



Kingdom of Cambodia

Nation Religion King

Royal Government of Cambodia

National Strategy
On
The Development of Micro, Small
and Medium Enterprises
2026-2030

July 2026



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PREFACE

Over the past two decades, Cambodia has achieved lasting peace, territorial integrity, and macroeconomic stability, while maintaining an average economic growth rate of around 7% prior to the COVID-19 pandemic. Following the pandemic, Cambodia's economy has gradually returned to its potential growth path, with GDP growth reaching approximately 5.3% in 2025. These remarkable achievements have been realized under the visionary leadership of the Royal Government, which has proactively and responsibly implemented key policies, strategic plans, and reform programs aimed at advancing the country's overall economic and social development. In particular, the Royal Government has formulated and implemented the Pentagonal Strategy – Phase I, which underscores the importance of promoting micro, small and medium enterprises (MSMEs) and developing the informal economy under Pentagon 3: Private Sector Development and Employment.

In this context, MSMEs are recognized as the backbone of the national economy, providing employment for approximately 70% of the workforce while serving as an enduring source of economic diversification, value creation, and innovation. Nevertheless, heightened global uncertainty, the lingering effects of the COVID-19 pandemic, geopolitical tensions, and trade wars have continued to adversely affect economic and social development at both the regional and global levels. Cambodia has experienced both direct and indirect impacts, particularly on MSMEs. Moreover, while the border dispute has imposed additional challenges on Cambodia, it has also created opportunities to strengthen the resilience of the economy by promoting domestic production and enhancing the capacity of local enterprises to integrate into domestic, regional, and global value chains.

Accelerating MSME development requires addressing several key challenges, including the complexity of the legal and regulatory framework, business registration procedures and other compliance requirements; limited competitiveness in terms of both production costs and quality standards; weak integration of MSMEs into domestic, regional, and global value chains; and inadequate support infrastructure, both physical and institutional.

On this basis, the Royal Government has adopted the National Strategy on the Development of Micro, Small and Medium Enterprises 2026–2030, with the vision of “Promoting the development of Cambodia's MSMEs to become a strong foundation and driving force of national economic growth, bringing about social progress and prosperity for the Cambodian people.” The Strategy is built around four strategic pillars: 1. Improving the business environment and regulatory framework; 2. Enhancing production capabilities and services, while promoting adoption of technology and innovation; 3. Strengthening competitiveness in domestic and international markets; and 4. Developing support infrastructure.



I firmly believe that this National Strategy will serve as an effective roadmap for promoting the sustainable, inclusive, and resilient development of MSMEs. On behalf of the Royal Government of Cambodia, I wish to express my appreciation and commendation to all ministries and institutions concerned for their valuable contributions to the successful development of this national strategy. I also hope that all relevant ministries and institutions, at both the national and sub-national levels, together with the private sector and development partners, will actively collaborate in implementing this Strategy with a spirit of proactiveness and collective synergy, in line with the “**Dynamics of Stakeholder System**” approach.

Phnom Penh, 10 July 2026

Prime Minister

[Signature and Stamp]

Samdech Moha Borvor Thipadei HUN MANET

LIST OF ACRONYMS

ARDB	Agricultural and Rural Development Bank
CBC	Credit Bureau Cambodia
CDC	Council for the Development of Cambodia
CGCC	Credit Guarantee Corporation of Cambodia
DEBC	Digital Economy and Business Committee
DP	Development Partners
EFPC	Economic and Financial Policy Committee
ESG	Environmental, Social and Governance
FDI	Foreign Direct Investment
G-PSF	Government–Private Sector Forum
GDCE	General Department of Customs and Excise of Cambodia
GDT	General Department of Taxation
KE	Khmer Enterprise
LMs	Line Ministries
MAFF	Ministry of Agriculture, Forestry and Fisheries
MCFA	Ministry of Culture and Fine Arts
MEF	Ministry of Economy and Finance
MISTI	Ministry of Industry, Science, Technology & Innovation
MME	Ministry of Mines and Energy
MoC	Ministry of Commerce
MoE	Ministry of Environment
MoEYS	Ministry of Education, Youth and Sport
MoLVT	Ministry of Labour and Vocational Training
MoP	Ministry of Planning
MoWA	Ministry of Women’s Affairs
MPTC	Ministry of Post and Telecommunications
MPWT	Ministry of Public Works and Transport
MSME	Micro, Small and Medium Enterprises
MSME-SC	National MSME Development Strategy Implementation Steering Committee
NBC	National Bank of Cambodia
NBFS	Non-Bank Financial Services Authority
NQI	National Quality Infrastructure
OCM	Office of the Council of Ministers
QIP	Qualified Investment Project
SDF	Skills Development Fund
SME	Small and Medium Enterprises
SME Bank	SME Bank of Cambodia
TSC	Techo Startup Center
TVET	Technical and Vocational Education and Training

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PART I

INTRODUCTION

1.1. Overview of the Economy

The global and regional economies continue to be surrounded by significant risks and uncertainties that could dampen economic growth in both the short and medium term. In recent years, the global economy has become increasingly fragile and vulnerable, driven by escalating global trade tensions, particularly the reciprocal tariffs of the United States and the retaliatory measures adopted by its major trading partners. These developments have created uncertainty in global supply chains and adversely affected investor confidence and trade balances. Meanwhile, geopolitical risks, including conflicts in the Middle East, as well as volatility in financial markets, continue to pose additional threats to global stability, capital flows, and commodity markets.

Cambodia has also been affected by external factors, particularly developments in international trade and geopolitics, which have posed challenges to the country's socio-economic development as it gradually returns to its potential growth path following the multiple crises of recent years. Nevertheless, Cambodia has continued to achieve positive economic outcomes, owing to the Royal Government's timely, proactive and decisive implementation of sound and well-targeted policies across key priority areas. These include strengthening governance, sustaining growth and modernizing the economy, creating quality employment, promoting private sector development and entrepreneurship, developing human capital, enhancing social protection and public welfare, strengthening environmental sustainability and climate resilience, advancing digital transformation across society and the economy, revitalizing traditional growth drivers, and promoting the development of new growth sectors.

Looking ahead, Cambodia will continue to navigate a range of challenges and heightened uncertainties at both the regional and global levels. These include intensifying geopolitical tensions, increasing fragmentation of the global economy that undermines international cooperation and trade, the resurgence of unilateralism, uncertainty surrounding the economic growth outlook of Cambodia's major trading partners, and the growing impacts of climate change.

In this context, advancing Cambodia's economic development toward its potential growth path and achieving the Royal Government's long-term vision requires addressing the structural challenges facing the Cambodian economy, particularly the "missing middle." This structural gap has prevented Cambodia from fully harnessing the benefits of foreign direct investment, while the domestic enterprise base remains weak and lacks competitiveness. Accordingly, the next phase of economic development must focus on strengthening the resilience and robustness



of Cambodia's economic foundations, particularly the private sector, by promoting the development of micro, small and medium enterprises (MSMEs) and enhancing their integration into domestic, regional, and global value chains.

1.2. Conceptual Framework for the National Strategy on the Development of MSMEs

The Royal Government of the 6th Legislature of the National Assembly, under the visionary and astute leadership of **Samdech Akka Moha Sena Padei Techo HUN SEN**, former Prime Minister and current President of the Senate of the Kingdom of Cambodia, introduced a range of policies, national strategic plans, and support measures to promote the development of MSMEs, reflecting the Royal Government's strong commitment to and recognition of the sector's importance. The Royal Government of Cambodia also implemented various measures to facilitate the growth of MSMEs and improve the business environment, including governance reforms, education enhancement, tax incentives, e-government initiatives, and expanded access to finance. Despite the challenges outlined above, MSMEs have continued to play a vital role in production, supply, and service delivery. They have also continued to adapt and evolve in response to emerging trends, particularly changing market requirements, increasing environmental requirements, and the rapid advancement of technology.

Nevertheless, MSMEs continue to face a number of structural challenges, including the continued prevalence of MSMEs operating in the informal sector, limited domestic production capacity, competition from imported goods, shortages of skilled labor, limited access to concessional finance, and weak integration into domestic, regional and global value chains.

The Royal Government of the 7th Legislature of the National Assembly, under the dynamic leadership of **Samdech Moha Borvor Thipadei HUN MANET**, Prime Minister of the Kingdom of Cambodia, has continued to prioritize addressing the challenges facing MSMEs, particularly through the Pentagonal Strategy – Phase I, which identifies the promotion of MSMEs and the development of the informal economy as one of the key strategies under Pentagon 3: Private Sector Development and Employment. In this regard, the Royal Government is firmly committed to continuing the implementation of its national development policies and strategic plans through economic diversification and the transformation of the industrial sector and MSMEs, with a strong focus on entrepreneurship, science, technology, and innovation. The Royal Government is also diversifying markets at both the regional and global levels by promoting MSMEs to become higher value-added production and service providers, strengthening their role in backward



linkages, expanding the development of SME clusters, encouraging MSMEs to adopt green industry practices and embrace environmental, social, and governance (ESG) principles, enhancing the quality, design, standards, and competitiveness of MSME products, and building and strengthening the MSME ecosystem. This interconnected and mutually reinforcing ecosystem, driven by synergy among its stakeholders, is fostering greater confidence and attracting increased investment in MSMEs, enabling them to grow sustainably and serve as a strong backbone of the national economy.

The Royal Government will continue to strengthen the competitiveness, robustness, and resilience of the economy by improving the business environment, enhancing institutional capacity and public service delivery, advancing economic diversification, strengthening domestic supply chains to facilitate integration into regional and global supply chains, promoting higher value-added production and service activities, creating quality employment opportunities for skilled workers, and broadening the national economic base. Guided by this direction, the Royal Government of Cambodia will continue to introduce policies, strategies, and targeted interventions to support MSMEs. These efforts are intended to increase the contribution of MSMEs to economic growth, ensure Cambodia is well prepared for its graduation from Least Developed Country (LDC) status in 2029 and support the country's aspiration to become a high-income country by 2050.

To this end, all ministries and institutions responsible for MSMEs shall work collaboratively to promote MSME development by strengthening enterprise capabilities, identifying high-potential enterprises, developing new products and services, expanding domestic markets, enhancing integration into value chains, and strengthening linkages within domestic and regional production and service networks. In addition, ministries and institutions responsible for MSME development shall refine their approaches and strengthen governance by improving the transparency, consistency, and reliability of public service delivery, reducing unnecessary regulatory compliance burdens, and strengthening business-related public service systems in order to improve the business environment and enhance the competitiveness of MSMEs. Furthermore, relevant ministries and institutions shall strengthen the mechanisms for managing, monitoring, and evaluating the implementation of MSME development measures. This will provide key evidence to inform the review, refinement, and formulation of subsequent policy measures in line with the evolving priorities of the Royal Government.

