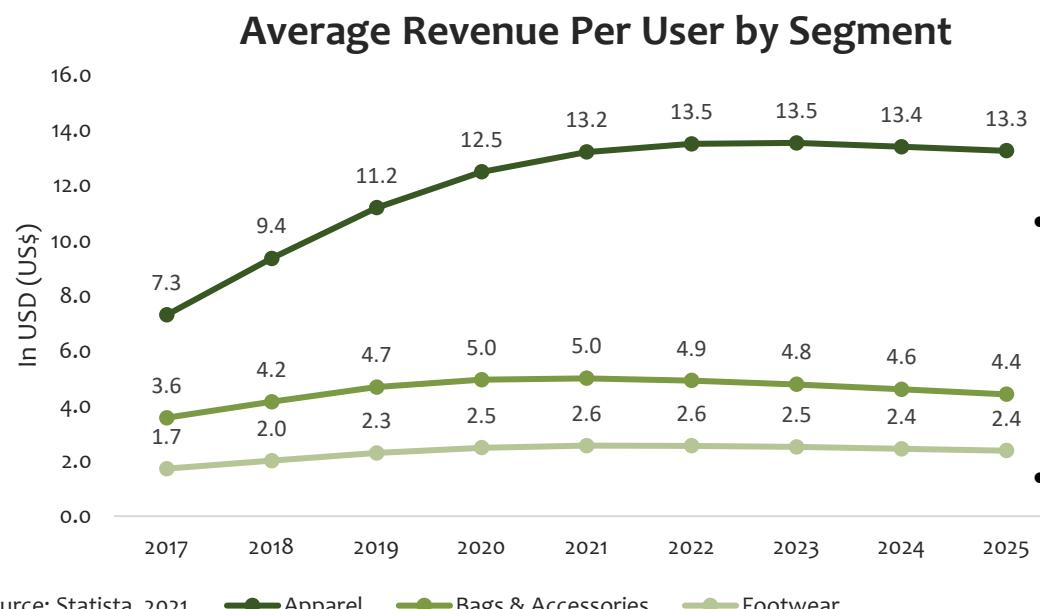
			
Establishment	2018	2017	2019
Social Media Supporter and Rating	Facebook like 190k ★★★★★ 142	Facebook Like 7m ★★★★★ 546	Facebook like 33k ★★★★★ 2.4K
Business Vertical	Taxi, Driver	Taxi, Driver, Express, Mart, Corporate	Taxi, Driver, Express
Payment Method	Cash	Cash, Visa/Master Card	Cash, Chip Mong Pay, Pi Pay, TADA Wallet, Visa/Master Card
Marketing Strategy	Referral Code, Earned Points, Promotion, Option for Information, Coupon	Rewards, Grab Protect, Promotion, Member Point, Option for Keep Discovering	Referral Code, Vouchers, Discount, Invite Friends

- Both home-grown and international ride-hailing brands are concentrated in the urban area of Cambodia, Phnom Penh City.
- Ride-hailing companies have faced hiccups in revenue growth during the first phase of COVID-19 when many cities in Cambodia were in lockdown. Even after lockdowns were lifted, people hesitated to opt for public transport. Despite the current down time of ride hailing businesses, the business model of Grab, particularly the GrabProtect feature drew more popularity than its peers, as their drivers have been vaccinated which instilled confidence in consumers.
- To mitigate further downturn of growth, companies are leveraging their driver network for delivery service as well, giving it independent and P2P e-commerce last mile capabilities.

Trend: Fashion & Apparel



- The garment industry in Cambodia has felt negative impacts since the withdrawal of Every But Arms (EBA) trade preference in early 2020. The global pandemic has worsened the situation as operations have been suspended and production slowed due to the disrupted supply chain flow of raw materials from China. According to data from the General Department of Customs and Excise, export of garment and accessories in 2020 decreased by 10.24% and continued to fall by 6.43% in Q1 2021.
- Regardless of the current impact, a Swedish clothing retail multinational, H&M, announced in its July 2021's press release that Cambodia will become its new market in 2022 via franchising model. The announcement is a sign of confidence that the market will rebound, and consumer base will continue to expand. Cambodia is also home to famous brands such as Nike, Adidas, Levis, GAP and more.
- Revenue from the Fashion industry in Cambodia reached USD 64M in 2020 and is expected to grow mainly due to a large number of youth and growing income. Apparel is the main category that drives sales, and an average revenue per user for this category in 2020 was USD12.5.
- One of the leading trends in fashion that drives sale is through influencers on platforms such as Facebook, Instagram and TikTok.



Sub Decree No.65: provides a detailed list of E-commerce transactions which include, but is not limited to, the supply of software and other services related thereto, online shopping or auctions, advertising, website hosting, data retrieval, consumption of digital products and/or contents via download, real time streaming, subscription, or other means.

- Non-resident taxpayers conducting E-commerce transactions in Cambodia with no permanent establishment (PE) in Cambodia shall be required to register with the General Department of Taxation (GDT) based on taxpayer classification under self-assessment regime as determined by the Prakas of the MoEF. This registration requirement is for VAT purposes only (**Article 4 of Sub Decree no. 65**).
- For business to consumers (B2C) E-commerce transactions, the non-resident taxpayer shall declare and pay for the VAT on the transaction to the GDT (**Articles 5 of Sub Decree no. 65**).
- For business to business (B2B) E-commerce transactions, the VAT on the transaction shall be accounted for via the “reverse charge” mechanism. Under the “reverse charge” mechanism, the resident taxpayer receiving the supply from the non-resident taxpayer shall account and pay for the output VAT on such supply on behalf of the non-resident taxpayer. Correspondingly, input VAT shall be allowed as tax credits based on the current tax regulations in effect (**Articles 6 & 7 of Sub Decree no. 65**).
- **Article 10 of the Sub Decree** provides that any provisions contrary thereto shall be abrogated. Hence, it can be interpreted that the provisions under this **Sub Decree no. 65** supersedes the earlier PE provisions on “online business” provided under **Prakas no. 098**.
- This Sub Decree provides that the “Reverse Charge” mechanism shall apply to B2B transactions, wherein the resident taxpayer receiving the supply, shall declare and remit the VAT on behalf of the non-resident taxpayer.
- Unlike B2B transactions, the “reverse charge” mechanism shall not apply to B2C transactions, and hence, the non-resident supplier shall declare the VAT on such supply to the GDT via the monthly VAT declaration. Again, the VAT registration requirement under **Article 4 of the Sub Decree** renders the need to identify between B2B and B2C transaction futile, as either way, the non-resident would still have to register for VAT.

Taxpayer Classification (1)

Taxpayer Classification	Criteria	
	Prakas 025	Prakas 009
Small	<ul style="list-style-type: none"> Annual turnover from 250 million riel (US\$ 61,500) to 700 million (US\$172,000); Turnover or expected turnover of more than 60 million riel (US\$14,700) for three consecutive months per calendar year; or Participates in the bidding, price consulting, or price surveying in supplying goods and services. 	<ul style="list-style-type: none"> Annual turnover from 250 million riel (US\$61,500) to 1 billion riel (US\$245,000) for agriculture, commercial, or service sector; Annual turnover from 250 million riel (US\$61,500) to 1.6 billion riel (US\$393,000) for the industrial sector; Turnover or expected turnover of more than 60 million riel (US\$14,700) for three consecutive months per calendar year; or Participates in the bidding, price, consulting, or price surveying in supplying goods and services.
Medium	<ul style="list-style-type: none"> Annual turnover from 700 million riel (US\$172,000) to 4 billion riel (US\$983,000); Businesses incorporated as representative office or as a legal entity; Foreign diplomatic and consular mission, technical agencies of other countries; or international organizations; or Non-government associations, national and sub-national government institutions. 	<ul style="list-style-type: none"> Annual turnover from 1 billion riel (US\$245,000) to 4 billion riel (US\$983,000) for the agriculture sector; Annual turnover from 1 billion riel (US\$245,000) to 6 billion riel (US\$1.4 million) for commercial and service sectors; Annual turnover from 1.6 billion riel (US\$393,000) to 8 billion riel (US\$ 1.9 million) for the industrial sector; Businesses incorporated as representative office or as a legal entity; Foreign diplomatic and consular mission, technical agencies of other countries, or international organizations; or Non-government associations, national and sub-national government institutions.
Large	<ul style="list-style-type: none"> Annual turnover of more than 4 billion riel (US\$983,000); The business is registered as a multinational company or foreign branch office; or The business is registered as a Qualified Investment Project (QIP). 	<ul style="list-style-type: none"> Annual turnover of more than 4 billion riel (US\$983,000) for the agriculture sector; Annual turnover of more than 6 billion riel (US\$ 1.4 million) for the commercial and service sectors; The business is registered as a multinational company or foreign branch office; or The business is registered as a Qualified Investment Project (QIP).

Taxpayer Classification (2)

Taxpayer Classification Based on Annual Value of Assets

Taxpayer Classification	Value of Assets
Small	<ul style="list-style-type: none"> Annual assets valued from 200 million riel (US\$49,000) to 1 billion riel (US\$245,000) for the commercial, service, and agriculture sectors; or Annual assets valued from 200 million riel (US\$49,000) to 2 billion riel (US\$491,000) for the industrial sector.
Medium	<ul style="list-style-type: none"> Annual assets valued from 1 billion riel (US\$245,000) to 2 billion riel (US\$491,000) for the commercial, service, and agriculture sectors; or Annual assets valued from 2 billion riel (US\$491,000) to 4 billion riel (US\$983,000) for the industrial sector.
Large	<ul style="list-style-type: none"> Annual assets valued at over 2 billion riel (US\$491,000) for the commercial, service, and agriculture sectors; or Annual assets valued at over 4 billion riel (US\$983,000) for the industrial sector.

Following the enactment of the e-commerce law, the Royal Government of Cambodia issued a sub decree No. 134 with the **purpose** of determining the types, procedures for granting permits or licenses to intermediaries and individuals providing e-commerce services and exemptions. This sub-decree defines exemptions, types, procedures, and conditions for the issuance of licenses and certificates of trust in e-commerce for the purpose of governing e-commerce operations in Cambodia.

Type of Licence / Permit	Relevant Persons	Relevant Activities
License for E-Commerce	<ol style="list-style-type: none"> 1. Legal entities 2. Branches of foreign companies 	<ol style="list-style-type: none"> 1. E-commerce web services 2. E-commerce platforms 3. Online shop services 4. Online auction services 5. Other similar services provided through software or smart devices for e-commerce
Permit for e-commerce	<ol style="list-style-type: none"> 1. Natural persons 2. Sole proprietorships 	<ol style="list-style-type: none"> 1. Business through electronic platform 2. Use of social media or electronic platform for the supply, sale or purchase of goods and services

Exemptions

Sub-decree 134 provides for exemption from obtaining licences or permits. The exemption applies to natural persons or sole proprietorships that are engaged in the following activities:

- Commercial advertisement of own goods or services that are not an offer to form a contract;
- Booking services that do not require a deposit or payment by consumers or consumers;
- Sales of goods or services with a turnover smaller than that of a small taxpayer (smaller than USD 62,500);
- Sales of goods or services through family-owned or seasonal businesses;
- Sales of own artwork (goods or services)
- Private tutoring;
- Education on the natural religion; and
- Tutoring provided by associations or non-governmental organisations without earning profits, whether directly or indirectly, and activities or operations of state institutions in the provision of public services.

