



Concept Note Training on "Strengthening Informal Economies and SMEs in Cambodia through Open Data and Digital Literacy"

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Background

Given the structural changes, Cambodia's economy has experienced rapid growth from 2009 to 2019. This growth has resulted in increased labor income and poverty reduction, with the poverty rate declining from 33.8% in 2009 to 17.8% of the total population in 2019/20, according to the Cambodia Socio-Economic Survey.¹ Indeed, MSMEs play a crucial role in raising incomes, creating job opportunities, minimizing migration, and boosting both the national economy and the development of the private sector. This sector accounts for 63% of Cambodia's GDP and employ over 70% of the non-agricultural workforce.² However, 89.8% of the surveyed establishments (753,670) are unregistered³ and face numerous challenges, including limited access to finance and markets, inadequate legal awareness, lack of data and digital leverage, and restricted access to government recovery support in times of crisis.

Therefore, promoting legal awareness, financial inclusion, open data, and digital literacy are essential tools for empowering MSMEs, including the informal economy. These efforts can improve decision-making capabilities, facilitate access to capital, market information, and state intervention, build resilience, and enable them to fully participate in the digital economy. In the project "Strengthening Informal Economies and SMEs in Cambodia through Open Data and Digital Literacy," financially supported by the Center for International Private Enterprise (CIPE), ODC will organize a training session aimed at providing MSMEs and the informal economy with the knowledge, skills, and networking opportunities necessary to drive business performance and resilience through legal, financial, and business understanding, as well as responsible data and digital use.

Objectives

The objectives of this training session are to:

- Enhance the understanding of regulations governing the private sector and alternative access to finance among MSMEs and the informal economy.
- Equip them with practical skills to access and leverage open data for informed decision-making and strategic planning.
- Introduce digital tools and platforms to enhance MSMEs' performance and customer engagement.

Expected Outcomes

By the end of the training session, participants will be able to:

- Improve understanding of legal regulations governing the private sector.
- Access and use relevant open data sources for market research and business planning.
- Utilize digital tools for basic financial management, marketing, and customer engagement.
- Understand digital risks and best practices to ensure data privacy and cybersecurity.
- Collaborate with fellow MSME and the informal economy operators to exchange knowledge and experiences.

² Phnom Penh Post, Cambodia's first national MSME Day navigating opportunities and challenges,

¹ World Bank, Cambodia poverty assessment, <u>https://openknowledge.worldbank.org/entities/publication/71c8cd7a-b28b-5688-ba89-5c95af5b4994</u>

https://www.phnompenhpost.com/business/cambodia-s-first-national-msme-day-navigating-opportunities-and-challenges ³ National Institute of Statistics, Economic census of Cambodia 2022, <u>https://www.nis.gov.kh/index.php/en/about/general-information/30-ec/115-cambodia-economic-census-2022</u>





Target Participants

The training session is designed for MSME and the informal economy operators in Cambodia, particularly those from underserved communities in target areas such as **Phnom Penh**, **Siem Reap**, **Mondulkiri** and **Kampot**. Women and those with limited experience and awareness in legal, financial, and digital literacy are encouraged to apply. Only shortlisted applicants will be notified about the program details.

Media and Communication

ODC continues to release a wide range of resources on MSME development in Cambodia, including the SME Information Toolkit, SME Profile Page, legal documents, and other educational materials. For more information, please visit:



Facebook Page: Open Development Cambodia



Website: https://opendevelopmentcambodia.net/