The private sector, particularly domestic entrepreneurs, plays a pivotal role in sustaining and strengthening this ecosystem by seizing emerging opportunities and continuing to invest in enterprise development, strengthening the standards and



quality of their products and services, enhancing productivity through continuous workforce training and the provision of social security benefits for employees, and adopting new technologies while modernizing their production and service value chains. At the same time, compliance with laws and regulations, as well as maintaining proper accounting records, should be recognized and embraced as investments that generate long-term returns for the private sector, rather than as costs or burdens of doing business.

Overall, advancing the Royal Government’s policy directions for MSME development will require proactive participation from relevant ministries and institutions in strengthening enterprise capabilities, improving the business environment, and enhancing public service delivery, together with the active engagement of the private sector—particularly MSMEs themselves—in seizing emerging opportunities and ensuring compliance with the applicable legal and regulatory framework.

Against this backdrop, and in response to the structural challenges hindering the growth of MSMEs, the Royal Government has deemed it necessary to formulate and implement **the National Strategy on the Development of MSMEs 2026–2030**, with the objective of strengthening the resilience and robustness of MSMEs in Cambodia and increasing their contribution to national economic growth.

PART II

OVERVIEW OF CAMBODIA'S MICRO, SMALL AND MEDIUM ENTERPRISES

2.1. Current Definition of Micro, Small and Medium Enterprises (MSMEs)

In the international context, MSMEs are generally defined as enterprises that are neither subsidiaries nor affiliated enterprises, and that operate as independent business entities with fewer than a specified number of employees. In general, small enterprises are defined as those employing between 10 and 50 employees, while medium-sized enterprises employ between 50 and 200 employees. Depending on each country's context, enterprise size may also be determined based on business turnover or the value of assets.

In Cambodia, pursuant to the Royal Government's 2021 definition, MSMEs are classified based on the number of employees and either annual turnover or total assets. The definition is further differentiated across three economic sectors: agriculture, industry, and services and trade. The detailed classification of MSMEs is provided in the table below.

Table 1. Current Definition of Micro, Small and Medium Enterprises (MSMEs)

Definition		Number of Employees	Turnover (US dollars)	Assets (US dollars)
Agriculture	Small	5 – 49	62,250 – 250,000	50,000 – 250,000
	Medium	50 - 199	250,001 – 1,000,000	250,001 – 500,000
Industry	Small	5 – 49	62,500 – 400,000	50,000 – 500,000
	Medium	50 - 199	400,001 – 2,000,000	500,001 – 1,000,000
Service and Trade	Small	5 – 49	62,500 – 250,000	50,000 – 250,000
	Medium	50 - 99	250,001 – 1,500,000	250,001 – 500,000

Source: Letter No. 36 SChN.HTh., dated 21 January 2021, issued by the Office of the Council of Ministers.

Notwithstanding the above, the definition of micro enterprises has not yet been clearly and comprehensively established. In particular, the 2021 definition of small and medium enterprises set out in Table 1 does not specify the characteristics or

criteria for micro enterprises. However, the 2005 SME Development Framework defined micro enterprises as enterprises with fewer than 10 employees and total assets of less than US\$50,000. Overall, the current definition of MSMEs remains insufficiently comprehensive and does not fully reflect the realities of the country's evolving socio-economic development.

2.2. Current State of Micro, Small and Medium Enterprises

MSMEs have played a vital role in promoting economic diversification, strengthening the resilience and control of supply chains, creating employment, developing specialized and technical skills, fostering entrepreneurship, and driving technological innovation to support sustained economic growth, resilience and economic sovereignty. The majority of MSMEs operate in food processing, tourism, agro-industry, and the manufacturing of consumer products. The continued growth in the number of MSMEs, together with improvements in product quality and compliance with regional and international market requirements, has become one of Cambodia's key economic strengths, both now and in the future. In this regard, the Royal Government—both under previous administrations and during its seventh mandate—has consistently recognized domestic enterprises, including micro, small and medium enterprises, as the backbone of the national socio-economic fabric. They have made, and continue to make, significant contributions to job creation and livelihoods, income generation, poverty reduction, and the promotion of sustainable, inclusive and resilient development.

At present, MSMEs account for about 90% of the total business establishments, provide approximately 70% of total employment, and contribute about 50% of total production in the global market. The ASEAN region has approximately 70 million MSMEs, accounting for between 97.2% and 99.9% of total enterprises and approximately 44.8% of production output.

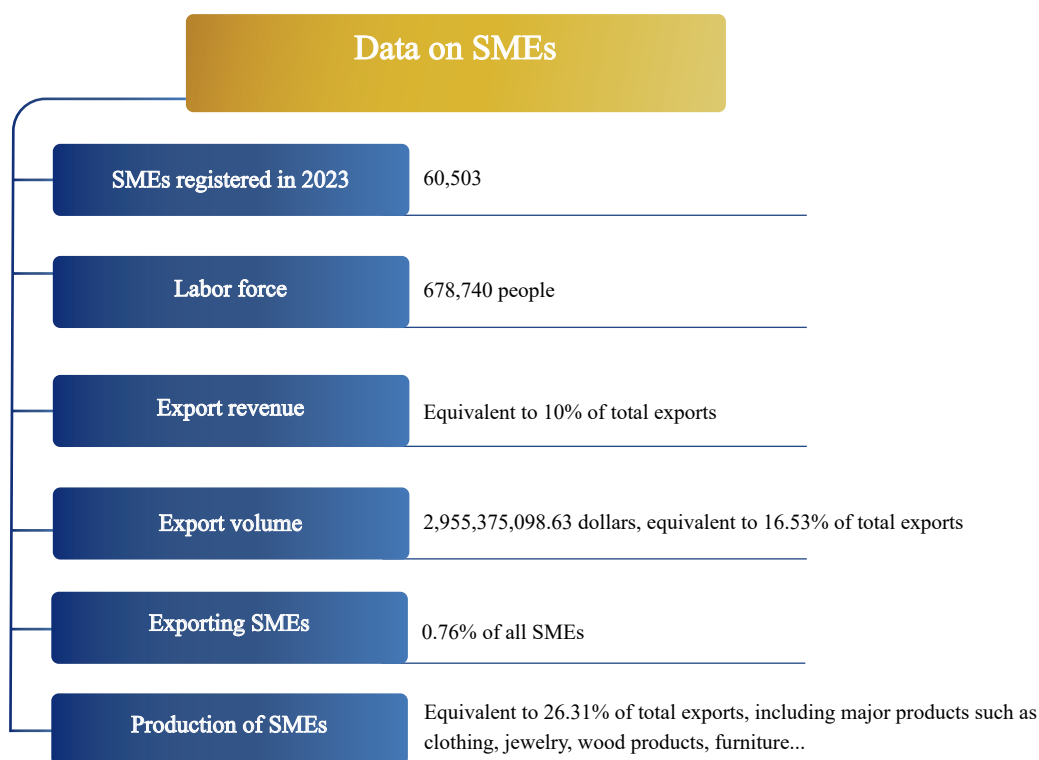
Figure 1. Key Data on MSMEs

Economic Units	753,670
Total Labor Force	2,980,569 (1,841,362 women)
Contribution to GDP	Equal to 63% (excluding agriculture)
Employment	Over 70% (excluding agriculture)
Strong Contribution to Service Sector	About 93% (excluding agriculture)

Source: National Institute of Statistics, Ministry of Planning, 2022.

According to the National Report on the Final Results of the 2022 Economic Census, published by the National Institute of Statistics of the Ministry of Planning, Cambodia had 753,670 economic establishments (or MSMEs), employing a total workforce of 2,980,569 people, of whom 1,841,362 were women. At the same time, MSMEs contributed approximately 63% of the country's gross domestic product (GDP) and provided employment for more than 70% of the workforce (excluding the agricultural sector). Meanwhile, the informal economy employed nearly 6.2 million people, including those engaged in micro enterprises.

Figure 2: Key Data on SMEs



Source: Ministry of Commerce (Data for the First Eight Months of 2025)

2.3. Government support for MSMEs

Building on the above, the Royal Government, during the seventh legislature of the National Assembly, has continued to place high priority on the development of domestic enterprises of all sizes. This is being pursued through the establishment of a vibrant and comprehensive business ecosystem that provides support across the following key areas:



1. Formulating and implementing the National Strategy on the Development of the Informal Economy 2023–2028, one of the six priority policy programs under the Royal Government’s Pentagonal Strategy – Phase I, launched at the beginning of the current legislative term. The Strategy envisions the development of the informal economy to enable it to grow, progressively transition into the formal economy, and become an important driver of sustainable, inclusive and resilient development.

2. Improving the business environment through the continued implementation of bold and targeted reform measures to address structural challenges and create a more enabling environment, particularly by reducing the cost burden on domestic MSMEs. Specifically, the Royal Government has introduced tax incentives, established a joint inspection mechanism, and developed information technology systems for business registration and applications for business licenses and permits through the Online Business Registration Platform, which operates on the Cambodia Data Exchange (CamDX), in line with the Strategy on the Development of Electronic Services for Business 2025–2028.

3. Promoting entrepreneurship and accelerating digital technology adoption through the establishment of the Techo Startup Center, the Entrepreneurship Development Fund, and Khmer Enterprise. These institutions have played, and continue to play, a vital role in building Cambodia’s entrepreneurship ecosystem by providing financial and non-financial support to startups and high-potential MSMEs, enhancing productivity, fostering the development of new products and services, and facilitating business matching. In addition, the Royal Government has launched the National Strategy on Startup Development 2026–2030 to further strengthen Cambodia’s startup ecosystem by creating a more enabling and well-connected environment.

4. Supporting skills development through direct training and co-financing. In early 2024, the Ministry of Economy and Finance officially launched the Skills Development Fund (SDF), whose mission is to foster close partnerships between the private sector and training institutions by financing skills training for labor market entry, upskilling and reskilling. The Fund aims to respond to the skills needs of the private sector, including domestic micro, small and medium enterprises.

5. Promoting product standards by strengthening the National Quality Infrastructure (NQI) ecosystem, including the provision of testing services, standardization, conformity assessment of products and services, calibration and verification of measuring instruments, and accreditation. These measures are intended to support enterprises of all sizes, reduce technical barriers to trade, and promote private sector trade.

6. Enhancing access to finance and credit through the establishment of the SME Bank of Cambodia (SME Bank), the Agricultural and Rural Development Bank (ARDB), the Credit Guarantee Corporation of Cambodia (CGCC), Credit Bureau Cambodia (CBC), and Khmer Enterprise (KE). To achieve this objective, the Royal Government has progressively increased capital allocations to the SME Bank of Cambodia and the Agricultural and Rural Development Bank to strengthen their capacity to support businesses.