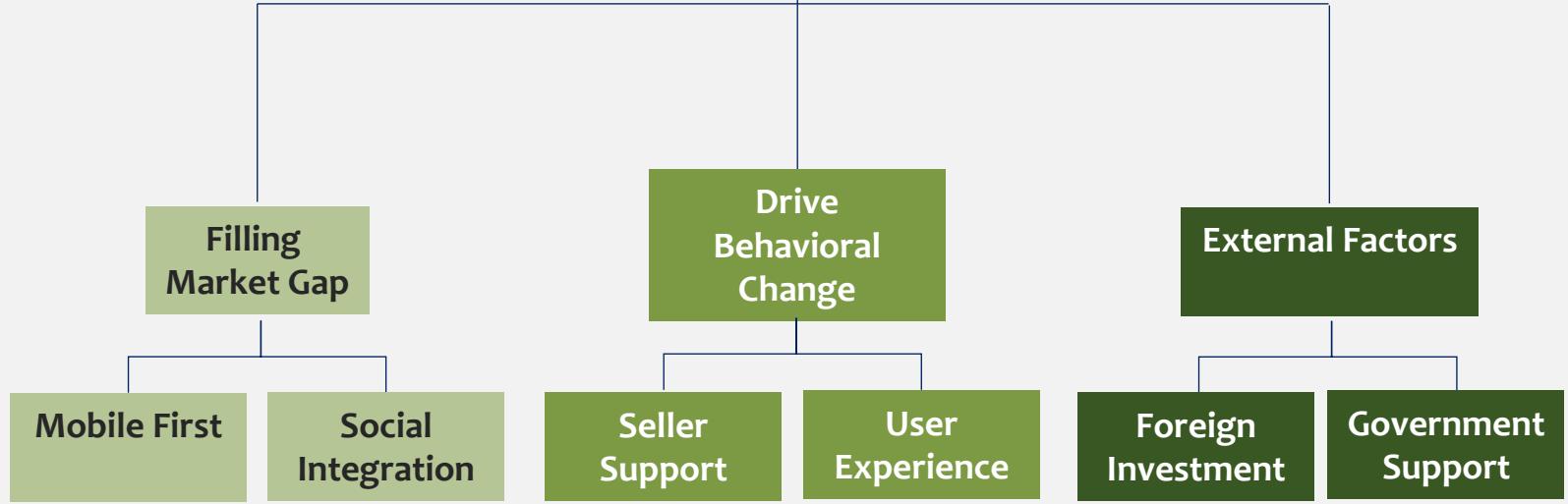
Reasons of choosing Thailand as a model for case study:

1. There are similar demographic features between the two nations
2. Thailand went through a same phase a few years back
3. Thailand successfully managed to build up the e-commerce ecosystem including a change in online shopping behavior

- A decade ago, it was anticipated that e-commerce would be a big contributor to Thai economy, but only a handful of people could foresee how it would work or what would be the shape of Thailand's e-commerce landscape.
- Until 2016, a majority of Thais were accustomed to offline channels where they could physically see, touch and bargain for the products.
- Despite high smartphone penetration, there was low volume of mobile payment transactions mainly due to lack of trust.

However, Thai conglomerate e-commerce players (Shoppe, Lazada and JD Central) successfully built up the user base and drove consumer behavior using the following strategies:

STRATEGIES & FACTORS that drove Thailand's e-commerce



Filling Market Gap	<p>Pain Points & Gap</p> <ul style="list-style-type: none"> Domination of Social Commerce (Facebook, Instagram) No dominating e-marketplace app Multiple applications to complete purchasing (Facebook, bank, parcel tracking) 	<p>Mobile First Initiative</p> <ul style="list-style-type: none"> E-commerce Apps with social media key features (chat box, live page, sellers posts) All-in-one payment and parcel tracking features integration 	<p>Social Integration</p> <ul style="list-style-type: none"> Use celebrity & social media influencers to capture the young market Flash promotions, quizzes & prizes & sale festivals to drive social engagement within user network
	<p>Enrich Customer Experience</p> <ul style="list-style-type: none"> Integration of high technology Chatbot/AI reduces seller's response time Smart product suggestion system impresses consumers by correctly offering products which they want 	<p>Sellers Support</p> <ul style="list-style-type: none"> Support new sellers through online selling steps and tips (product post, first sale, online marketing) Successful sellers attract more sellers and product variety, and reciprocally attract more buyers 	<p>Meet Local Expectation</p> <ul style="list-style-type: none"> Safety: Financial safety, exchange & refund policy, and data privacy Convenience: Shopping, payment and parcel tracking in one app
	<p>Foreign Capital</p> <ul style="list-style-type: none"> Foreign capital (China e-commerce) drive up the domestic competition and market improvement Locals gain know-how from foreign conglomerates (i.e. Data Analytics) 	<p>Spill over</p> <ul style="list-style-type: none"> Competition was not only limited to e-commerce platforms, but also other complimentary markets (i.e. logistic, digital security) 	<p>Government Support</p> <ul style="list-style-type: none"> PromptPay: Service from Bank of Thailand that enables people to receive and transfer funds via electronic channels Created trust in e-payments and built a foundation for e-commerce ecosystem

Marketing Effort

- Promotion
- Stimulate social engagement within user network
- Use social media influencers to attract customers
- Online and offline advertisement

Technology Integration

- Chatbot
- Integrate AI to product feed
- AI product suggestion
- Focus on all-in-one Mobile Application (payment, parcel, logistics, tracking, product return/exchange)

E-commerce Ecosystem

- Safety / trust of E-payment system
- Logistics / housing numbering system
- Provide training on e-commerce related skills
- No domination or monopoly on E-market app

Seller Support

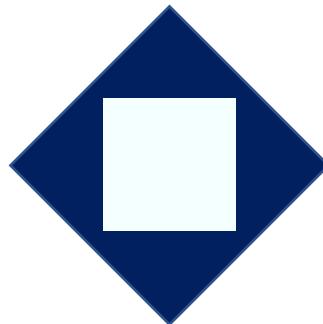
- Educate sellers on online selling and marketing
- Seller support and successful cases would draw in more sellers, and hence, increase product variety
- Reduce commission rate (early stage only)

Meet Minimum Expectation

- Ensure safe transaction and data privacy
- Integrate mobile payment and package tracking feature
- Introduce refund and product return / exchange policy

Encourage Foreign Investment

- Fulfill shortage of skilled IT labor force
- Support local businesses to compete with foreign firms
- Support know-how growth by joining regional/global conferences
- Encourage data sharing on e-commerce



- ✓ The **PROFITENCE** team has a deep understanding of the environment, market and we can assist in providing extensive e-commerce market research, market sizing and robust study on other specific topics
- ✓ We have significant data and resources to produce a holistic research on e-commerce. We have done studies in the past on e-commerce centric businesses namely ride hailing, QSR (Quick Service Restaurants), delivery services
- ✓ Our diverse team can provide in-depth analysis of the new e-commerce law from different angles to identify challenges and opportunities raised by the law
- ✓ Acting as a consultant advisor for leading companies in the country across different fields, PROFITENCE has a strong network and access to leaders of industry that can provide insightful perspectives on the e-commerce potential & growth in the country
- ✓ Our team work on a set of principles and clear methodology to provide comprehensive, high-quality work which adds value to our clients.

PROFITENCE is a boutique advisory firm ready to help the clients to capitalize on opportunities in an emerging market, accelerate business growth and help turn-around businesses.

Our Mission: Delivering high quality services, be the trusted adviser & deliver high-value outcomes to our clients. We predominantly work in the CLMVT region (Cambodia, Laos, Myanmar , Vietnam & Thailand).

Our main strengths are: **Market intelligence, experienced team, and focused approach.**



Advisory | Consulting | CFO Services

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10 YEARS FOR BUSINESS SINCE 2011



The Role of The Ministry of Commerce in Nurturing an Effective E-Commerce Ecosystem

By Mr. Sam Chetra

Deputy Director, Legal Affairs Department, Ministry of Commerce



Mr. Sam Chetra

Deputy Director, Legal Affairs Department, Ministry of Commerce

ABOUT OUR SPEAKER

Mr. Sam Chetra is the Deputy Director of the Legal Affairs Department, within the Ministry of Commerce. He joined the ministry as a law officer in 2013. Since then, he has provided legal assistance to the ministry in drafting commercial laws and regulations. For the last three years, he has been actively involved in the process of drafting e-commerce laws and regulations and other e-commerce related matters. In addition, he participated in various activities to support the Ministry of Commerce to achieve its ambitious goal of promoting and nurturing Cambodia's e-commerce ecosystem.





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PANEL DISCUSSION

Realising Cambodia's E-Commerce Potential &
Mitigating Consumer Risks for Stakeholders

PANEL DISCUSSION

MODERATOR



Mr. Deep Chowdhury

Founder & Director,
Profitence,

Author of E-Commerce
Ecosystem in Cambodia
Report

CCF



H.E Mr. Phan Oun

Delegate of the Royal
Government of Cambodia in
Charge as Director-General,
Consumer Protection,
Competition and Fraud
Repression Directorate-General
(CCF), Ministry of Commerce,
and Secretary of NCCP

PANELISTS

Risk & Opportunities for Women



H.E. Mam Dathalineth

Vice President of Internal
Affairs, Cambodian
Women Entrepreneurs
Association of Cambodia
(CWEA)

MOC Initiatives



Mr. Sam Chetra

Deputy Director,
Legal Affairs Department,
Ministry of Commerce

Responsible Advertising



Ms. Adrienne Ravez

Chief Operating Officer,
QED Advertising Agency





Mr. Deep Chowdhury

Founder & Director,
Profitence

Author of E-Commerce
Ecosystem in Cambodia
Report

ABOUT OUR MODERATOR

Subhadeep has over 20+ years experience in Assurance, Distribution business, Telecommunications, Advisory, Start-ups, Turnaround. He has worked for 10+ years as a C level executive including holding the position of Executive Director in a leading Telco Company. He is a Founder and Director of PROFITENCE and is heading the practice at PROFITENCE. Subhadeep holds a master's degree in Commerce from India. He also completed an Executive Program in M&As and Corporate Strategy from INSEAD and holds a professional CIMA qualification.





