Cambodia Accepts UPI Payments

Prelims: *Current events of national and international importance | Bilateral relations*

Why in News?

Cambodia Becomes 9th Country Where Indian Travellers Can Make UPI Payments.

- **Ease of Cross-Border Payments -** The introduction of UPI-enabled QR payments simplifies cross-border transactions, especially for tourists accustomed to cashless systems.
- In the first phase, Indian travellers visiting Cambodia can now make QR-based payments seamlessly across the country.
- **Institutional Partnership**
  - The initiative was launched through a partnership between ***NPCI International Payments Limited (NIPL) and ACLEDA Bank Public Limited Company*** in Cambodia.
- **Two-Way Payment Corridor**
  - **Current Phase -** Focuses on enabling Indian travellers to pay in Cambodia.
  - **Next Phase -** Will expand into a bi-directional corridor, allowing Cambodian citizens visiting India to use their domestic banking and mobile apps to scan UPI QR codes at millions of Indian outlets.
- **Advantages for Travellers**
  - Eliminates the need to carry large amounts of cash.
  - Reduces concerns over fluctuating exchange rates.
  - Enhances ease, security, and comfort for tourists in shopping, dining, and other transactions.
  - Provides a familiar payment ecosystem abroad, reducing transaction friction.
- **Boost for Local Businesses in Cambodia**
  - Cambodian merchants gain access to a digitally active Indian tourist base.

    - Benefits include increased spending, faster transactions, and reduced dependence on cash.
    - Digital payments improve operational efficiency, lower overhead costs, and enable secure, real-time settlements — particularly valuable for small and medium enterprises (SMEs).
- **Strategic Significance**
    - Strengthens India's digital diplomacy and financial integration with Southeast Asia.
    - Enhances soft power by exporting India's successful digital payment model.
    - Supports regional economic cooperation and aligns with India's broader Indo-Pacific strategy.

Other Countries that accepted UPI payments are Singapore, United Arab Emirates (UAE), France, Mauritius, Bhutan, Nepal, Sri Lanka, and Qatar.

Reference

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