7. Providing tax incentives for MSMEs through enhanced deductible tax benefits for expenditures in six priority sectors: agro-industry, food production and processing, the manufacturing of consumer goods and tourism, the supply of parts and components to other manufacturing enterprises, research and development (R&D) in information technology, and enterprises located in MSME clusters. At the same time, the Royal Government has implemented tax incentive mechanisms for voluntary tax registration under Sub-Decree No. 17 and Sub-Decree No. 272 to encourage enterprises operating in the informal economy to transition into the formal economy. These measures are intended to establish a transparent and equitable tax system while supporting MSMEs in the wholesale and retail trade, accommodation and food service, handicrafts, and agricultural cooperative sectors to grow and develop sustainably. In addition, the Royal Government has introduced customs incentives for MSMEs, including exemptions from import duties on production equipment, construction equipment, and raw materials and other production inputs. Eligible beneficiaries include enterprises engaged in the production and supply of clean water, export-oriented enterprises, supporting industries, enterprises serving the domestic market, and enterprises engaged in research and development in information technology.

8. Supporting the development and promotion of domestic products by fostering a nationwide “Buy Cambodian Products” movement and supporting domestic production to strengthen competitiveness and meet the needs of the domestic market. In particular, the Royal Government of Cambodia has encouraged citizens to support locally made products through public awareness campaigns and promotional activities. These include the designation of the National Day for the Promotion of Cambodian Products (9 April), the annual National MSME Day (27 June), facilitating the formation of producer groups, and identifying potential products for inclusion under the One Village One Product (OVOP) initiative, among other measures.

2.4. Challenges Facing MSMEs

Although the Royal Government has introduced a wide range of policy support measures, MSMEs continue to face challenges throughout the business lifecycle—from the start-up stage, operational stage, and market entry stage to business closure—due primarily to the following factors:

A. Business Environment and Regulatory Framework

- The current definition of small and medium enterprises is based on Letter No. 36 SChN., dated 21 January 2021, issued by the Royal Government. However, the application of this definition has not yet been fully consistent. Moreover, the definition itself does not adequately reflect current economic realities and has yet to include micro enterprises, particularly with respect to establishing business turnover thresholds for determining enterprise identity and size.
- The legal and regulatory framework governing business registration, applications for licenses, and compliance obligations remains complex, with overlapping requirements across ministries and institutions. These impose significant compliance burdens on small and medium enterprises and have yet to create a sufficiently enabling environment for their rapid growth.
- The lack of a regular enterprise monitoring and status-tracking mechanism limits the ability to accurately determine the actual status of small and medium enterprises in Cambodia.
- Approximately 86.6% of enterprises remain unregistered and operate outside the formal system. As a result, it is difficult for the Royal Government to effectively implement policies and provide support, particularly by delivering and ensuring access to information on incentives, technology transfer and technical development.
- Limited awareness of business closure and exit procedures.
- Although tax and customs incentives and preferential measures have been introduced to support MSMEs, their implementation and uptake remain limited, as most MSMEs continue to operate in the informal economy.

B. Operational Capacity in Production, Services, Technology and Innovation

- Most enterprises continue to use traditional production technologies, while producing similar products. This results in intense competition and limits their ability to respond effectively to market demand.
- MSMEs face high production costs because production equipment, machinery and raw materials continue to depend heavily on imports. Importing these inputs is subject to complex procedures and high costs, placing MSMEs at a disadvantage compared with large enterprises, particularly foreign direct investment (FDI) projects that qualify as Qualified Investment Projects (QIPs). In addition, the costs of electricity, transportation and logistics remain high.

- Access to investment capital, skilled labor, technical and managerial expertise, support for business start-ups, the adoption of digital technologies, and access to market information remain limited.
- The quality and production standards of MSMEs remain insufficient to compete effectively with imported products. At the same time, the National Quality Infrastructure (NQI) supporting the adoption and development of national standards remains inadequate, including a shortage of laboratories and limited product testing capacity.

C. Competitiveness in the Market

- The influx of certain imported goods and services at lower prices than those offered by MSMEs makes it difficult for MSMEs to access larger domestic markets.
- Disparities in compliance requirements between domestic and imported products.
- The capacity to meet standards and compliance requirements for exporting products to international markets remains limited.
- The mechanisms for defining packaging and product labeling requirements and standards remain insufficiently comprehensive and require further improvement.
- Linkages with upstream and downstream industries, as well as the broader business ecosystem, remain limited. This is due to information asymmetry between MSMEs and buyers, as well as MSMEs' limited capacity to meet buyers' requirements.
- Most small and medium enterprises have yet to comply with internationally recognized quality and hygiene standards, such as Good Manufacturing Practice (GMP), Good Hygiene Practice (GHP), International Organization for Standardization (ISO) standards, and Hazard Analysis and Critical Control Point (HACCP), which are commonly required by large-scale buyers.
- Product quality management remains inadequate.

D. Hard and Soft Support Infrastructure

- The National Quality Infrastructure (NQI), including laboratories and metrology centers, remains underdeveloped in terms of facilities, equipment, technical expertise and human resources.
- The legal and regulatory framework for the development of MSME and handicraft clusters has yet to be established.
- MSMEs face difficulties in accessing bank loans and credit due to a lack of collateral and clear financial records. Financial and digital literacy also remains limited, while credit risk assessment systems for MSMEs are not yet sufficiently developed. In addition, there is a shortage of innovative financing instruments, such as venture capital, angel investment and green finance, to support new investment.
- Most MSMEs have yet to adopt standardized financial reporting, which is required by banks for credit risk assessment.
- Limited financial literacy and capacity for financial and income management

PART III

STRATEGIC FRAMEWORK OF THE NATIONAL STRATEGY

3.1. Vision

This National Strategy envisions the development of Cambodia's MSMEs into a strong foundation and a robust driving force of national economic growth, contributing to social progress and prosperity for the Cambodian people.

3.2. Goal and Objectives

This National Strategy aims to enhance the capacity and resilience of Cambodia's MSMEs, enabling them to become a strong foundation of the national economy. This will be achieved by building a solid foundation for MSMEs to develop in a resilient and sustainable manner, strengthening their production capacity to meet domestic demand and expand export opportunities, and enhancing their integration into domestic, regional and global value chains.

To achieve the above vision and goal, this National Strategy sets out the following three strategic objectives:

1. Establish a strong foundation for the resilient and sustainable development of MSMEs, as measured by the growth in the number of formally registered MSMEs.
2. Strengthen the production capacity of MSMEs to meet domestic demand and expand their export capacity. Achievement of this target will be measured by attaining the following by 2030: (1) At least 50% of total domestic demand for the 15 strategic products identified by the Royal Government is supplied by domestic MSMEs; and (2) MSMEs export at least 50 product categories annually.
3. Strengthen the integration of MSMEs into domestic, regional and global value chains. Achievement of this target will be measured by attaining the following by 2030: (1) At least 50 MSMEs supply raw materials or production inputs to export-oriented foreign direct investment (FDI) enterprises; and (2) Local sourcing by foreign direct investment (FDI) enterprises in the manufacturing sector reaches at least 25%.

3.3. Scope and Strategic Approach

This National Strategy applies to MSMEs operating across all sectors of the economy, including agriculture, industry, services and trade, that are formally registered in accordance with applicable laws and regulations. The scope of the Strategy is based on the MSME definition set out in the guiding principles presented in the box below.

Guiding Principles for Defining MSMEs

Drawing on international best practices and Cambodia's own experience, the Royal Government has adopted a sector-based approach to defining MSMEs, using two criteria: (1) the number of full-time employees; and (2) annual business turnover. Based on these two criteria, enterprises are classified as MSMEs under two scenarios, as shown in the table below.

Case 1: Both requirements are met

Requirements		Enterprise Classification
Number of full-time employees	Annual turnover	
Micro	Micro	Micro enterprise
Small	Small	Small enterprise
Medium	Medium	Medium enterprise

Case 2: If both requirements are not met, enterprise is classified according to annual turnover

Requirements		Enterprise Classification
Number of full-time employees	Annual turnover	
Micro	Small	Small enterprise
Micro	Medium	Medium enterprise
Small	Micro	Micro enterprise
Small	Medium	Medium enterprise
Medium	Micro	Micro enterprise
Medium	Small	Small enterprise

In addition, the detailed definition of MSMEs will be established through a separate legal instrument, as one of the key measures for strengthening regulatory framework under this National Strategy.

Informal economic and business activities that have not yet been legally registered will be supported under the National Strategy on the Development of the Informal Economy 2023–2028. Meanwhile, start-ups will receive dedicated support under the National Strategy on Startup Development 2026–2030, which was recently adopted by the Royal Government.

This Strategy also serves as a bridging framework to support the progression of economic entities from informal economic activities to formal businesses, and from start-ups to competitive and sustainably growing MSMEs. Furthermore, its implementation will place particular emphasis on MSMEs and priority sectors with high potential to increase productivity, generate greater value addition, create employment, and participate in domestic, regional and global value chains, thereby sharpening the strategic focus and enhancing the effectiveness of policy interventions.

To realize the above vision, goal and objectives, the **National Strategy on the Development of MSMEs 2026–2030** will be implemented in accordance with the following key strategic approaches:

1. Define the scope and priorities for the formalization of MSMEs, and
2. Differentiate activities, responsibilities, and leadership at the cross-sectoral and sectoral levels.



PART IV

NATIONAL STRATEGY ON THE DEVELOPMENT OF MSMEs

4.1. Strategic Framework

To achieve the above vision and objective, the Royal Government of Cambodia has identified the following four key strategies:

- Strategy 1: Improving the Business Environment and Regulatory Framework;**
- Strategy 2: Enhancing Production Capacity, Services, and Adoption of Technology and Innovation;**
- Strategy 3: Strengthening Competitiveness in Domestic and International Markets;**
- Strategy 4: Developing Support Infrastructure.**



4.1.1. Improving the Business Environment and Regulatory Framework

This strategy focuses on improving the business environment and regulatory framework by reducing legal and administrative barriers, enhancing the effectiveness of policies supporting MSMEs, and strengthening investor confidence, thereby enabling MSMEs to establish, expand and strengthen their capacity in a resilient and sustainable manner. To improve the business environment and regulatory framework, this strategy focuses on the following three key areas:

4.1.1.1. Improving Regulatory Framework

Improving the regulatory framework will focus on all stages of the business lifecycle—from business establishment and operation to business closure—by ensuring that procedures are clear and transparent. This will provide an essential foundation for the growth of MSMEs and strengthen investor confidence. To this end, the Royal Government will implement the following key measures:

1. Establish a definition of MSMEs that is clear, practical and consistently applicable across all ministries and institutions.
2. Develop incentive mechanisms for MSMEs, both in general and on a sectoral basis, focusing on tax and customs incentives, the reduction or simplification of other fiscal obligations, the improvement of business conditions, the simplification of procedures for obtaining permits and export-import documentation, and the provision of grace periods for registration compliance, with the aim of encouraging the formal registration of MSMEs and supporting MSMEs with genuine capacity and potential for enterprise development.
3. Develop a business closure mechanism that is clear and comprehensive, ensuring simplicity, efficiency and safeguards against the evasion of legal obligations.
4. Strengthen the implementation of and regularly update relevant regulations and legal instruments to facilitate MSME operations.
5. Review and streamline existing legal and regulatory requirements (such as licenses, permits, inspection procedures and compliance verification requirements) applicable to MSMEs to avoid overlapping implementation that results in unnecessary costs, time and high business expenses, while ensuring a level playing field for competition.
6. Strengthen the dissemination of laws and regulations relating to MSMEs to the business community.
7. Develop a legal instrument on MSME development incorporating provisions on the definition and classification criteria for MSMEs, legal forms of business, classification mechanisms, licensing regime, intervention packages, reclassification mechanisms, graduation from MSME status, and business closure.