H.E Mr. Phan Oun

Delegate of the Royal Government of Cambodia in Charge as Director-General, Consumer Protection, Competition and Fraud Repression Directorate-General (CCF), Ministry of Commerce, and Secretary of NCCP

ABOUT OUR PANELIST

H.E Phan Oun has been appointed as Director General of Consumer Protection Competition and Fraud Repression (CCF) in early 2020. He graduated with a Business Management Degree from the University of Management. He later obtained his master's degree from Monash University, Australia. He has been also nominated as an Advisor to the Ministry of Commerce with a rank equivalent to Under-Secretary of State. Currently, he is also a member of the newly-established National Commission for Consumer Protection (NCCP) as well as the head of the NCCP's Secretariat. He has been actively participated in drafting and commenting many commercial laws and regulations including the enacted Consumer Protection Law, draft competition law, draft food law, etc





H.E. Mam Dathalineth

Vice President of Internal Affairs,
Cambodian Women
Entrepreneurs Association of
Cambodia (CWEA)

ABOUT OUR PANELIST

H.E. Mam Dathalineth is a vice-president at CWEA, advisor at the ministry of information and CEO at Campure Co., Ltd. She is also a shareholder at the Daum & Green Action Engineering Co., Ltd and a professor at the University of Cambodia (UC). H.E. Mam Dathalineth also serves as a board member of LAC and political advisor at AYC Singapore.





Mr. Sam Chetra

Deputy Director, Legal Affairs Department, Ministry of Commerce

ABOUT OUR PANELIST

Mr. Sam Chetra is the Deputy Director of the Legal Affairs Department, within the Ministry of Commerce. He joined the ministry as a law officer in 2013. Since then, he has provided legal assistance to the ministry in drafting commercial laws and regulations. For the last three years, he has been actively involved in the process of drafting e-commerce laws and regulations and other e-commerce related matters. In addition, he participated in various activities to support the Ministry of Commerce to achieve its ambitious goal of promoting and nurturing Cambodia's e-commerce ecosystem.



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10 YEARS FOR BUSINESS SINCE 2011



Ms. Adrienne Ravez

Chief Operating Officer,
QED Advertising Agency

ABOUT OUR PANELIST

Adrienne Ravez is a cross-cultural psychologist also graduated in anthropology and sociology, who specialises in the use of digital media for activism and advocacy. She co-founded Geeks in Cambodia, first media dedicated to new technologies and startups in Cambodia, as well as the digital agency Endorphine Concept, which went through a merger acquisition with Quantum Publicity in 2018 and is now part of Quantum Endorphine Digital (QED). Adrienne was featured in Asia-Pacific's top rising talent in the Campaign's 40 under 40 list last year, and was previously named Entrepreneur of the Year Asia Pacific at the 2019 Women Leading Change Awards.



PANEL DISCUSSION

MODERATOR



Mr. Deep Chowdhury

Founder & Director,
Profitence,

Author of E-Commerce
Ecosystem in Cambodia
Report

CCF



H.E Mr. Phan Oun

Delegate of the Royal
Government of Cambodia in
Charge as Director-General,
Consumer Protection,
Competition and Fraud
Repression Directorate-General
(CCF), Ministry of Commerce,
and Secretary of NCCP

PANELISTS

Risk & Opportunities for Women



H.E. Mam Dathalineth

Vice President of Internal
Affairs, Cambodian
Women Entrepreneurs
Association of Cambodia
(CWEA)

MOC Initiatives



Mr. Sam Chetra

Deputy Director,
Legal Affairs Department,
Ministry of Commerce

Responsible Advertising



Ms. Adrienne Ravez

Chief Operating Officer,
QED Advertising Agency





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COFFEE BREAK



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SESSION 4

Towards Consumer Associations & Legal Obligations for Private Sector Actors



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Introduction to the Rationale & Relevance of Consumer Associations

By Ms. Sita Zimpel

Head of Project - Consumer Protection in ASEAN (PROTECT).

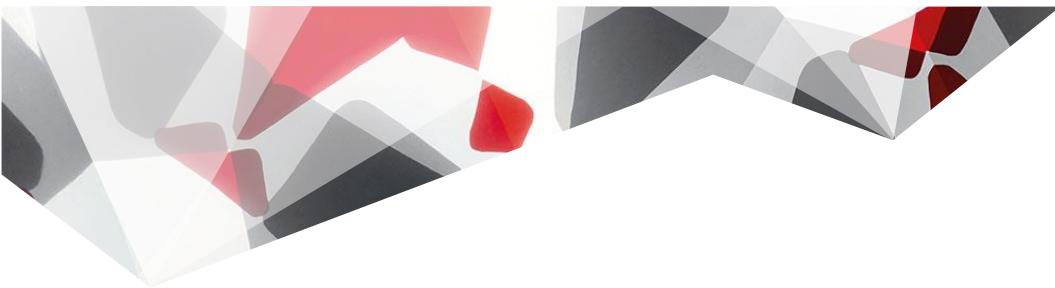


Ms. Sita Zimpel
Head of Project
Consumer Protection in
ASEAN (PROTECT).

ABOUT OUR SPEAKER

Based in Jakarta, Sita Zimpel has been managing and implementing various German-funded technical assistance projects on regional economic integration, competition policy and consumer protection in Indonesia and ASEAN since 2007. This includes support to activities at both the country and regional levels, such as guidelines and workshops under the purview of the ASEAN Committee on Consumer Protection (ACCP).





National Conference:

“Driving Cambodia’s Consumer-First Environment – Progress and Achievements”

Relevance and Role of Consumer Associations

11 November 2021 | 09:00-16:00 (Online)



Implemented by



Background (I)

A well-functioning consumer protection system also includes **(pro-)active and professionally organized consumer associations** that:

- act as a “counterweight” to the public and private sector.
- fulfil a core function in informing, counselling and representing consumers vis-à-vis businesses.
- react to “issues on the ground”.
- ensure that the collective interests of consumers are reflected in policy-making and standard-setting.



Background (II)

Governments in ASEAN are encouraged to create an **enabling environment** for the engagement of consumer associations in:

- Education
- Advocacy and policy formulation
- Dispute resolution and redress

However, **crucial challenges** across the region persist:

- Resources
- Capacities
- Scope of action (“policy space”)

To date, national consumer associations have been formed in almost all ASEAN Member States.



ASEAN High-Level Principles on Consumer Protection



Principle 2: Consumers are equipped with the skills, knowledge, information and confidence to exercise their rights.



Principle 4: Consumers have access to appropriate and convenient sources of advice and redress including Alternative Dispute Resolution (ADR).



Principle 6: Strong advocacy is promoted.



Principle 7: High levels of cooperation between different levels of government and with business and other stakeholders.

Good Practices and Prospects (I)

According to the ASEAN Consumer Empowerment Index (ACEI), ASEAN consumers are only “**moderately empowered**” in the face of complex challenges:

- The COVID-19 pandemic heightens the urgency of addressing consumer vulnerabilities and structural inequalities.
- New consumer risks arise from the digital economy and global trade.

This calls for wider attention and action across sectors domestically – as well as **cross-border cooperation** internationally.

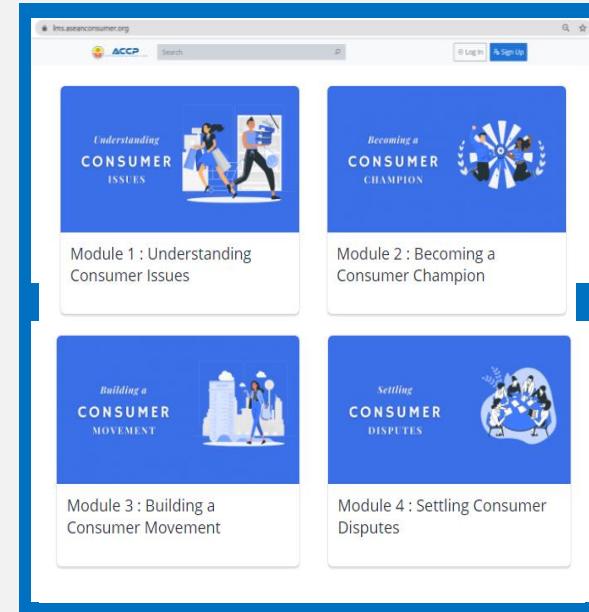


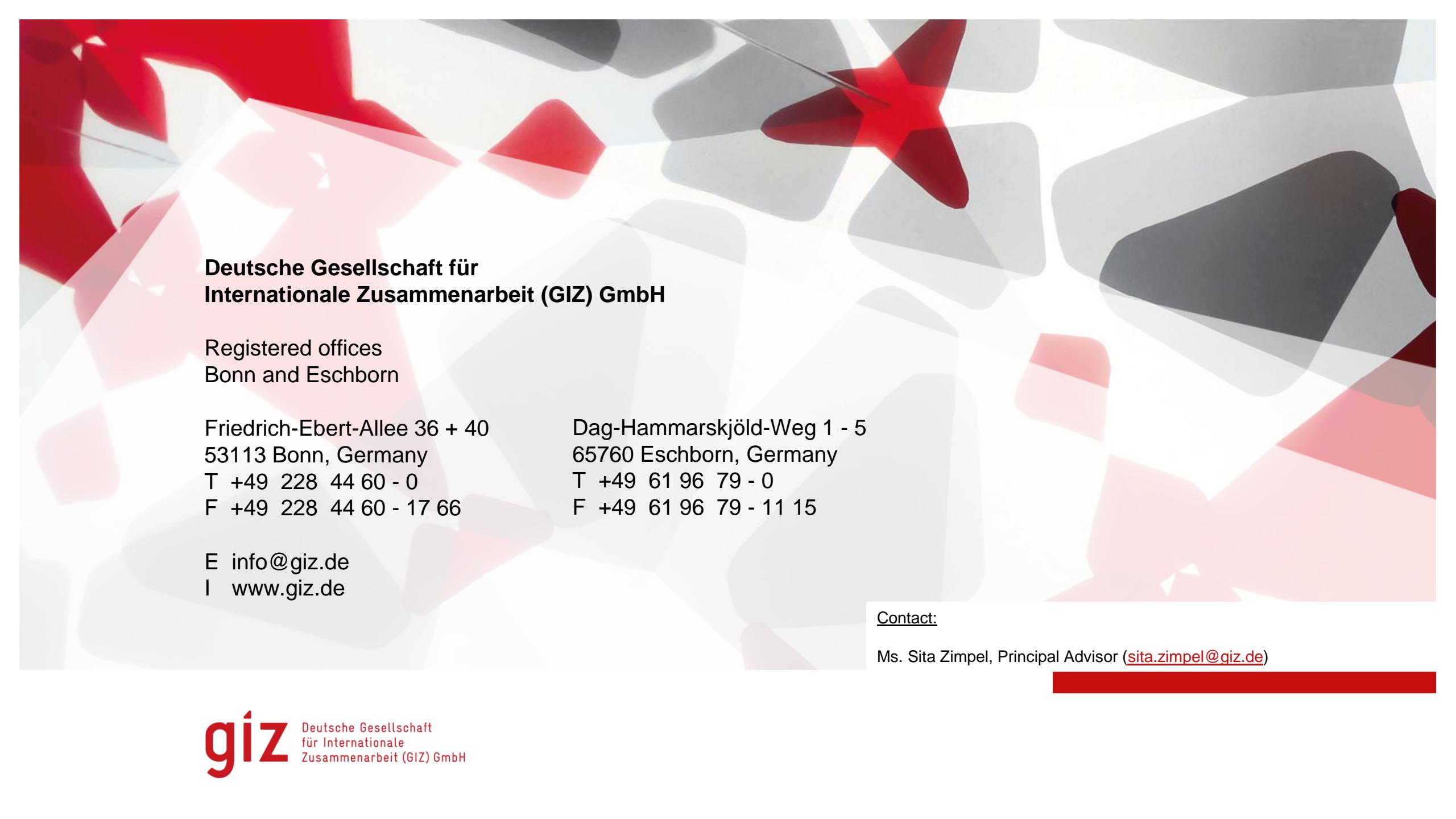
Good Practices and Prospects (II)

In an **evolving economy**, consumer associations continue to play a fundamental role:

- As first point of contact for consumers through their decentralized (“grassroots”) networks.
- In bridging existing gaps in knowledge, access to redress, and political participation.
- In complementing (self-)regulation to safeguard consumer rights and welfare.

The **ASEAN Consumer Associations Network (ACAN)** strives to facilitate regional exchanges and cooperation.





Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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Contact:

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Consumer Networking Around Food Safety Issues and Further Steps Toward Establishment of a Cambodian Consumer Association

By Mr. Prak Sereyvath

Director of Cambodian Institute for Research and Rural Development (CIRD)



PRAK SEREVATH

Director of CIRD

ABOUT OUR SPEAKER

Mr. Prak Sereyvath is a co-founder and director of Cambodian Institute for Research and Rural Development (CIRD); a professional organization in providing technical and managerial support to farmers and farmers organizations in producing and commercializing **safe food** for both domestic and export markets. On demand side, he lead his organization in conducting campaigns to raise consumers' awareness on food safety issues and to mobilize consumers to networking toward establishment of consumer association dealing with food safety issues.



Consumer mobilisation and networking: activities and process



February 2019, a survey on consumer perception on food safety was conducted:

- Focus Group Discussion with Consumers:
 - 150 respondents (housewife, garment factory worker, university student and people doing physical exercise in public garden)
 - 7 different geographocal areas in Phnom Penh
- Key Informant Interview with consumers who work as Government's Official, NGOs and Private Sector (10 respondents)

Consumer mobilisation and networking: activities and process (cont.)

June 2019, a Consumer consultation workshop conducted in June 2019 in order to:

- ✓ Consult on study findings
- ✓ Discuss on why and how consumer can be protected from unsafe food
- ✓ Build up a networking amongst consumers who are interested to work further on consumer protection from unsafe food

Around 70 consumers (of different types as mentioned earlier) participated in the WS and a first group of consumer networking established.



Consumer mobilisation and networking: activities and process (cont.)

June – Feb 2020, Consumer Awareness on Food Safety and Consumer Protection: VDO spot production and collaboration with Lotus Radio and through social media to disseminate on:

- Safe Food supply chain
- How to identify and deal with unsafe food as well as problem cause by unsafe food
- Consumer protection issues
- Policy lobbying



Consumer mobilisation and networking: activities and process (cont.)



February 2020, a second consumer workshop was jointly organized by CCF, LOTUS Radio and CIRD, focusing on the following topics:

- CP law with a focus on consumer association
- Control of food sold on market to ensure food safe access for consumer
- Consult on interest and motivation in establishment of a consumer association dealing with food safety issues

Around 150 consumers participated in the event. The event was then broadcasted by Lotus radio and its FB page.

Consumer mobilisation and networking: Key results

- ✓ Based on the above mentioned activities implemented, consumers are more aware of food safety issues and their rights to be protected from unsafe food.
- ✓ A contact detail of around 100 consumers who confirmed their interested in continuing to collaborate toward establishment of Consumer Association (CA) dealing with food safety issues, was documented
- ✓ An overall workplan on support to establishment of a CA was developed by CIRD and its partner ECLOSIO (a Belgium NGO) and plan to start the activities implementation by early 2022.



Further steps toward establishment of CA on food safety

- ✓ General meeting of interested consumers to form a Task Force (TF) of around 15 – 20 members to prepare for establishment of CA
- ✓ Meeting of TF members to draft statute of the future CA and to prepare all required steps to follow for the establishment of CA
- ✓ Second general meeting (foundation assembly) of interested consumers (future members of the CA) to review, finalize and approve the association statute drafted by the TF; and to set-up CA's governance and management structure;
- ✓ The CA's newly elected board will proceed for official registration following the Association and NGO law and the Consumer Protection law.



End of the presentation

Thank you for your attention!





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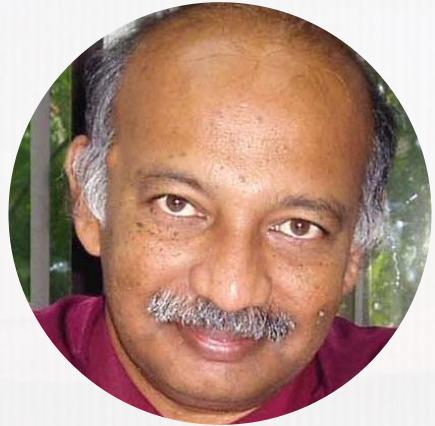


Best Practices of Consumer Association Worldwide – Next Steps Cambodia Should Aim For

By Dr. Paul Selva Raj

- ▶ *Secretary General of the Federation of Malaysian Consumer Associations (FOMCA)*
- ▶ *Chief Executive Officer for the National Consumer Complaints Centre (NCCC) as well as the Consumer Research and Resource Centre (CRRC)*

ABOUT OUR SPEAKER



Dr. Paul Selva Raj

Secretary General of the Federation of Malaysian Consumer Associations (FOMCA).

Chief Executive Officer for the National Consumer Complaints Centre (NCCC) as well as the Consumer Research and Resource Centre (CRRC)

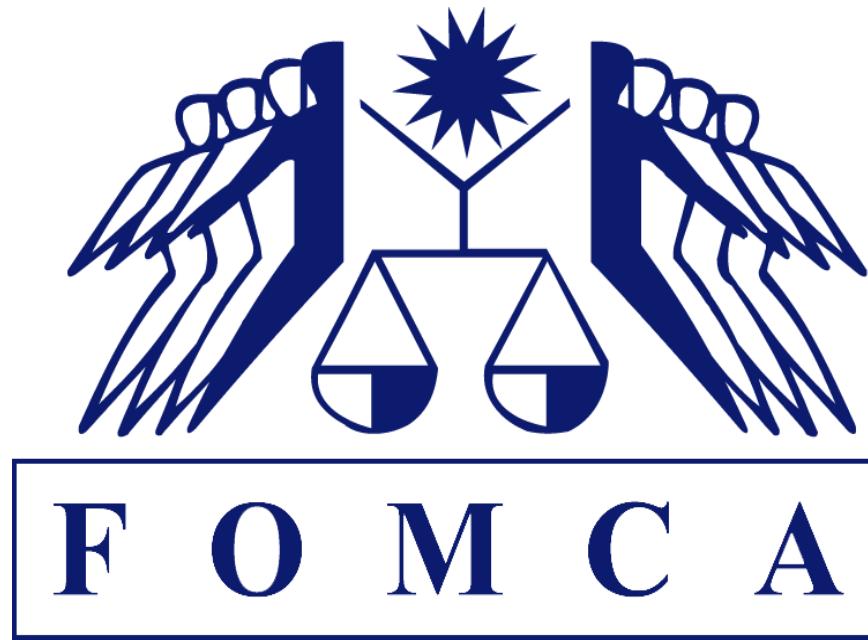
Dr. Paul Selva Raj is currently the Secretary General of the Federation of Malaysian Consumer Associations (FOMCA), and the Chief Executive Officer for the National Consumer Complaints Centre (NCCC) as well as the Consumer Research and Resource Centre (CRRC) Dato' Dr. Paul oversees programs on consumer advocacy, consumer education, consumer complaints and consumer research to strengthen consumer protection and enhance consumer welfare. He has been involved with the consumer movement for more than 30 years.

His has represented FOMCA in various task forces and further made presentations on various consumer areas including cost of living, affordable housing, healthcare, financial literacy, consumer education , consumer laws and public transport.

Dato' Dr. Paul is currently the Chief Editor of the Ringgit, a monthly Bulletin focusing of financial education. He is also the chief editor for the CRRC Review, a journal related to enhancing research on consumer issues. He was also the second editor for the book, "Consumer Issues in Malaysia: Strengthening Consumer Protection and Enhancing Consumer Empowerment".

He possesses a PhD in Business Administration from Open University Malaysia, Masters in Psychology from Universiti Malaya and B.Sc. (Agribusiness) from Agricultural University Malaysia.