4.1.1.2. Further Improving the Public Service Delivery System for Businesses

This section focuses on reviewing and improving the public service delivery system for businesses, covering business registration, applications for relevant licenses, and official recognition as an MSME, with the aim of enhancing the efficiency and effectiveness of the system while making it more convenient for businesses. To this end, the Royal Government will implement the following key measures:

1. Develop and implement a business registration and classification system for MSMEs through a Single Portal that is simple and requires only limited information, while incorporating a mechanism for the classification and official recognition of MSMEs at the time of registration.
2. Digitalize public service delivery systems to ensure efficiency, transparency, interoperability, data security, and more accessible services for citizens and businesses.
3. Study and establish a reclassification mechanism to be conducted every three years to verify and update the size and status of both newly registered and existing registered MSMEs.
4. Establish mechanisms for data provision and information sharing, public communications, grievance handling, and advisory services.
5. Establish a Support Desk or online advisory service to assist MSMEs and facilitate export and import procedures.

4.1.1.3. Strengthening Public Sector Capacity and Promoting Public–Private Partnerships

This section focuses on strengthening the capacity of public institutions to lead, manage and monitor the status of MSMEs by improving the efficiency and governance of public administration, while also promoting collaboration with the private sector to support the inclusive and sustainable development of MSMEs. To this end, the Royal Government will implement the following key measures:

1. Strengthen associations and federations representing MSMEs nationwide to serve as partners of the public sector, development partners and other relevant stakeholders, and promote consultations between MSME representatives and relevant ministries and institutions through the Government–Private Sector Forum (G-PSF).
2. Strengthen the capacity of public officials in line with the policy framework and enhance governance to support MSMEs.
3. Establish mechanisms to strengthen the capacity of MSMEs in sustainable business management, organizational management, financial and digital literacy, and awareness of laws, regulations and policies.

4. Continue to promote women's entrepreneurship and support women-led MSMEs by strengthening the Women's Economic and Entrepreneurship Development Center and Women's Development Centers in the provinces.

4.1.2. Enhancing Production Capacity, Services, and Adoption of Technology and Innovation

This strategy focuses primarily on enhancing the production capacity and service delivery of MSMEs to produce quality products and services that meet domestic demand, substitute imports, and expand export opportunities through technology adoption, capacity development, and integration into domestic, regional and global value chains. To enhance production, services, and adoption of technology and innovation, the Royal Government focuses on the following three key areas:

4.1.2.1. Promoting Entrepreneurship and Advancing Technology Development and Innovation

Promoting entrepreneurship and advancing technology development and innovation will strengthen the technical skills, expertise and technology adoption of MSMEs, which constitute an important component of the national economic structure. To this end, the Royal Government will implement the following key measures:

1. Establish technical assistance programs and training for MSME personnel, focusing on technology transfer and innovation, e-commerce, business management, and productivity and quality improvement to enhance the competitiveness of MSMEs in domestic and international markets.
2. Encourage MSMEs to adopt e-commerce, digital marketplaces, financial technology, accounting software, the Cambodia Electronic Invoicing System (CamInvoice), and artificial intelligence tools to improve business management efficiency.
3. Establish mechanisms to promote and incentivize MSMEs to digitalize their production, processing, and service operations through the adoption of technology and the use of modern equipment and machinery that enhance productivity.
4. Strengthen the protection of intellectual property to promote research, innovation and sustainable competitiveness, and develop and disseminate information systems to enhance awareness of intellectual property.
5. Promote linkages between traditional artisans, investors and innovators to enhance the cultural value of Cambodian products.
6. Encourage investment in research and development (R&D) and innovation projects through resource support from the National Research Foundation.

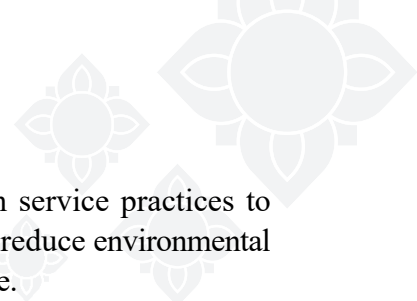
4.1.2.2. Promoting the Integration of MSMEs into Global Value Chains through Backward and Forward Linkages

This measure will establish a new ecosystem to strengthen the integration of MSMEs into global value chains through backward and forward linkages, which are key components of MSME development. At present, most MSMEs continue to operate independently and have yet to integrate into large industries or international markets. To this end, the Royal Government will implement the following key measures:

1. Study and implement programs to promote linkages between MSMEs and export-oriented FDI firms, large enterprises and domestic processors through business networking and business matching events between large enterprises and MSMEs, supplier development programs, information facilitation, capacity building, financial support and technical assistance, with the aim of strengthening domestic value chain integration and enhancing the industrial capabilities of MSMEs.
2. Strengthen the quality of MSME products and services to comply with standards and meet the requirements of large enterprises, processors and buyers in value chains.
3. Develop and implement Local Sourcing and Subcontracting programs with industries located both inside and outside Special Economic Zones to increase the use of domestic inputs and services.
4. Strengthen support mechanisms and provide financial assistance through the SME Linkage Fund or Matching Grant programs implemented through Khmer Enterprise to improve production capacity and product quality.
5. Promote linkages between agricultural producer groups and processors, collectors, distributors and markets to support the production activities of MSMEs.

4.1.2.3. Promoting Green Production, Green Services and the Circular Economy

This area focuses on strengthening green production, green services and the adoption of the circular economy in line with the principles of the green economy and sustainable economy, with the aim of reducing environmental impacts, ensuring sustainable development, and responding to emerging market trends, particularly for exports. To this end, the Royal Government will implement the following key measures:

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1. Encourage MSMEs to adopt green production and green service practices to improve the efficient use of natural resources and energy, reduce environmental pollution, and effectively manage all types of industrial waste.
 2. Encourage MSMEs to adopt circular economy principles to recover and recycle industrial waste into new products with higher value added.
 3. Encourage MSMEs to use green labels for products that comply with standards, meet environmental safety requirements, and are produced in accordance with sustainability principles, in order to strengthen market confidence and enhance competitiveness in domestic and international markets.
 4. Provide incentives to MSMEs that successfully adopt environmentally friendly business practices.

4.1.3. Strengthening Competitiveness in Domestic and International Markets

Strengthening competitiveness in domestic and international markets is a key strategy for responding to the global economic environment, where markets are increasingly competitive and require higher productivity, quality and standards. To this end, the Royal Government will strengthen the competitiveness of MSMEs by focusing on the following three key areas:

4.1.3.1. Promoting and Enhancing Productivity

Enhancing productivity will focus on promoting innovative production, reducing production costs, improving quality, integrating technology, strengthening workforce capabilities, and increasing production efficiency. To this end, the Royal Government will implement the following key measures:

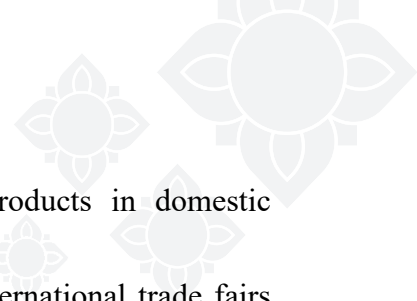
1. Promote the implementation of domestic production promotion programs to substitute imports of strategic products with strong potential, while providing financial, non-financial, technical and compliance support.
2. Promote the adoption of productivity tools, including 5S, Quality Control Circles (QCC), Kaizen, Lean, Cleaner Production, Green Productivity, and Total Quality Management (TQM).
3. Promote the transformation of family-based MSMEs into industrial MSMEs and provide financial support through the Productivity Improvement Fund or Matching Grant program to facilitate technology transfer and innovation across production value chains.

4. Develop an average productivity index as a basis for measuring and reflecting the economic performance, management practices and productivity levels of MSMEs, and for benchmarking these against international productivity indicators.

4.1.3.2. Promoting Quality and Standards

Promoting the quality and standards of MSME products will be advanced through strengthening the National Quality Infrastructure (NQI) and encouraging MSMEs to improve product quality in accordance with international standards, such as ISO, HACCP, GMP, Halal and Organic Certification. To this end, the Royal Government will implement the following key measures:

1. Study, develop and implement export promotion programs for small and medium enterprises in priority sectors, focusing on products with export potential and competitive advantage, through financial, technical, market and regulatory support.
2. Strengthen the National Quality Infrastructure (NQI) by investing in the establishment and capacity development of laboratories and metrology centers, enhancing the international recognition of Cambodia's laboratory testing, inspection and product certification results, and expanding technical assistance, human resource development for testing laboratories, and advisory services to enable MSMEs to obtain international certifications such as ISO, HACCP, GMP and Eco-label.
3. Strengthen the capacity of MSMEs in quality management, product design and packaging innovation.
4. Build the "Made in Cambodia" brand by focusing on improving product quality and attractiveness, strengthening consumer confidence, and promoting Cambodian products in domestic and international markets, while encouraging MSMEs to use origin labels such as "Sourced in Cambodia," "Packaged in Cambodia," "Made in Cambodia," and "Product of Cambodia" for products that are manufactured, assembled, processed, transformed or otherwise produced in Cambodia and comply with quality and safety standards.
5. Promote marketing and market cooperation, expand markets, and develop new standards to boost export by developing technology for the modernization of production value chains.
6. Promote the adoption of Good Agricultural Practices (GAP), Good Animal Hygiene Practices (GAHP), and Good Aquaculture Practices (GAQP) to ensure the quality, safety and competitiveness of agricultural, agro-industrial and aquaculture products.

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7. Coordinate and support market access for MSME products in domestic supermarkets.
 8. Promote and support the participation of MSMEs in international trade fairs to enhance their understanding of new technologies and international market requirements, particularly for women entrepreneurs and sectors with export potential.
 9. Establish measures to regulate imported goods, including food, non-food products, equipment and consumer goods, by introducing requirements for product registration, product information and usage labeling, and supporting documentation demonstrating product quality and safety.

4.1.3.3. Strengthening the Implementation of Bilateral and Multilateral Trade Agreements at Both National and International Levels

In this area, MSMEs can access domestic and international markets by seizing new opportunities to diversify their products and services in accordance with international standards, with the aim of enhancing their capacity and export quality for partner markets. To this end, the Royal Government will implement the following key measures:

1. Increase the provision of information and raise awareness among MSMEs on export procedures and requirements in accordance with regional and international free trade agreements by compiling and disseminating information on product quality standards and export requirements of countries that are parties to memoranda of understanding and free trade agreements, thereby enhancing awareness and enabling MSMEs to seize new market opportunities.
2. Study and develop mechanisms for product traceability for export products, with a focus on selected products with strong potential to comply with Environmental, Social and Governance (ESG) standards.
3. Disseminate market information, business opportunities, and regional and global value chain requirements to MSMEs for products, processed agricultural products and services.