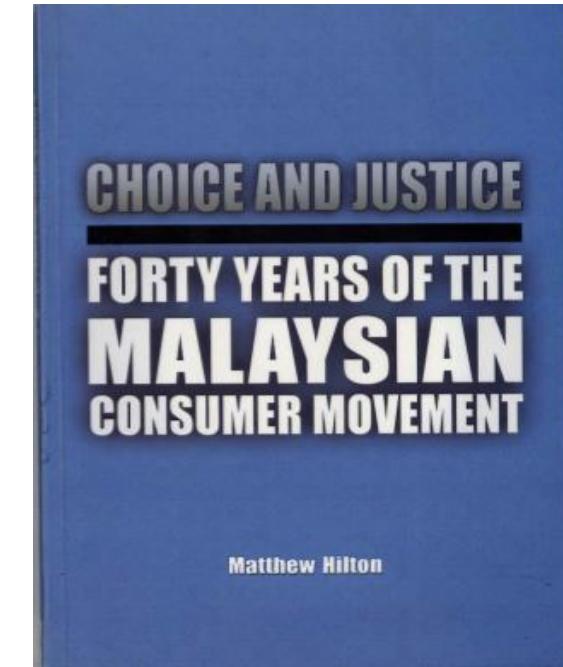
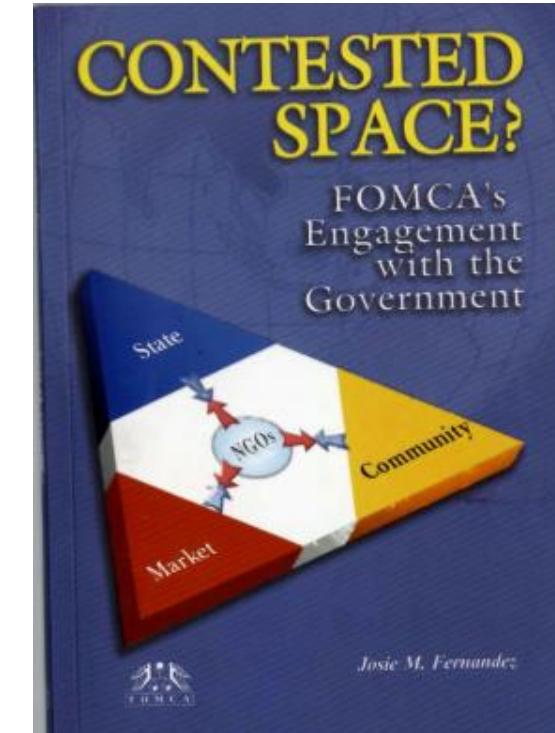


Federation of
Malaysian Consumers
Associations (FOMCA)

Sharing of Experiences

Brief History

- Consumer Organisations reached Malaysia in 1965
- FOMCA was formed in 1973
 - Membership of Consumer Organisations
 - Non-profit/non-government
 - Independent
- Societies Registered by the Registrar of Societies
 - Registration and Monitoring
- FOMCA – Umbrella Body for Consumer Protection in Malaysia



FOMCA - Roles and Functions

BETTER CONSUMER PROTECTION AND CONSUMER WELL-BEING

1. Advocacy
2. Education
3. Complaints
4. Standards

Supported

- Research



Advocacy



Advocacy for:

1. Better Laws,
2. Enforcement,
3. Policies and Programmes

Through

1. Representation
2. Memorandums/Position Papers
3. Positive Engagement
4. **Networking – Local, Regional, International**

Examples

1. Consumer Protection Act, 1999
2. Competition Act, 2010
3. Consumer Policy, 1995 & 2021
4. Changes in the Law to include Online Business
5. House Buyers Act
6. Consumer Credit Act

Issues for Advocacy

1. Complaints
2. Grassroot Feedback

MC labels only for toys that meet certain standards

CLEARING THE AIR: The Domestic Trade, Cooperatives and Consumerism Ministry answers a few questions on what the Malaysian Conformity (MC) scheme will entail.

Mandatory safety Labels for Toys

Question: How did this become known about?

Answer: Initially, after consultation with the industry players, we decided to adopt this type of approval regulations. That means that the industry submits documentation to us, we approve and then give them stickers for their toys. But they didn't agree because we would have had no approval as an independent body to assess all documentation. That would incur extra time and cost, which would be passed on to the consumers. The industry suggested the self-declaration method, which is also used in the United States and Europe.

"We weren't happy at first that standards are driven by them and it's up to them to decide. So, point having a regulation which the industry won't comply with and which the industry wouldn't be able to facilitate. So we agreed with self-declaration, whereby we set a standard, based on that norm, the industry would do their declaration and provide the proper documentation. Then, we give a self-declaration number for each con-

sumer they bring in. With this declaration and reference number, they can mark their products."

Question: Does the MC mark have any warranty statement?

Answer: No, it doesn't. It just means the toy has complied with regulations requirements. It's not a warranty label. That one is type-approved and will come from us.

Question: Type-approved assessments is used on products like CDs and another the industry-government scheme?

Answer: Yes, these are type-approved. For those, we give out stickers. This self-declaration is self-accountability. That means the industry takes responsibility that they are complying with the regulation, and if something happens, they will be liable for it. There is a certain amount of trust involved. We cannot say everybody is a bad boy. There might be one or two, we can't deny that. So throughout the implementation here, we just have to ensure that our enforcement is consistent — we also watch out for complaints and queries — so that we can move forward.

Question: The declaration is going to be based on the assessment that they bring in?

Answer: It's an inspection, each assessment of toys. So before into the country will have to be declared, even if it's the same product and it's brought in in multiple times.

Question: So if bring in a pink teddy bear, it must declare to the industry with the relevant safety test reports and documentation, or I bring in this same type of pink teddy bear another time, I have to do it again?

Answer: No. The MC mark for both the assessments will bear the same reference number for the same toy, but the declaration will have a different number. We must do this, otherwise we cannot control the quality of toys that comes in. If they declare today, three months later, they might be in the same toys but with different material. The same system for manufacturing, it's a closed production, they have to do something. Regulators who have to do something.

Question: How do you ensure that they will actually do that?

With strict enforcement?

Answer: Yes, with together with Customs and here is a procedure for toys and I think can the enforcement MC body throughout in the industry is required. In the industry will have to do that the country.

Question: If they want to be "bad boys" and cheat by putting the MC mark without sending their product for testing first, it will be quite easy to do.

Answer: If they do that and we pick up from the testing inspection, they will be liable. They can be punished under the law and they will be required to remove the MC mark or will confiscate them. Normally, the industry would not want to do that because it's costly to them. If they have to recall the product, they do so at their own cost. We will also publish their names.

Question: What exactly does a toy bearing an MC mark mean?

Answer: It just means that the product complies with safety standards. There are seven toy safety standards we are regulating. They are on safety aspects related to mechanical and physical properties, flammability, migration of certain elements, experimental anti-estrogen and related activities, chemical toys other than experimental sets, graphical symbol for age, warning labelling, and electric toys. The MC mark for toys intent for three aged 0 and below. It does not include

infantiles or children.

Question: Now do we know which standards apply for each toy?

Answer: The industry will send us samples the toy and the lab will identify and advise these which of the standards are applicable.

Question: So it's like because MC mark, it would have been forced for any of that seven sets applicable for that toy?

Answer: Yes. And inside each standard, there are various tests. Like part 2, there are 20 tests that can be done. But it doesn't mean that the particular toy need to meet for all 20. It might only need undergo five or six tests.

Question: It's up to the lab to recommend which tests are applicable?

Answer: Yes, and we only accept test reports issued by accredited labs — the local labs. These are aligned with the Department of Standards of Malaysia, and if for standard, they must be recognized by us under mutual recognition agreements, like the International Lab Accreditation Cooperation or the Asia Pacific Lab Accreditation Cooperation. If say a lab in Shenzhen, China, is accredited by the national accreditation body in China, Malaysia recognizes that, and their test report will be accepted and can be used for declaration purposes.

Ban on BPA milk bottles

The chemical carries potential health risk, says Liow

By LESTER KONG
lester@thestar.com.my

PUTRAJAYA: Polycarbonate infant milk bottles containing the chemical Bisphenol A (BPA) will be outlawed from March 1 next year.

Health Minister Datuk Seri Liow Tiong Lai said the Cabinet had decided to ban such milk bottles due to BPA's risk to infant hormone systems.

"The enforcement will be made in stages and the industry is given one year to comply with the decision by making changes to their machines and buying new raw materials," he told a press conference yesterday.

Liow urged parents and guardians of infants and children to make the switch now to bottles marked "BPA-free" which were widely available in the local market.

He said the decision for the ban was made as there was no scientific evidence which proved that BPA bottles were safe for use by high-risk groups, namely infants and children. "This action was taken in case BPA could definitely affect the hormone and other body function systems," he said.

Enforcement against retailers selling milk bottles containing BPA will start from March 1 next year.

Liow said the move was in line with the World Health Organisation's



Spot the difference: Model Nisa Kasnoon showing a polypropylene feeding bottle (left) and a polycarbonate one that contains BPA at the Health Ministry in Putrajaya yesterday.

recommendations, adding that the European Union (EU) had made a similar announcement earlier this month to make the ban effective in June for EU-member countries.

Other countries that have banned the chemical in milk bottles include Germany, France, Denmark, Canada, Australia, New Zealand and the state of New York in the United States.

BPA is used in polycarbonate to make baby milk bottles because it made the plastic translucent and stiffer while those without BPA had a less clear and dirtier look.

Key Issues and Representations

Key Issues

- Food Prices
- Digital Protection
- Healthcare
- Public Transport
- Unaffordable Housing
- Marketing to Children
- Banking and Financial Issues
- Competition Act
- Online Purchasing
- Digital Finance
- Scams

Representations

- Member of the National Economic Council (2018-2020)
- Member of the National Cost of Living Council (2018-2020)
- Member of the Ombudsman of Financial Services (OFS)
- Water Commissioner
- Task Force on Law Reform
- Council for Communications and Multi-media
- Best Practices of Regulatory Practices



Awareness of Rights and Responsibilities

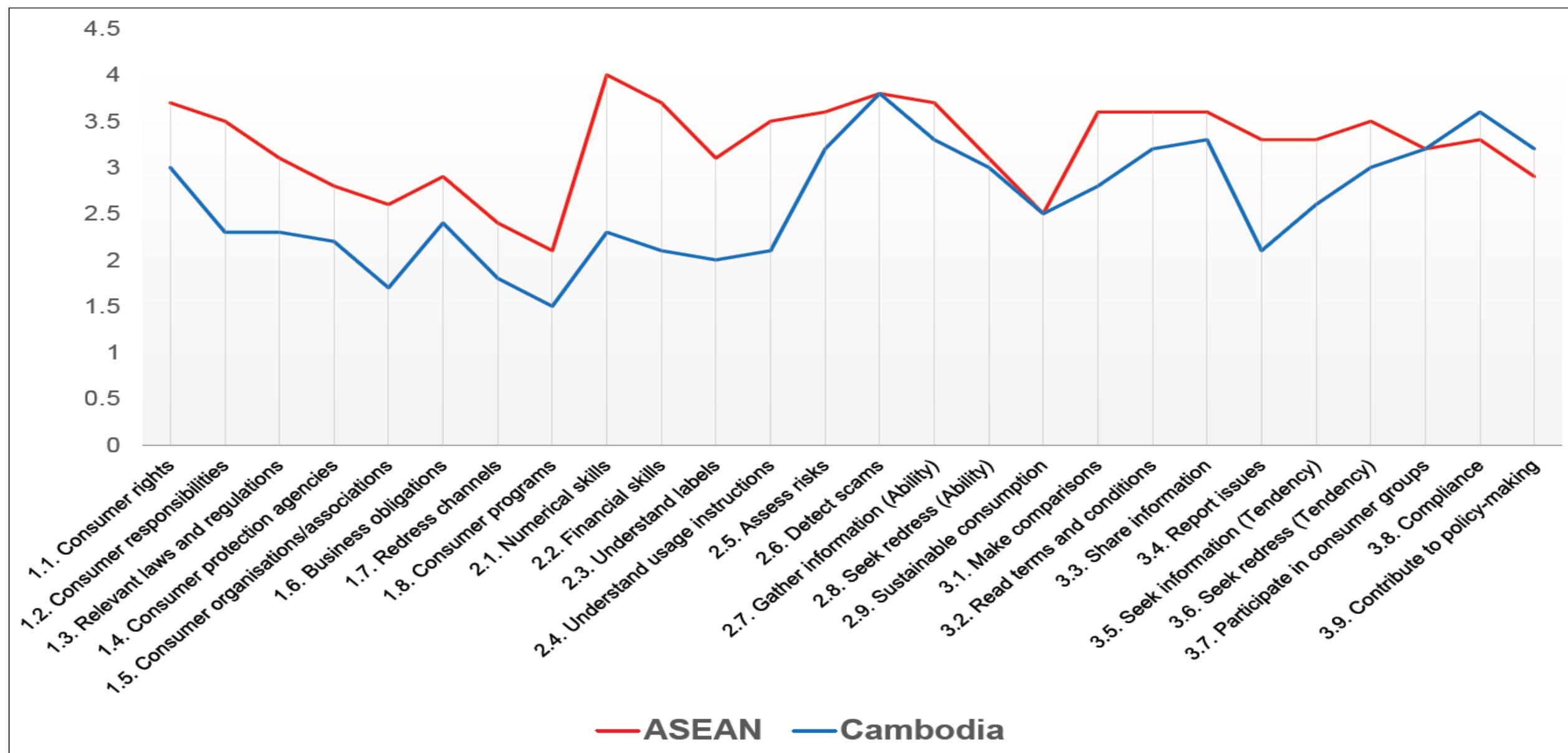
Mindful Consumption

Financial Literacy

Seeking Redress

Networking and Stakeholder Engagement

Consumer Education



The Report of ASEAN Consumer Empowerment Index 2020 Pilot Project

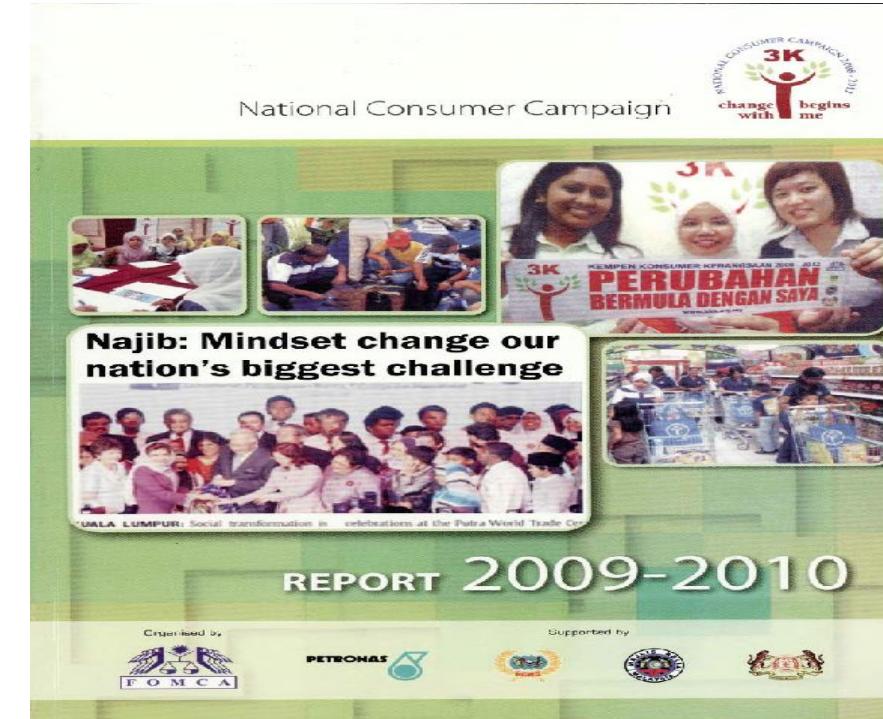


National Consumer Campaign

- Collaboration with PETRONAS
- Collaboration with Government
- National grassroot programs
 - Website
 - Brochures
 - Media Campaign
 - Campaigns
 - Outreach
 - Events

Based in

- Schools
 - Education
 - Consumer Clubs
- Institutions of Higher Learning
- Communities

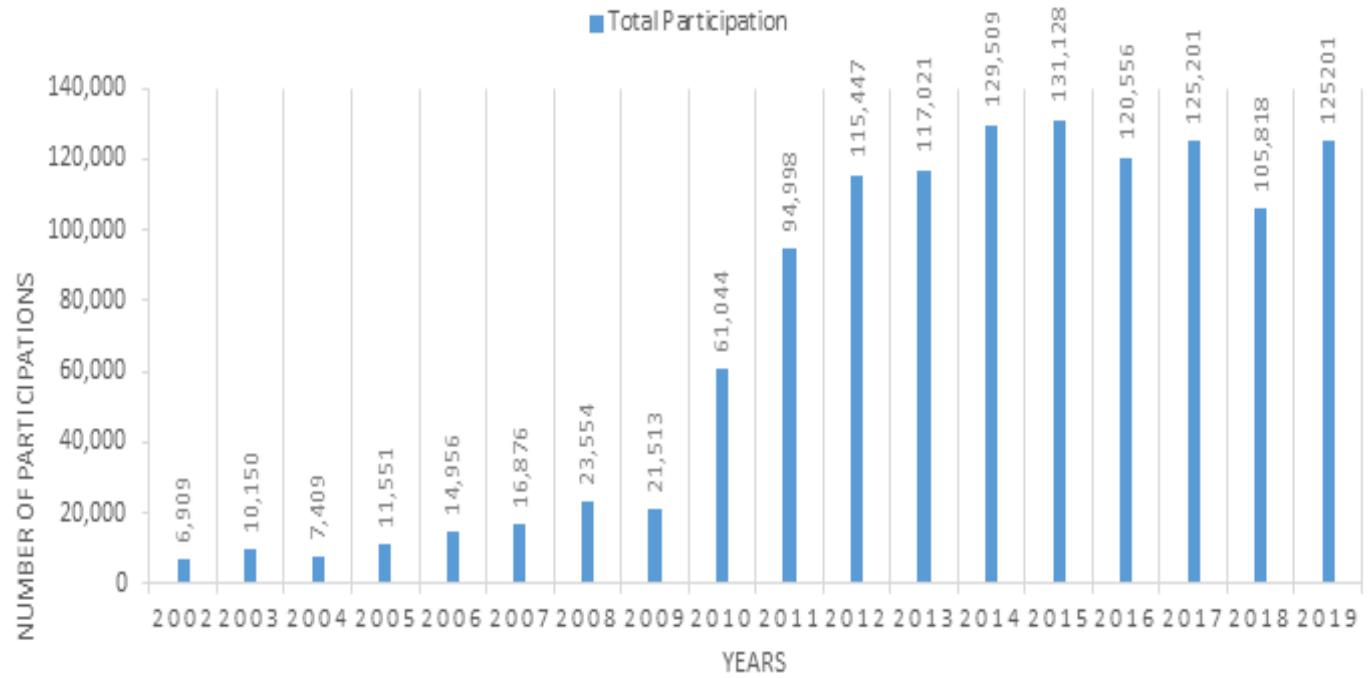


CONSUMER DAY PROGRAMMES – 2002..

Activity-based

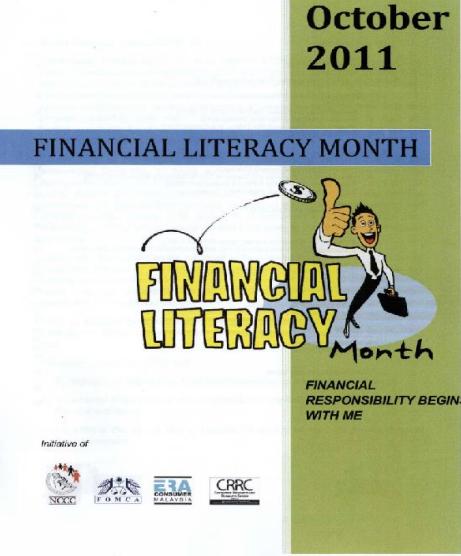
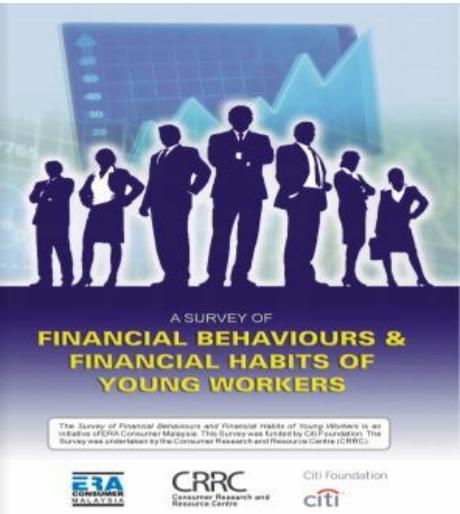
1. Essay
2. Poster
3. Graphic poster
4. Blog
5. Scrap book
6. Photography
7. Speak up
8. Cartoon
9. Coloring
- Collaboration with Ministry of Education

HPM COMPETITION TOTAL PARTICIPATION (2002 - 2019)



Financial Education Programs

- Research
- Outreach
- Publications
- Financial Literacy Month
- National Strategy for Financial Education 2019



SWITCH – Consumer Education to Save Energy

- Energy Efficiency
- Energy Conservation
- Renewable Energy



NATIONAL CONSUMER COMPLAINTS CENTRE (NCCC) COMPLAINTS AND REDRESSAL



NATIONAL CONSUMER COMPLAINTS CENTRE (NCCC)



ABOUT NCCC

NCCC

- A Non-Profit Organization.
- Launched in July 2004
- NCCC emphasises on the process of mediation in efforts to reach an amicable settlement amidst a consumer dispute

Functions

- Guiding consumers in finding solutions to problems related to purchase of goods and services.
- Empowering consumers with information on consumer related matter.
- Law Reform

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No.1D, Bangunan SKPPK, Jalan SS 9A/17, Sg.Way, 47300, Petaling Jaya, Selangor.