4.1.4. Developing Support Infrastructure

Effective support infrastructure is essential for facilitating the operations of MSMEs, enabling them to expand their production capacity and ensuring the sustainable growth of the sector. To this end, the Royal Government will implement the following key support measures:

4.1.4.1. Developing Physical Infrastructure to Support MSMEs

This area focuses on strengthening existing physical infrastructure and developing new infrastructure to enhance the productivity, competitiveness and product diversification of MSMEs. To this end, the Royal Government will implement the following key measures:

1. Develop and implement the relevant regulatory framework for the development of MSME and handicraft clusters.
2. Promote the development of MSME and handicraft clusters in strategic locations by providing support infrastructure, including roads, electricity, clean water, telecommunications and safe waste management systems, through public–private partnerships (PPPs) and private investment.
3. Strengthen the supply and use of renewable and clean energy, while promoting energy efficiency.
4. Establish an MSME supplier database to showcase production and service capabilities.

4.1.4.2. Expanding Access to Finance and Credit

To improve access to finance, the Royal Government will create an enabling environment for MSMEs to access various sources of finance to expand their production capacity. To this end, the Royal Government will implement the following key measures:

1. Promote financial products tailored to the needs of MSMEs, including blended financing, supply chain financing, trade finance, and financing based on business plans, income and expenditure, to help MSMEs increase their working capital and investment capital.
2. Promote beyond-financing support services to create value added for clients and support MSMEs in business registration, financial literacy, and legal advisory services related to compliance with applicable regulations.
3. Continue strengthening the Royal Government’s credit guarantee system through the Credit Guarantee Corporation of Cambodia (CGCC) to further improve MSMEs’ access to finance for expanding their operations.
4. Promote the participation of the private sector and international development partners in providing credit, deposits or investment through appropriate financing mechanisms, including the establishment of SME Co-Financing Mechanisms.

5. Develop enterprise digital adoption programs, including training on digital accounting, e-invoicing, simplified financial reporting, digital financial reporting platforms, and financial management tools, to enable MSMEs to manage cash flow and financial resources more effectively.
6. Promote opportunities for MSMEs with strong operational performance, proper accounting records, and financial statements prepared in accordance with applicable accounting standards to participate in the SME Board of the Cambodia Securities Exchange, enabling them to raise additional investment capital and strengthen investor confidence.
7. Encourage MSMEs to utilize private financing instruments, such as venture capital funds and capital market financing, to attract private investment and secure long-term investment capital for expanding production capacity, innovation, and access to international markets.
8. Strengthen the credit guarantee system, develop financial technology (FinTech), and expand digital lending platforms to facilitate MSMEs' access to finance and credit.
9. Provide targeted support to young entrepreneurs, women entrepreneurs and vulnerable groups through entrepreneurship development programs, women's entrepreneurship networks, and soft loan or matching grant programs with low interest rates and flexible repayment terms to support business start-ups, innovation and sustainable business expansion.
10. Explore the feasibility of providing additional budget allocations to the Agricultural and Rural Development Bank (ARDB) and SME Bank of Cambodia to facilitate access by domestic enterprises to appropriately sized and longer-term loans.

4.1.4.3. Promoting Soft Infrastructure to Support MSMEs

The development of soft infrastructure will focus on technical skills development, strengthening labor market information systems, and promoting social protection and decent working conditions to enhance productivity and innovation, while creating market demand to support MSMEs in generating employment, promoting domestic products, and contributing to domestic economic development. To this end, the Royal Government will implement the following key measures:

1. Develop training programs for MSMEs on quality management, innovative processing, and packaging.

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2. Promote training for MSMEs in technical skills, quality management, digital skills, e-commerce, green skills, and green technologies through existing mechanisms, including the Skills Development Fund, the Techo Startup Center, and Khmer Enterprise.
 3. Establish a National MSME Incubation Center.
 4. Study and develop mechanisms to facilitate the participation of MSMEs in supplying goods and services to public institutions through government procurement quotas for MSMEs.
 5. Promote workforce skills development and capacity building through upskilling, reskilling, lifelong learning, skills training at all levels for enterprise owners and employees, and the expansion of skills assessment and recognition through certification systems and Recognition of Prior Learning (RPL).
 6. Strengthen partnerships between MSMEs and TVET institutions through work-based learning, apprenticeships, internships, and dual training to ensure that training programs respond to the actual needs of the labor market and enterprises.
 7. Strengthen labor market information systems and skills demand forecasting by enhancing mechanisms for collecting, analyzing and disseminating labor market information, while developing forecasting mechanisms for skills demand and priority occupations for MSMEs to serve as a solid foundation for effective training programs and skills development.
 8. Expand social security coverage and promote better working conditions for MSMEs to enhance enterprise resilience, strengthen human resource management and industrial relations, retain the workforce, improve workers' welfare, increase productivity, reduce labor turnover, and support the transition into the formal sector.

4.2. Key Action Plans

To ensure the achievement of the vision and measures set out above, the Royal Government has identified key actions by sector and designated lead, coordinating and implementing ministries and institutions, as detailed in Annex 1 of this Strategy. Each key action shall be accompanied by a specific action plan to support the implementation of this National Strategy. The results of these action plans shall be measurable and accompanied by estimated budget requirements.

At the same time, all relevant ministries and institutions shall develop detailed sectoral action plans to contribute to the successful implementation of the measures and key actions under this Strategy.

PART V

RISK MANAGEMENT

To ensure that MSMEs are able to withstand risks and continue to develop sustainably, it is necessary to establish a formal risk management system capable of monitoring, forecasting and responding to risks in a timely manner. Such a system will include the development of an Early Warning System using data analytics and Market Intelligence to anticipate economic risks; the establishment of a Risk Database to collect information on financial, technological, environmental and market risks; and capacity building through training for MSMEs on risk assessment and business continuity planning. Three major categories of risk have been identified:

- **Internal risks of MSMEs:** Ineffective management, shortages of skilled personnel, insufficient operating capital, inadequate accounting records, financial statements that do not comply with applicable accounting standards, and product quality that does not meet market requirements are internal risks that may result in low productivity, loss of market opportunities, difficulty in obtaining bank credit, and barriers to exports. Mitigation measures include training through MSME training centers and other training programs, the use of Digital HR systems and accounting software, improving financial literacy, and supporting MSMEs in obtaining product or service certifications in compliance with Cambodian Standards, or quality management system certifications such as CS ISO 9001, or food safety management system certifications such as CS HACCP and CS ISO 22000, in accordance with Cambodian Standards for production and service management systems, through the Institute of Standards of Cambodia, laboratories, and public communication systems.
- **External risks:** External factors include changes in international markets, exchange rate fluctuations, the complexity and uncertainty of the global economy, climate and environmental challenges, and cybersecurity risks. These may lead to revenue losses, loss of global markets, increases in product or raw material costs, reduced competitiveness, damage to production, and harm to business reputation. Mitigation measures include product and market diversification, the use of Market Intelligence Tools, the establishment of risk information mechanisms, financial insurance, the adoption of Climate-smart Agriculture, the use of Green Finance and Agricultural Insurance, and strengthening digital security.
- **Control system risks:** Control system risks arise from inadequate control systems and insufficient data for risk analysis and assessment, preventing institutions from receiving early warning information before risks occur and from responding in a timely manner. These risks can be mitigated through the establishment of a risk management unit, the development of an early warning system, strengthening data-driven decision-making, and establishing emergency support funds to ensure timely and effective responses during crises.

PART VI

INSTITUTIONAL ARRANGEMENTS AND MONITORING AND EVALUATION

Successful implementation of this National Strategy requires clearly defined roles and responsibilities for ministries and institutions in accordance with the “Dynamics of Stakeholder System” approach, which emphasizes collaboration, participation and joint implementation through a spirit of initiative, active engagement and interaction. Accordingly, the Strategy identifies the following key actors: the National MSME Development Strategy Implementation Steering Committee (MSME-SC), implementing ministries and institutions, and the private sector. These stakeholders shall work together to collect, verify and consolidate progress in implementing the action plans, ensure the achievement of the key performance indicators established under this framework, and strengthen alignment between policies, strategies, sectoral action plans and other strategic plans.

6.1. Institutional Framework and Coordination Mechanism

6.1.1. National MSME Development Strategy Implementation Steering Committee (MSME-SC)

To lead and coordinate the implementation of this National Strategy, the Royal Government will establish the MSME-SC under the umbrella of the Economic and Financial Policy Committee (EFPC) by revising the mechanism of the existing SME Promotion Policy Committee, established in 2020 under Sub-Decree No. 61 ANKr.BK dated 19 May 2020. The MSME-SC shall have the following functions and responsibilities:

- Approve the key performance indicators (KPIs) and oversee the monitoring and evaluation of the implementation of the National Strategy on the Development of MSMEs 2026–2030.
- Lead, coordinate and resolve structural and inter-institutional issues related to MSME development.
- Coordinate policy-level cooperation with development partners in promoting MSME development in Cambodia.
- Lead the preparation and submission of policy measures and strategic recommendations to the Royal Government for consideration and decision to further promote MSME development as needed.
- Convene at least one meeting each year to review the implementation status, progress and challenges of the National Strategy, as well as other related issues.

- Coordinate the preparation of an annual report to the Royal Government on the progress and challenges of implementing this National Strategy, based on the established targets and indicators, to support the formulation of appropriate response measures during implementation.

The MSME-SC shall be chaired by a Deputy Prime Minister, with three Vice-Chairpersons, comprising the Minister of Industry, Science, Technology & Innovation as the Permanent Vice-Chairperson, the Minister of Agriculture, Forestry and Fisheries, and the Minister of Commerce as Vice-Chairpersons. Ministers and heads of relevant ministries and institutions shall serve as members. The detailed composition of the MSME-SC shall be determined by a decision of the Royal Government of Cambodia.

The MSME-SC may establish subcommittees or technical working groups, as necessary, to carry out the functions described above. It shall be supported by a Secretariat, which will serve as the coordinating body for the implementation of this Strategy and other related activities.

6.1.2. Secretariat of the MSME-SC

The Secretariat shall be headed by a Chairperson, who shall be a Secretary of State of MISTI, and shall have three Vice-Chairpersons, comprising Secretaries of State from MEF, MAFF, and MoC.

Secretaries of State or Under Secretaries of State representing other relevant ministries and institutions shall serve as members. The composition, roles and responsibilities of the Secretariat of the MSME-SC shall be determined by a decision of the Chairperson of the MSME-SC.

As the overall coordinating body for the implementation of this framework, the Secretariat shall have the following roles and responsibilities:

- Serve as the secretariat of the MSME-SC in monitoring and evaluating the implementation of this National Strategy.
- Lead the development and establishment of the monitoring and evaluation system and develop relevant legal and regulatory instruments relating to monitoring and evaluation.
- Lead the development of policies, legal and regulatory instruments, and relevant guidelines to support monitoring and evaluation.
- Lead, provide direction and coordinate with ministries and institutions in the preparation of statistical data related to the implementation of this framework.

- Lead, approve and coordinate capacity-building programs and evaluation plans with relevant ministries and institutions for the implementation of this National Strategy.
- Review, submit proposals and report to the Royal Government according to specified timelines, with flexibility based on actual circumstances.
- Encourage ministries and institutions to address priority issues that are delayed or showing limited progress. Where key reform and strategic challenges require policy-level decisions, report them to the MSME-SC for submission to the Head of the Royal Government for consideration and decision.
- Provide recommendations and direction on adjustments to sectoral policies and national strategies, revisions to plans and implementation mechanisms, and submit such proposals to the MSME-SC for decision.
- Ensure the quality of evaluations by reviewing compliance with the established evaluation principles, standards and procedures.
- Organize quarterly meetings to review the progress of the Secretariat's work.
- Oversee the preparation of evaluation plans and mobilize the necessary resources, including human resources, budget and equipment, to ensure the effective implementation of evaluation activities.
- Prepare and propose guidelines related to the monitoring and evaluation of this National Strategy to the MSME-SC for review and decision.

6.1.3. Implementing Ministries and Institutions

- 1. Ministry of Industry, Science, Technology & Innovation (MISTI):** Lead and coordinate the implementation of the National Strategy, prepare annual implementation plans, and submit progress reports to the MSME-SC and the Royal Government.
- 2. Ministry of Commerce (MoC):** Develop domestic and international markets, and lead digital trade and e-commerce platform programs.
- 3. Ministry of Economy and Finance (MEF):** Provide financial support, promote participation in new financial instruments, and manage and support tax measures and tax incentives for MSMEs.
- 4. Ministry of Education, Youth and Sport (MoEYS) and Ministry of Labour and Vocational Training (MoLVT):** Align education programs with labor market needs and provide workforce training, including digital and green skills.
- 5. National Bank of Cambodia (NBC) and financial institutions:** Support access to credit, establish financial guarantee mechanisms, and promote the use of FinTech, while private sector and industry associations provide feedback from MSMEs and serve as key partners in Public–Private Dialogue.

6. **Ministry of Public Works and Transport (MPWT), Ministry of Mines and Energy (MME), and Ministry of Post and Telecommunications (MPTC):** Develop physical infrastructure to support MSMEs, including roads, electricity and telecommunications networks, while contributing to reducing MSMEs' operating costs.
7. **Relevant ministries and institutions:** Promote the implementation of MSME-related activities within their respective sectors.

6.1.4. Resources for Strategy Implementation

The resources required for implementing this National Strategy shall include the national budget, resources from national and international organizations, development partners, the private sector, and other lawful sources. At the same time, ministries and institutions shall make efficient use of their existing human and financial resources within their current frameworks and mechanisms to implement the key action plans. Relevant ministries and institutions shall also contribute to broader reform efforts in line with the Royal Government's political commitment, including reducing administrative procedures and accepting certain trade-offs where necessary, so that MSME development can proceed more rapidly, robustly, sustainably and resiliently, while safeguarding national economic sovereignty.

6.2. Monitoring and Evaluation of the Implementation of the National Strategy

6.2.1. Monitoring and Evaluation Mechanism

6.2.1.1. Definition and Scope

Monitoring and evaluation of the implementation of the National Strategy is a management function that involves collecting and compiling achievements or actual results from the implementation of action plans to ensure that the planned activities carried out by the relevant ministries and institutions are successfully delivered. Progress reports, field verification visits, and discussion and consultation meetings shall be conducted to verify implementation progress, validate results, and identify the causes and supporting evidence where implementation falls behind schedule or fails to achieve the planned results. Based on these monitoring results, notifications or recommendations on implementation delays shall be promptly submitted to the leadership to enable timely interventions, corrective measures and adjustments to the implementation of action plans, ensuring that the intended results are achieved effectively and on time.

Monitoring shall measure progress against specific action plans, with particular emphasis on the annual implementation progress of the National Strategy and the results achieved each year.

6.2.1.2. Monitoring Methods

The Secretariat of the MSME-SC shall use the following methods to monitor the implementation progress of the action plans: (1) Review of progress reports; (2) Field verification visits; and (3) Discussion and consultation meetings. In addition, the Secretariat shall develop and operate a reporting and monitoring system with an information dashboard to display the implementation progress of action plans and to support the preparation of results reports and progress reports for submission to the Royal Government for review and guidance.

Table 3. Methods for Monitoring

Methods	Application
Report review	• Review semi-annual and annual reports on the implementation of the National Strategy prepared by the relevant implementing ministries and institutions. • Report and prepare monitoring and evaluation reports highlighting key progress, identifying challenges, and presenting recommendations and proposed solutions.
Field verification visits	• Field verification visits shall be conducted through: (1) instructions of the Royal Government; or (2) proposals submitted to the Royal Government by the MSME-SC for consideration and decision.
Discussion and consultation meetings	• Discussion and consultation meetings shall be organized with: (1) implementing ministries and institutions; and (2) internal meetings of the Secretariat of the MSME-SC to verify implementation, particularly where key progress has not been achieved or implementation is delayed. • Where necessary, the Secretariat of the MSME-SC may convene meetings with development partners or other relevant stakeholders to gather additional inputs.

6.2.1.3. Monitoring and Evaluation Framework Process



This M&E reporting framework establishes the reporting flow for progress reporting and the responsibilities of the MSME-SC, working groups, and relevant ministries and institutions responsible for leading and participating in implementation. These entities shall coordinate, compile and provide statistical information and data in accordance with the timelines specified under this framework.

The reporting flow among the MSME-SC, working groups, and relevant ministries and institutions shall operate as follows:

- a) Ministries and institutions responsible for leading and participating in implementation, for which performance indicators have been established, shall verify and consolidate statistical information and data for progress reporting.
- b) The Secretariat of the MSME-SC shall prepare monitoring and evaluation reports, formulate recommendations, and report the consolidated and evaluated results to Samdech Thipadei Prime Minister for consideration and decision. Samdech Thipadei Prime Minister may check implementation progress through the dashboard.

6.2.1.4. Reporting Timeline

Relevant ministries and institutions participating in the implementation of this framework shall comply with the reporting timelines as follows:

- Semi-annual monitoring and evaluation reports shall be submitted ***no later than one month*** after the end of each half-year period.
- Annual monitoring and evaluation reports shall be submitted ***no later than two months*** after the end of each fiscal year.
- The mid-term report shall be submitted ***by the second quarter of 2028***.
- The end-term report shall be submitted ***by the second quarter of 2030***.

The Secretariat of the MSME-SC shall prepare each report according to the following specified timelines:

- The consolidated semi-annual monitoring and evaluation report shall be

completed no later than one month after receiving the semi-annual monitoring and evaluation reports from the relevant ministries and institutions.

- The annual monitoring and evaluation report shall be completed no later than two months after receiving annual monitoring and evaluation reports from the relevant ministries and institutions.
- The end-term report shall be completed no later than three months after receiving the end-term monitoring and evaluation report from the relevant ministries and institutions.

6.2.2. Evaluation Mechanism

Evaluation is an evidence-based assessment involving in-depth analysis to identify the reasons behind the results of the National Strategy implementation, while considering aspects such as relevance, coherence, consistency, effectiveness, efficiency, impact and sustainability. Evaluation of the implementation of the National Strategy is divided into two types: the mid-term and end-term evaluations of the Strategy, and rapid evaluation.

6.2.2.1. Mid-Term and End-Term Evaluations of the National Strategy

The mid-term and end-term evaluations of the National Strategy on the Development of MSMEs are comprehensive reviews conducted at the midpoint of the Strategy in 2028 and at the end of the Strategy in 2030, with the following objectives:

- a. Measure and review the achievements of action plan implementation against the established targets and objectives.
- b. Assess the medium- and long-term results and impacts on progress and structural changes in Cambodia's socio-economic development.
- c. Provide lessons learned and best practices from the implementation of the National Strategy, including successes and challenges, as a basis for preparing the next National Strategy in a more comprehensive manner.

6.2.2.2. Rapid Evaluation

Rapid evaluation is an evaluation method applied to specific issues that emerge during the implementation of this National Strategy, with the aims of 1) quickly identifying the root causes of problems to avoid serious negative impacts on the successful implementation of this National Strategy; and 2) providing timely recommendations for improvement and resolution, enabling relevant parties to make adjustments and redirect implementation.

Rapid evaluation focuses on addressing key challenges identified through monitoring



reports on the progress of action plan implementation. Rapid evaluation shall be conducted based on a decision of the Secretariat of the MSME-SC or under the guidance of the MSME-SC. Overall, this evaluation shall focus on implementation of the National Strategy that is delayed or has made no progress.

6.2.2.3. Data Collection Methods for Evaluation

Data collection methods for evaluation include document review, interviews, group discussions, case studies, direct observation and field missions, among others.

PART VII

CONCLUSION

Promoting the development of MSMEs is essential for national economic development, as they provide employment to approximately 70% of the total labor force. The Royal Government has, therefore, decided to introduce the “**National Strategy on the Development of Micro, Small and Medium Enterprises 2026–2030**,” which reflects a long-term strategic direction to ensure sustainable, inclusive and resilient national economic growth over the long term through economic diversification, strengthened competitiveness, and improved productivity and productive capacity.

This National Strategy will contribute to the Royal Government’s efforts to ensure job creation, equity and efficiency, as highlighted in the Pentagonal Strategy–Phase I of the Royal Government of the Seventh Legislature of the National Assembly, towards achieving sustainable development and contributing to the long-term vision of transforming Cambodia into a high-income country by 2050, so that every Cambodian citizen has employment stability and lives in prosperity and social harmony. Through this National Strategy, MSMEs will have opportunities and access to financial, non-financial, technical and infrastructure support to build a strong enterprise base, strengthen production capacity and competitiveness, and capture higher value added in both domestic and international markets.

The National Strategy on the Development of MSMEs 2026–2030 will focus on four key strategies: 1) improving the business environment and regulatory framework; 2) enhancing production capacity, services and the adoption of technology and innovation; 3) strengthening competitiveness in domestic and international markets; and 4) developing support infrastructure.

The success of this National Strategy is an inter-ministerial, inter-institutional and cross-sectoral responsibility that requires strong political will, synergistic participation and close cooperation among relevant ministries and institutions in jointly thinking and acting with a spirit of responsibility, in accordance with the “Dynamics of Stakeholder System” approach. The Royal Government will establish the MSME-SC as an institutional mechanism comprising relevant ministries and institutions to cooperate and contribute to promoting the successful implementation of this National Strategy.

This Strategy is a “living document” that may be further amended as necessary to ensure consistency and relevance in line with actual socio-economic developments at the national, regional and global levels, as well as findings from the monitoring and evaluation of the implementation of this Strategy.