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03-7874 8096

Fax : 03-7874 8097

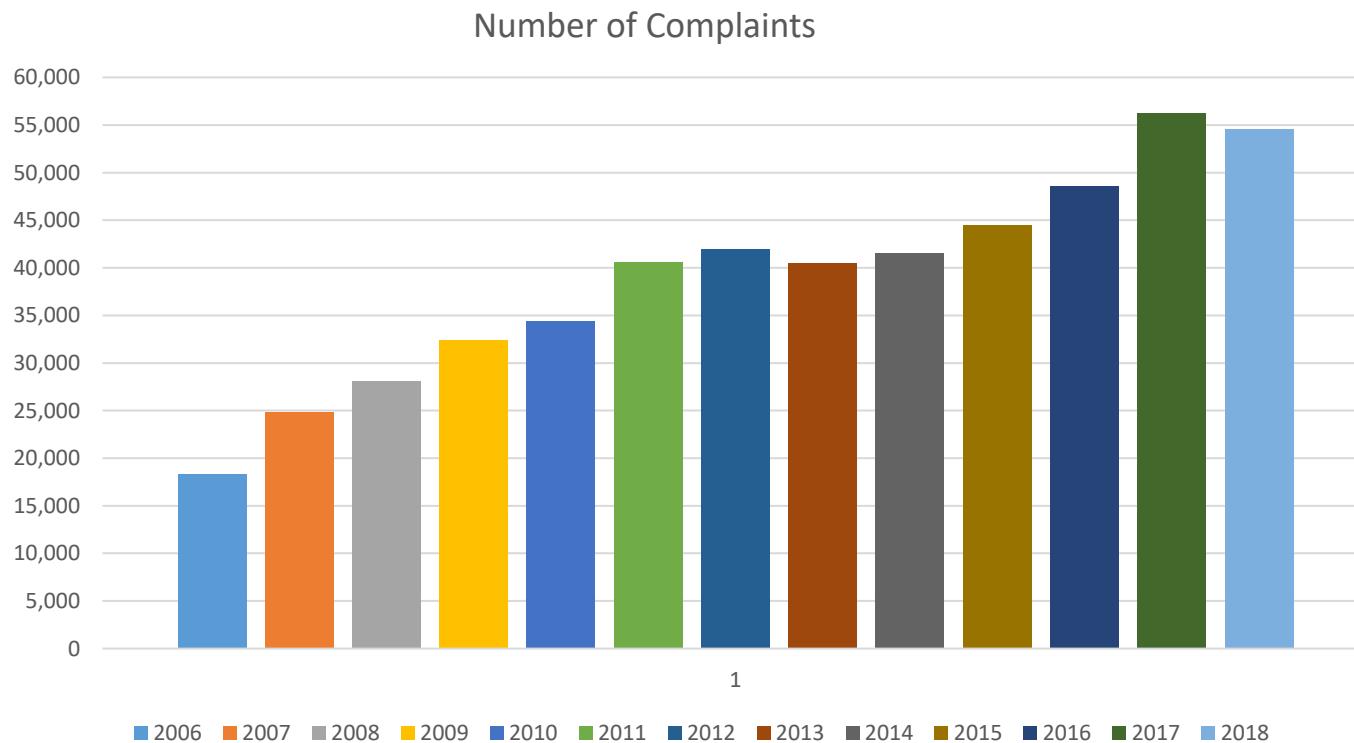
Email : myaduan@nccc.org.my

FEDERATION OF MALAYSIAN CONSUMERS ASSOCIATIONS (FOMCA)

NCCC Annual Reports 2006..2018



No. of Complaints 2006 -2018



2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Housing Developers	Housing Developers	Direct Sales	Direct Sales / Scams	Communications & Multimedia	Consumer Products	Telco	Gen. Cons .Prod. (As Services)	E-Commerce (Online Shopping)	E-Commerce	E-Commerce
Direct Sales	Direct Sales	Housing Developers	Housing	Quality Of Product & Services	Telco	Gen.l Cons. Prod.	Telco	Gen. Cons. Prod.	General Consumer Products	General Consumer Products
Private Higher Educ.	Private Higher Educ.	Telco	Communications & Multimedia	Hire Purchase	Automobile	Utility	Retailers (incl. online)	Telco	Telco	Telco

Consumer Tribunal

Consumer Research and Resource Centre (CRRC)

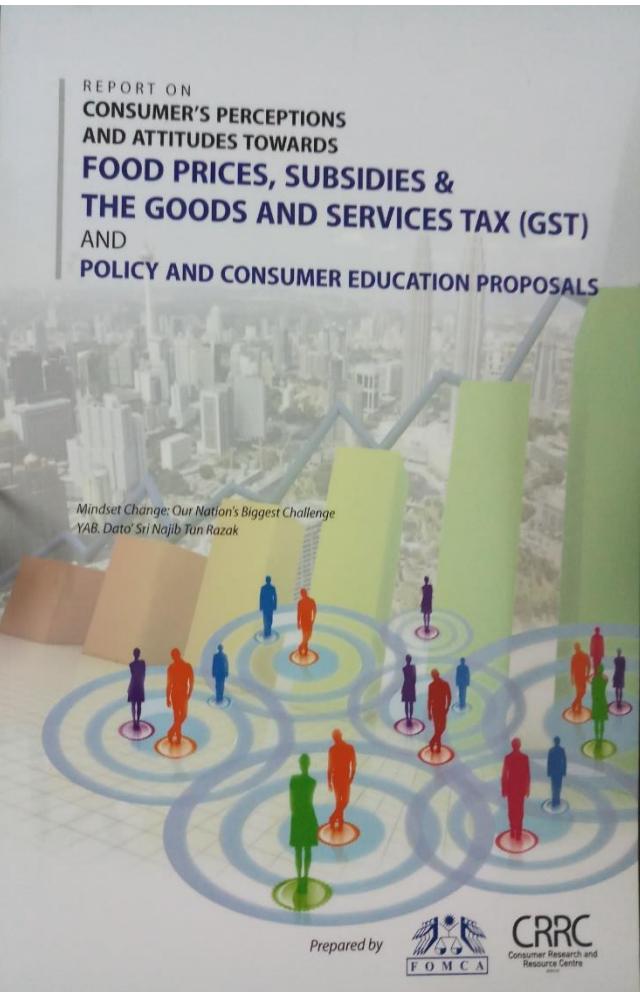
- Consumer Perception Survey on most serious concerns
- Children Marketing Research
- Price Monitoring Survey
- **Youth Financial Knowledge and Behavior**
- Consumer's Perceptions on current markets and GST
- CRRC Consumer Review

CONSUMER ISSUES in MALAYSIA

Strengthening Consumer Protection
and
Enhancing Consumer Empowerment



EDITED BY
Prof. Datuk Dr. Marimuthu Nadason,
Dato' Paul Selva Raj
& Ratna Devi Nadarajan



inside this issue:

- Consumerism in Malaysia: Past, Present and Future
- Global Food Prices: Implications for Food Security in Malaysia
- Evaluation of Food Safety in Malaysia: Consumer Perspective
- Status Perlindungan Pengguna di Malaysia
- CSR Practices: How do Corporations in Malaysia Fare?
- University Students and their Spending Behaviour
- Caught in Middle-Income Trap
- Commercializing Childhood: The Corporate Takeover of Kids' Lives

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inside this issue:

- Hope for Public Transport Improvement?
- Enhancing Public Transport in the Klang Valley
- Public Transport and the Consumer
- Local Government in Malaysia: A Critical Review
- Marketing to Children in Malaysia
- Standards in Consumer Protection: The Importance of Consumer Participation
- Why Do People Use Their cars: A Case Study in Malaysia
- Figures that Matter
- Transforming and Restructuring Healthcare to Save Cost – Does it Work?

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inside this issue:

- The Right to Health: An Initial Exploration of Challenges for Malaysia
- State, Rentier and Transnational Capital in Malaysian Healthcare
- A Study of Financial Awareness among Youths
- Understanding and Promoting Responsible Financial Behavior
- Banking Services and Consumers in Malaysia
- COAP Consumer Protection Policy Diagnostic Report
- Electricity: Myths and Perceptions
- Water and Climate Change
- Competition and Economic Development
- People's Charter for Health

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- Profile of Urban Young Workers Financial Practices and Behaviors
- The Rise of Crime in Malaysia: An Academic and Statistical Analysis
- Consumer Financial Education is Important. But is it Enough?
- Electricity and the Consumer
- The Malaysian National Health Financial Scheme
- The Study of Financial Awareness among Youths
- Financial Planning for Paddy Farmers to ensure Sustainable Food Security
- Water and Climate Change
- Competition and Economic Development
- People's Charter for Health

JOURNAL OF THE CONSUMER RESEARCH AND RESOURCE CENTRE

Effective Consumer Organisation

- Evidence Based Advocacy
 - Trust and Credibility
- Strong grassroot linkages
 - Women, youths, workers, urban and rural communities
- Consumers
 - Issues relevant to consumers
 - Continuous Education and Empowerment
- Funders
 - Trust and Competence
- Positive Engagement with Stakeholders
 - Collaboration with Government and Private Sector
- Continuous Capacity Building

ADVOCACY and EDUCATION

Towards Consumer Protection and Consumer Empowerment

REMOTE Q&A ON CONSUMER PROTECTION



Ms. Sita Zimpel

Head of Project -
Consumer Protection in
ASEAN (PROTECT).



Mr. Prak Sereyvath

Director of Cambodian Institute for
Research and Rural Development
(CIRD)



Dr. Paul Selva Raj

Secretary General of the Federation of Malaysian
Consumer Associations (FOMCA),

Chief Executive Officer for the National
Consumer Complaints Centre (NCCC) as well as
the Consumer Research and Resource Centre
(CRRC)





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CAMBODIA
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Legal Obligations of Companies in Cambodia under the 2019 Law on Consumer Protection, and Recent Updates

By Ms. Sok Vanseka

Managing Partner, Sethalay Law Office



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Law Office

ABOUT OUR SPEAKER

Vanseka has around ten years of experiences in legal practices specialized in financial laws. Currently, she is the managing partner of Sethalay Law Office, where she has been assisting the Ministry of Commerce through GIZ for drafting the National Consumer Protection Programme, Prakas on Unfair Contract Terms, Prakas on Cooling Off Period and Guideline on Pyramid Scheme. As well, she has also assisted regulators in drafting and reviewing regulations on financial technology and other regulations for introducing new financial products by taking into consideration the consumer protection aspects. For private practices, she has advised and assisted clients in financial market entries, real estate development, investment projects, cooperate secretary and governance, commercial contracts and other legal transactions. She is also a consultant for the cross-cutting reforms in Cambodia namely Public Financial Management Reform, Public Administration Reform, Decentralization Reform and Legal and Judicial Reform. On project basis, she also works as an expert or consultant for the International Monetary Fund and the World Bank.