ANNEX 1: Key Action Plan Matrix for Implementing the National Strategy on the Development of MSMEs 2026–2030

No.	Key Action Plans	Responsible Entities	Timeline
STRATEGY 1: IMPROVING THE BUSINESS ENVIRONMENT AND REGULATORY FRAMEWORK			
1.1. Improving Relevant Regulatory Frameworks			
1	Establish a definition of MSMEs that is clear, practical and consistently applicable across all ministries and institutions.	- MEF - MISTI - MoC - LMs	2026-2027
2	Establish incentive mechanisms for MSMEs, in general or by sector, focusing on tax and customs incentives; reducing or simplifying other tax burdens; facilitating business conditions; simplifying procedures for applying for documents and for exports and imports; and providing a grace period for meeting registration compliance requirements, with the aim of promoting the formal registration of MSMEs and supporting MSMEs with genuine capacity and potential for enterprise development.	- MEF - MISTI - LMs	2026-2027
3	Develop a business closure mechanism that is clear and comprehensive, ensuring simplicity, efficiency and safeguards against the evasion of legal obligations.	- MEF - MISTI - GDT - LMs	2026-2027
4	Strengthen the implementation of and regularly update relevant regulations and legal instruments to facilitate MSME operations.	- MISTI - MEF - MoC - MoLVT - CDC - OCM - LMs	2026-2027

No.	Key Action Plans	Responsible Entities	Timeline
5	Review and streamline existing legal and regulatory requirements (such as licenses, permits, inspection procedures and compliance verification requirements) applicable to MSMEs to avoid overlapping implementation that results in unnecessary costs, time and high business expenses, while ensuring a level playing field for competition.	- MISTI - MEF - MoC - MoLVT - OCM - LMs	2026-2027
6	Strengthen the dissemination of laws and regulations relating to MSMEs to the business community.	- MISTI - MEF - MoC - MoLVT - LMs	2026-2030
7	Develop legal instruments on MSME development incorporating provisions on the definition and classification criteria for MSMEs, legal forms of business, classification mechanisms, licensing regime, intervention packages, reclassification mechanisms, graduation from MSME status, and business closure.	- MEF - MISTI - GDT - LMs	2026-2027
1.2. Further Improving the Public Service Delivery System for Businesses			
1	Develop and implement a business registration and classification system for MSMEs through a Single Portal that is simple and requires only limited information, while incorporating a mechanism for the classification and official recognition of MSMEs at the time of registration.	- MEF - MISTI - GDT - MoC - MoLVT - LMs	2026-2027
2	Digitalize public service delivery systems to ensure efficiency, transparency, interoperability, data security, and more accessible services for citizens and businesses.	-General Secretariat of DEBC - MISTI - MEF - MPTC - LMs	2026-2030

No.	Key Action Plans	Responsible Entities	Timeline
3	Study and establish a reclassification mechanism to be conducted every three years to verify and update the size and status of both newly registered and existing registered MSMEs.	- MEF - MISTI - MoC - LMs	2026-2027
4	Establish mechanisms for data provision and information sharing, public communications, grievance handling, and advisory services.	- MISTI - MEF - MoP - LMs	2026-2027
5	Establish a Support Desk or online advisory service to assist MSMEs and facilitate export and import procedures.	- GDCE	2026-2027
1.3. Strengthening Public Sector Capacity and Promoting Public–Private Partnerships			
1	Strengthen associations and federations representing MSMEs nationwide to serve as partners of the public sector, development partners and other relevant stakeholders, and promote consultations between MSME representatives and relevant ministries and institutions through the Government–Private Sector Forum (G-PSF).	- MISTI - MEF - MoC - MoLVT - LMs	2026-2030
2	Strengthen the capacity of public officials in line with the policy framework and enhance governance to support MSMEs.	- MISTI - MEF - MoC - MoLVT - LMs	2026-2030

No.	Key Action Plans	Responsible Entities	Timeline
3	Establish mechanisms to strengthen the capacity of MSMEs in sustainable business management, organizational management, financial and digital literacy, and awareness of laws, regulations and policies.	- MISTI - MPTC - MoC - LMs - Private sector - DPs	2026-2030
4	Continue to promote women's entrepreneurship and support women-led MSMEs by strengthening the Women's Economic and Entrepreneurship Development Center and Women's Development Centers in the provinces.	- MISTI - MoWA - LMs - Private sector - DPs	2026-2030
STRATEGY 2: ENHANCING PRODUCTION CAPACITY, SERVICES, AND ADOPTION OF TECHNOLOGY AND INNOVATION			
2.1. Promoting Entrepreneurship and Advancing Technology and Innovation			
1	Establish technical assistance programs and training for MSME personnel, focusing on technology transfer and innovation, e-commerce, business management, and productivity and quality improvement to enhance the competitiveness of MSMEs in domestic and international markets.	- MISTI - MoC - MPTC - MoLVT - KE - TSC - SDF - LMs - Private sector	2026-2030
2	Encourage MSMEs to adopt e-commerce, digital marketplaces, financial technology, accounting software, the Cambodia Electronic Invoicing System (CamInvoice), and artificial intelligence tools to improve business management efficiency.	- MISTI - MoC - MPTC - MEF - LMs	2026-2030

No.	Key Action Plans	Responsible Entities	Timeline
3	Establish mechanisms to promote and incentivize MSMEs to digitalize their production process and services through the adoption of technology and the use of modern equipment and machinery that enhance productivity.	- MISTI - MPTC - MEF - LMs	2026-2030
4	Strengthen the protection of intellectual property to promote research, innovation and sustainable competitiveness, and develop and disseminate information systems to enhance awareness of intellectual property.	- MISTI - MoC - MAFF - LMs	2026-2030
5	Promote linkages between traditional artisans, investors and innovators to enhance the cultural value of Cambodian products.	- MISTI - MCFA - LMs	2026-2030
6	Encourage investment in research and development (R&D) and innovation projects through financial support from the National Research Foundation.	- MEF - MISTI - MCFA - LMs	2026-2030
2.2. Promoting the Integration of MSMEs into Global Value Chains through Backward and Forward Linkages			
1	Study and implement programs to promote linkages between MSMEs and export-oriented FDI firms, large enterprises and domestic processors through business networking and business matching events between large enterprises and MSMEs, supplier development programs, information facilitation, capacity building, financial support and technical assistance, with the aim of strengthening domestic value chain integration and enhancing the industrial capabilities of MSMEs.	- MISTI - MoC - MEF - CDC - MAFF - LMs	2026-2028

No.	Key Action Plans	Responsible Entities	Timeline
2	Strengthen the quality of MSME products and services to comply with standards and meet the requirements of large enterprises, processors and buyers in value chains.	- MISTI - LMs	2026-2030
3	Develop and implement Local Sourcing and Subcontracting programs with industries located both inside and outside Special Economic Zones to increase the use of domestic inputs and services.	- MISTI - MoC - MEF - CDC - MAFF - LMs	2026-2030
4	Strengthen support mechanisms and provide financial assistance through the SME Linkage Fund or Matching Grant programs implemented through Khmer Enterprise to improve production capacity and product quality.	- MISTI - KE - LMs	2026-2030
5	Promote linkages between agricultural producer groups and processors, collectors, distributors and markets to support the production activities of MSMEs.	- MISTI - MAFF - MEF - LMs	2026-2030

2.3. Promoting Green Production, Green Services and the Circular Economy

1	Encourage MSMEs to adopt green production and green service practices to improve the efficient use of natural resources and energy, reduce environmental pollution, and effectively manage all types of industrial waste.	- MISTI - MAFF - MEF - MoE - LMs	2026-2030
2	Encourage MSMEs to adopt circular economy principles to recover and recycle industrial waste into new products with higher value added.	- MISTI - MAFF - MEF - MoE - LMs	2026-2030



No.	Key Action Plans	Responsible Entities	Timeline
3	Encourage MSMEs to use green labels for products that comply with standards, meet environmental safety requirements, and are produced in accordance with sustainability principles, in order to strengthen market confidence and enhance competitiveness in domestic and international markets.	- MISTI - MoC - MEF - MoE - LMs	2026-2030
4	Provide incentives to MSMEs that successfully adopt environmentally friendly business practices.	- MISTI - MoE - LMs	2026-2030

STRATEGY 3: STRENGTHENING COMPETITIVENESS IN DOMESTIC AND INTERNATIONAL MARKETS

3.1. Promoting and Enhancing Productivity

1	Promote the implementation of domestic production promotion programs to substitute imports of strategic products with strong potential, while providing financial, non-financial, technical and compliance support.	- MEF - MISTI - LMs	2026-2028
2	Promote the adoption of productivity tools, including 5S, Quality Control Circles (QCC), Kaizen, Lean, Cleaner Production, Green Productivity, and Total Quality Management (TQM).	- MISTI - LMs	2026-2030
3	Promote the transformation of family-based MSMEs into industrial MSMEs and provide financial support through the Productivity Improvement Fund or Matching Grant program to facilitate technology transfer and innovation across production value chains.	- MISTI - MEF - TSC - SME Bank - ARDB - KE - LMs	2026-2030

No.	Key Action Plans	Responsible Entities	Timeline
4	Develop an average productivity index as a basis for measuring and reflecting the economic performance, management practices and productivity levels of MSMEs, and for benchmarking these against international productivity indicators.	- MISTI - MEF - LMs	2026-2027
3.2. Promoting Quality and Standards			
1	Study, develop and implement export promotion programs for small and medium enterprises in priority sectors, focusing on products with export potential and competitive advantage, through financial, technical, market and regulatory support.	- MEF - MoC - MISTI - LMs	2026-2028
2	Strengthen the National Quality Infrastructure (NQI) by investing in the establishment and capacity development of laboratories and metrology centers, enhancing the international recognition of Cambodia's testing, analytical, inspection and product certification results, and expanding technical assistance, human resource development for testing laboratories, and advisory services to enable MSMEs to obtain international certifications such as ISO, HACCP, GMP and Eco-label.	- MISTI - MoC - MAFF - LMs	2026-2028
3	Strengthen the capacity of MSMEs in quality management, product design and packaging innovation.	- MISTI - LMs	2026-2028

No.	Key Action Plans	Responsible Entities	Timeline
4	Build the “Made in Cambodia” brand by focusing on improving product quality and attractiveness, strengthening consumer confidence, and promoting Cambodian products in domestic and international markets, while encouraging MSMEs to use origin labels such as “Sourced in Cambodia,” “Packaged in Cambodia,” “Made in Cambodia,” and “Product of Cambodia” for products that are manufactured, assembled, processed, transformed or otherwise produced in Cambodia and comply with quality and safety standards.	- MoC - MISTI - LMs	2026-2028
5	Promote marketing and market cooperation, expand markets, and develop new standards to boost export by developing technology for the modernization of production value chains.	- MoC - LMs	2026-2030
6	Promote the adoption of Good Agricultural Practices (GAP), Good Animal Hygiene Practices (GAHP), and Good Aquaculture Practices (GAQP) to ensure the quality, safety and competitiveness of agricultural, agro-industrial and aquaculture products.	- MISTI - MAFF - LMs	2026-2030
7	Coordinate and support market access for MSME products in domestic supermarkets.	- MoC - MISTI - LMs	2026-2030
8	Promote and support the participation of MSMEs in international trade fairs to enhance their understanding of new technologies and international market requirements, particularly for women entrepreneurs and sectors with export potential.	- MoC - LMs	2026-2030