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Legal and Economic Empowerment

LEGAL OBLIGATIONS OF COMPANIES IN CAMBODIA UNDER THE 2019 LAW ON CONSUMER PROTECTION AND RECENT UPDATES

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I. Unfair Conduct and Unfair Practices

Unfair Conduct

- Unfair Trading Activities related to goods
- Unfair Trading Activities related to services
- False Representation

Unfair Practices

- Promise to provide gift or reward
- Misleading Advertisement to the consumers
- Pyramid Scheme
- Threaten

II. Minimum Information Standards

1. Labelling Requirement



Language:

Khmer

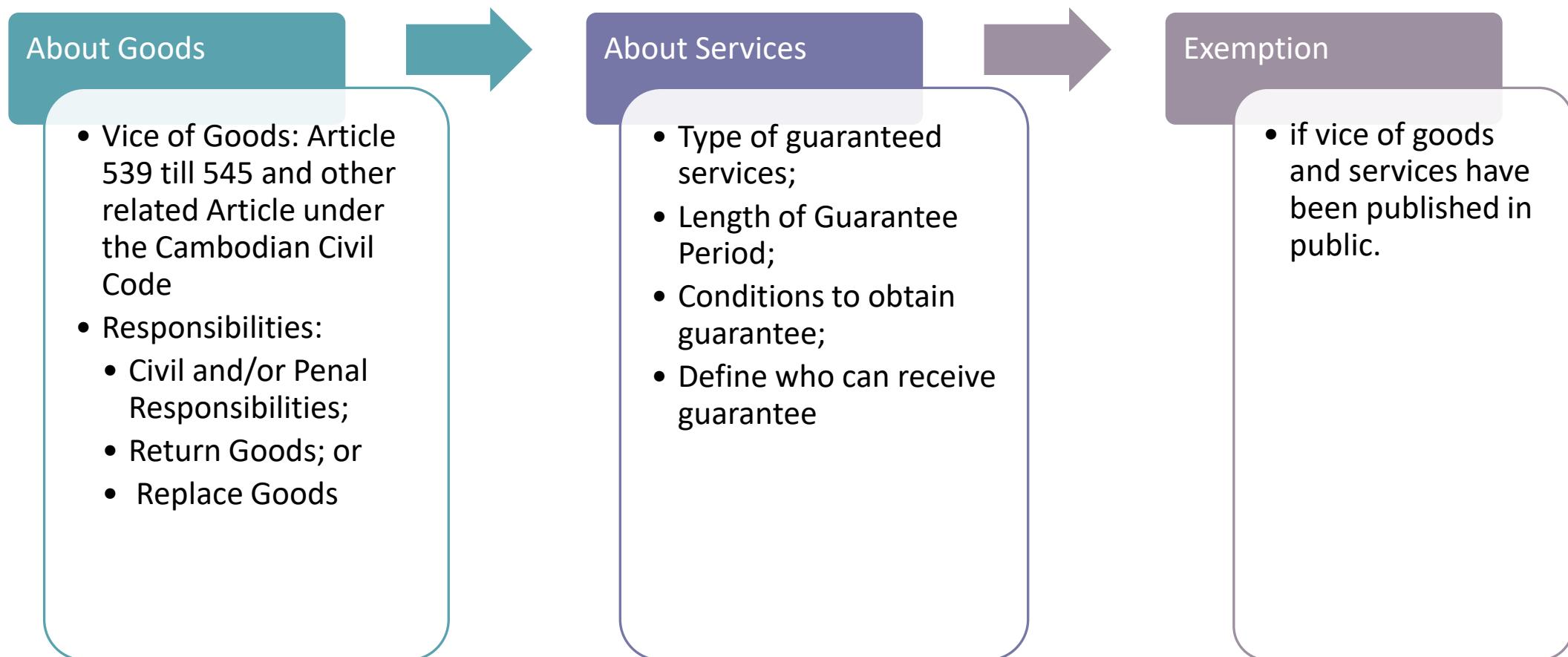
Information
To Disclose:

Kind, Grade, Safety, Quantity, Origin, Function of Use, Maintenance, Composition, Design, Assembly, Usage, Price, Packaging, Advertising or Supplying, Manufacturing and Expiry Date, Information about Product or Information related to the supply of goods or services

Label:

on Packaging or Instruction Card attached with goods or service package

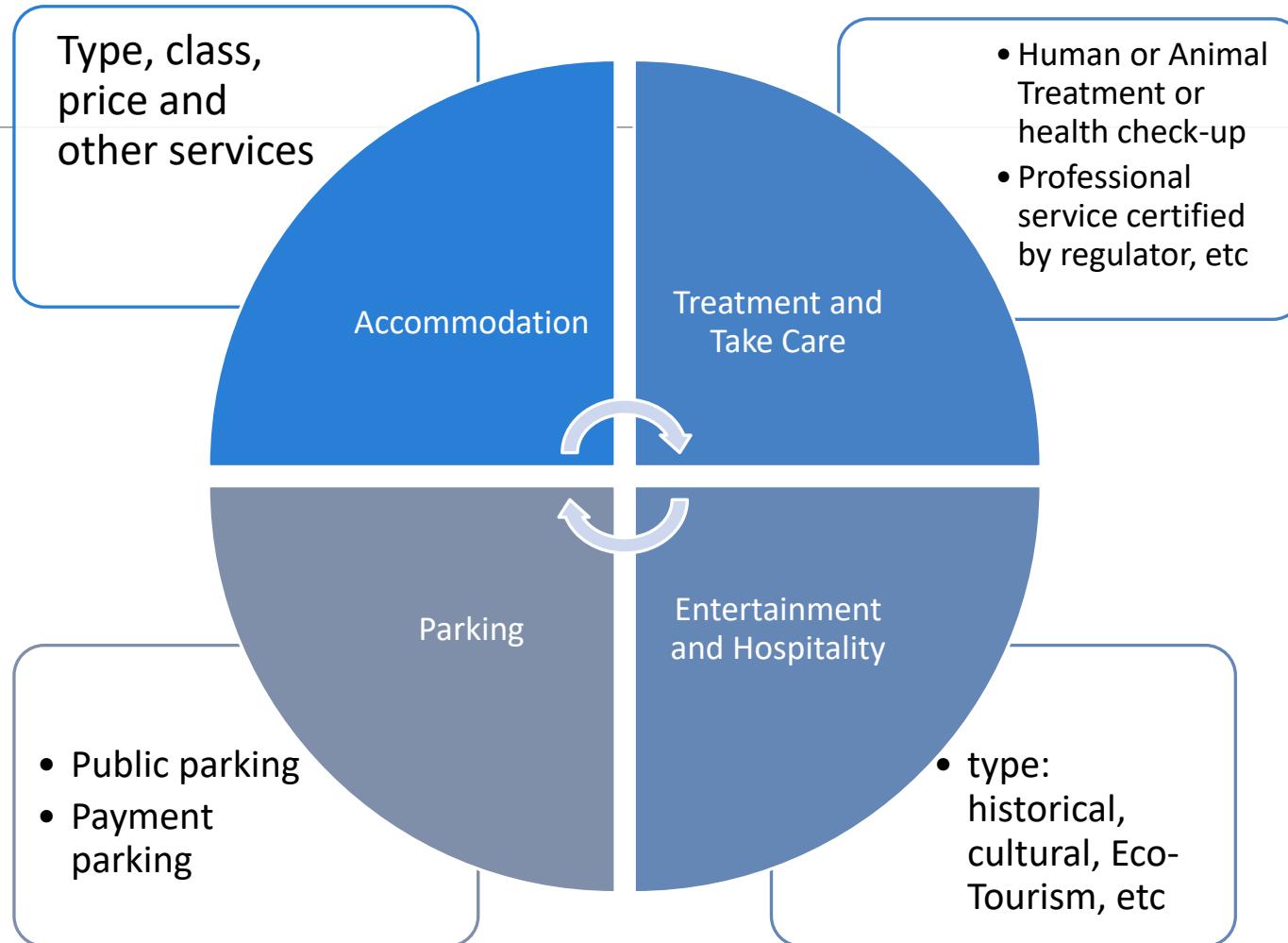
2. Guarantee Obligation



3. E-commerce Operation



4. Service Provider



III. Other Sectoral Laws and Regulations

Sectors	Laws	Consumer Protection
Goods and Products	Law on the Management of Quality and Safety Products	<ul style="list-style-type: none">labeling requirement,combating any commercial fraud repressioncontrol of products or services inducing grave or imminent dangers
	Law on Metrology	Consumers' rights to accurate information on measurements
	Law on Standards	<ul style="list-style-type: none">Consumers' rights to accurate information on standardMandatory standard requirement for dangerous products
	Law on Geographical Indications	Consumers' rights to accurate information on geographical indications
	Law on Tobacco Control	Control on tobacco products for indicating health warning message and prohibition of advertisement
	Other Regulations	<ul style="list-style-type: none">regulations for price tagregulation for control of advertisement and quality of baby food products, medicines and cosmetic

III. Other Sectoral Laws and Regulations

Electronic Commerce	Law on Electronic Commerce	<ul style="list-style-type: none">• consumers' rights to correct, clear and understandable information• consumers' rights to protections from unrequested business communication and fake electronic system and malicious code as well as data protection
	Law on Telecommunication	<ul style="list-style-type: none">• basic rights of consumers• access to telecommunication• alternative dispute resolution for consumer redress

III. Other Sectoral Laws and Regulations

Banking and Financial Sector	Law on Banking and Financial Institution	<ul style="list-style-type: none">• National Bank of Cambodia to define a corpus rules of good conduct aimed at ensuring consumer protection• Professional Secrecy
	Law on Negotiable Instruments and Payment Transactions	<ul style="list-style-type: none">• Professional secrecy• Fair agreement
	Other Regulations	<ul style="list-style-type: none">• Transparency in granting credit facilities• Interest rate cap• Calculation of interest• Consumer complaints handling• Bancassurance

III. Other Sectoral Laws and Regulations

Services	Law on Regulation of Health Practitioners	<ul style="list-style-type: none">• qualified, competent and fit to safely professional practice• complaint handling procedure
	Law on Civil Aviation	<ul style="list-style-type: none">• safe and qualified operation• no waiver of liabilities under contract with consumers
	Law on the Bar	<ul style="list-style-type: none">• professional confidentiality• avoid conflict of interest• no advertisement
	Law on Post Sector	Secrecy and liabilities
	Law on Construction	<ul style="list-style-type: none">• Obligations of construction professionals• Construction agreements• Dispute resolution mechanism

Thank You

Author's Profile

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H.E. Mr. Phan Oun

Delegate of the Royal Government of Cambodia in Charge as Director-General, Consumer Protection, Competition and Fraud Repression Directorate-General (CCF), Ministry of Commerce, and Secretary of NCCP

CLOSING REMARKS

H.E. Phan Oun has been appointed as Director General of Consumer Protection Competition and Fraud Repression (CCF) in early 2020. He graduated with a Business Management Degree from the University of Management. He later obtained his master's degree from Monash University, Australia. He has been also nominated as an Advisor to the Ministry of Commerce with a rank equivalent to Under-Secretary of State. Currently, he is also a member of the newly-established National Commission for Consumer Protection (NCCP) as well as the head of the NCCP's Secretariat. He has been actively participated in drafting and commenting many commercial laws and regulations including the enacted Consumer Protection Law, draft competition law, draft food law, etc





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