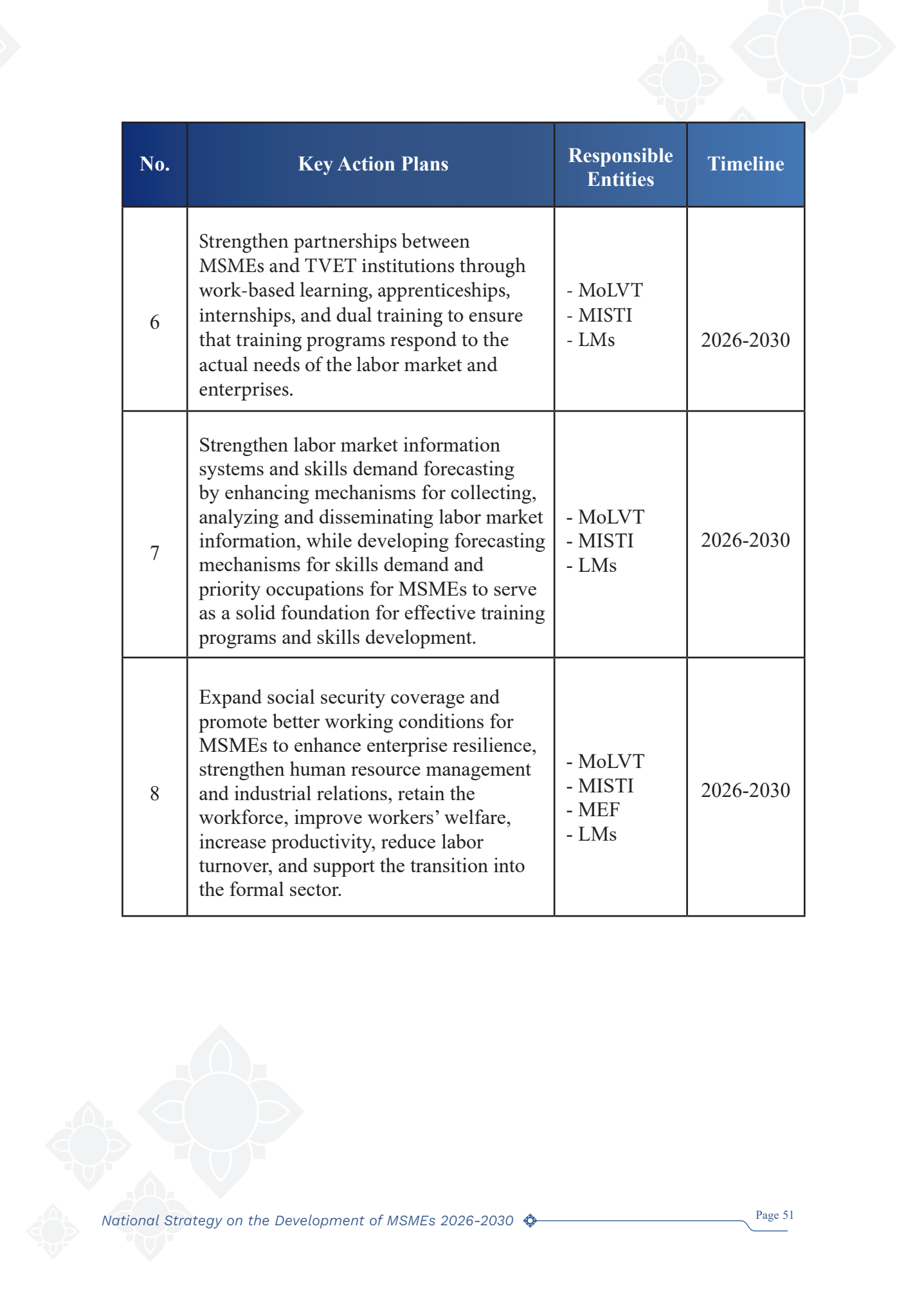
No.	Key Action Plans	Responsible Entities	Timeline
9	Establish measures to regulate imported goods, including food, non-food products, equipment and consumer goods, by introducing requirements for product registration, product information and usage labeling, and supporting documentation demonstrating product quality and safety.	- MISTI - MoC - GDCE - LMs	2026-2030
3.3. Strengthening Implementation of Trade Agreements			
1	Increase the provision of information and raise awareness among MSMEs on export procedures and requirements in accordance with regional and international free trade agreements by compiling and disseminating information on product quality standards and export requirements of countries that are parties to memoranda of understanding and free trade agreements, thereby enhancing awareness and enabling MSMEs to seize new market opportunities.	- MoC - LMs	2026-2030
2	Study and develop mechanisms for product traceability for export products, with a focus on selected products with strong potential to comply with Environmental, Social and Governance (ESG) standards.	- MoC - MISTI - LMs	2026-2028
3	Disseminate market information, business opportunities, and regional and global value chain requirements to MSMEs for products, processed agricultural products and services.	- MoC - MISTI - LMs	2026-2030

No.	Key Action Plans	Responsible Entities	Timeline
STRATEGY 4: DEVELOPING SUPPORT INFRASTRUCTURE			
4.1. Developing Physical Infrastructure to Support MSMEs			
1	Develop and implement the relevant regulatory framework for the development of MSME and handicraft clusters.	- MISTI - CDC - MME - MPWT - LMs	2026-2027
2	Promote the development of MSME and handicraft clusters in strategic locations by providing support infrastructure, including roads, electricity, clean water, telecommunications and safe waste management systems, through public-private partnerships (PPPs) and private investment.	- MISTI - CDC - MME - MPWT - LMs	2026-2030
3	Strengthen the supply and use of renewable and clean energy, while promoting energy efficiency.	- MME - MISTI	2026-2030
4	Establish an MSME supplier database to showcase production and service capabilities.	- MISTI - LMs	2026-2027
4.2. Expanding Access to Finance and Credit			
1	Promote financial products tailored to the needs of MSMEs, including blended financing, supply chain financing, trade finance, and financing based on business plans, income and expenditure, to help MSMEs increase their working capital and investment capital.	- MEF - NBC - SME Bank - ARDB - LMs	2026-2028

No.	Key Action Plans	Responsible Entities	Timeline
2	Promote beyond-financing support services to create value added for clients and support MSMEs in business registration, financial literacy, and legal advisory services related to compliance with applicable regulations.	- MEF - NBC - CGCC - KE - SDF - LMs	2026-2030
3	Continue strengthening the Royal Government's credit guarantee system through the Credit Guarantee Corporation of Cambodia (CGCC) to further improve MSMEs' access to finance for expanding their operations.	- MEF - NBC - CGCC - LMs	2026-2030
4	Promote the participation of the private sector and international development partners in providing credit, deposits or investment through appropriate financing mechanisms, including the establishment of SME Co-Financing Mechanisms.	- MEF - MISTI - NBC - LMs - Private sector - DPs	2026-2030
5	Develop enterprise digital adoption programs, including training on digital accounting, e-invoicing, simplified financial reporting, digital financial reporting platforms, and financial management tools, to enable MSMEs to manage cash flow and financial resources more effectively.	- MEF - NBC - LMs	2026-2030
6	Promote opportunities for MSMEs with strong operational performance, proper accounting records, and financial statements prepared in accordance with applicable accounting standards to participate in the SME Board of the Cambodia Securities Exchange, enabling them to raise additional investment capital and strengthen investor confidence.	- MEF - NBC - NBFSA - LMs - DPs	2026-2030

No.	Key Action Plans	Responsible Entities	Timeline
7	Encourage MSMEs to utilize private financing instruments, such as venture capital funds and capital market financing, to attract private investment and secure long-term investment capital for expanding production capacity, innovation, and access to international markets.	- MEF - NBC - NBFSA - LMs - DPs	2026-2030
8	Strengthen the credit guarantee system, develop financial technology (FinTech), and expand digital lending platforms to facilitate MSMEs' access to finance and credit.	- MEF - NBC - MISTI - SME Bank - ARDB - CGCC - LMs	2026-2028
9	Provide targeted support to young entrepreneurs, women entrepreneurs and vulnerable groups through entrepreneurship development programs, women's entrepreneurship networks, and soft loan or matching grant programs with low interest rates and flexible repayment terms to support business start-ups, innovation and sustainable business expansion.	- MISTI - MEF - MoWA - NBC - LMs	2026-2030
10	Explore the feasibility of providing additional budget allocations to the Agricultural and Rural Development Bank (ARDB) and SME Bank of Cambodia to facilitate access by domestic enterprises to appropriately sized and longer-term loans.	- MEF - SME Bank - ARDB	2026-2030

No.	Key Action Plans	Responsible Entities	Timeline
4.3. Promoting Soft Infrastructure to Support MSMEs			
1	Develop training programs for MSMEs on quality management, innovative processing, and packaging.	- MISTI - LMs - Private Sector	2026-2030
2	Promote training for MSMEs in technical skills, quality management, digital skills, e-commerce, green skills, and green technologies through existing mechanisms, including the Skills Development Fund, the Techo Startup Center, and Khmer Enterprise.	- MISTI - MEF - MoLVT - LMs	2026-2028
3	Establish a National MSME Incubation Center.	- MISTI - MEF - LMs	2027-2030
4	Study and develop mechanisms to facilitate the participation of MSMEs in supplying goods and services to public institutions through government procurement quotas for MSMEs.	- MoC - MISTI - MEF - LMs	2026-2030
5	Promote workforce skills development and capacity building through upskilling, reskilling, lifelong learning, skills training at all levels for enterprise owners and employees, and the expansion of skills assessment and recognition through certification systems and Recognition of Prior Learning (RPL).	- MoLVT - MISTI - MEF - SDF - LMs	2026-2030



No.	Key Action Plans	Responsible Entities	Timeline
6	Strengthen partnerships between MSMEs and TVET institutions through work-based learning, apprenticeships, internships, and dual training to ensure that training programs respond to the actual needs of the labor market and enterprises.	- MoLVT - MISTI - LMs	2026-2030
7	Strengthen labor market information systems and skills demand forecasting by enhancing mechanisms for collecting, analyzing and disseminating labor market information, while developing forecasting mechanisms for skills demand and priority occupations for MSMEs to serve as a solid foundation for effective training programs and skills development.	- MoLVT - MISTI - LMs	2026-2030
8	Expand social security coverage and promote better working conditions for MSMEs to enhance enterprise resilience, strengthen human resource management and industrial relations, retain the workforce, improve workers' welfare, increase productivity, reduce labor turnover, and support the transition into the formal sector.	- MoLVT - MISTI - MEF - LMs	2026-2030

