

INSIGHTS

Ethical AI and Privacy: International Lessons and Local Actions

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Introduction

With the very rapid growth of artificial intelligence (AI), it is currently reshaping the ways in which societies and economies function worldwide. The very promise held by AI integration is that it could increase a worker's productivity and thereby engender economic growth worldwide by 2024, according to McKinsey forecasts (Chui et al., 2023). Nevertheless, there exist challenges that disallow the smooth functioning of AI technologies within organizational performance. One thicker issue is a threat of automation in the displacement of human labor, with a subsequent social problem of job loss (Chui et al., 2023).

According to research, more than 73% of governments and corporations globally have implemented AI into their operations (Founders Forum Group, 2025). However, there are possible risks associated with the widespread use of AI. There are significant privacy and system security concerns which can outweigh the potential advantages that could accrue from an AI system able to gather, store, process, and reuse sensitive data (Binsaeed et al.). Therefore, international organizations have intervened to enact laws such as the General Data Protection Regulation [GDPR], the EU AI Act, the UNESCO [United Nations Educational, Scientific and Cultural Organization] Recommendation on AI Ethics, and the ASEAN AI Governance and Ethics Guidelines. These prescribed rules are meant for safeguarding the personal information and to build the framework of ethical AI development.

Cambodia is also seeing the rise of AI technologies, including tools like Cambodia is seeing the rise of AI technologies, including tools for everyday work. Predictions suggest that by 2025, about 6.9 to 7 million people in Cambodia will use these technologies (Chaker & González de Alba, 2025). As more people start using AI, Cambodia needs to create rules and policies to safeguard AI data, like in other ASEAN countries. Without these regulations, Cambodian society could face risks such as misuse of consumer data in e-commerce and fintech, weak protections in digital identification systems, and a lack of oversight in future smart city projects.

This article gives an overview of international studies on privacy and ethical AI. It also discusses what Cambodia could do to create clear rules or guidelines for ethical AI that consider data privacy. It does not go into deep legal analysis.

International Lesson

In the course of engineering AI systems, a range of questions arise in terms of ethics, society, and privacy to name a few. Worldwide governments and international bodies have sought

means to attempt to address some of these concerns. A few major initiatives stand out due to their importance and influence.

The European Union [EU] has taken a leading role in the governance of AI. GDPR is often viewed as the strongest set of rules for protecting personal information. It gives people more control over what happens to their data and puts major responsibilities on companies. Building on this, the EU's AI Act (2024) uses a system based on the potential risks of an AI system. It sorts AI into groups like "completely unacceptable risk," "high risk," and "limited risk," and each group has its own specific rules that organizations must follow (Regulation (EU) 2024/1689, 2024).

The Organization for Economic Cooperation and Development [OECD] announced the OECD Principles on AI in 2019-the first intergovernmental standards for trustworthy AI. These principles stand for inclusive growth, human-centered values, transparency, robustness, and accountability. The G20 supported these principles, thereby providing this framework with broad international legitimacy (OECD, 2019).

In 2021, member states of UNESCO embraced the first-ever global normative framework concerning AI ethics. One of the chief proposals centers on assuring protection, honoring dignity and acceptance, respecting cultures, and ensuring sustainable well-being. It stresses an evaluation of the social repercussions brought about by AI within a serious ethical context; it considers transparency concerning used AI systems and how those accountable-for-the-design-and-use processes might be tracked (UNESCO, 2021). Southeast Asia, in 2023, was bringing forth rules from ASEAN in nurturing AI amongst being innovative and ethical. The guidelines demand that transparency and fairness be assured and create avenues for nations to partner among themselves. They speak of the need for ASEAN-wide directives (Association of Southeast Asian Nations [ASEAN], 2023).

In a way, these frameworks are very different from each other. But above all, they reveal that AI must be developed and used in ways that protect human rights, ensuring that accountability is achieved while fostering public trust. There seems to be an emerging consensus among the international players, from the fully-fledged legally binding framework of the EU through the global ethical framework of UNESCO and the regional frameworks of ASEAN: that ethical and privacy issues are inextricably linked to AI development.

Cambodia's Context

Cambodia is rapidly adopting AI, but safeguards for responsible and ethical use, as well as individual privacy, haven't kept pace. While a proposed law to protect personal information has been drafted and a cybersecurity law is under reviewed, neither has been officially implemented. This means people in Cambodia currently lack proper protections in this new age of AI (UNESCO, 2025). The existing laws, like the Telecommunications Law (2015) and Sub-Decree No. 110 (2017), offer some coverage but do not specifically tackle the unique risks of AI.

Cambodia is making headway at the policy front. A draft National AI Strategy 2025–2030, led by the Ministry of Post and Telecommunications [MPTC], and the AI Landscape report (2023) by the Ministry of Industry, Science, Technology, and Innovation [MISTI] both address responsible adoption and identify governance gaps. It is already being used in e-commerce, fintech, smart cities, and digital identification technologies. It improves efficiency but also creates challenges with respect to misuse of data, profiling, algorithmic bias, and surveillance (MISTI, 2023).

In the interest of advancing innovation, MISTI has formed partnerships with DFINITY Foundation on blockchain and AI infrastructure and with Huawei on research and development, talent development, and aligning with the Digital Tech Roadmap of the MISTI (2023) (MISTI, 2025). Meanwhile, UNESCO's AI Readiness Assessment (2025) and the AI Readiness framework with the Cambodia Academy of Digital Technology [CADT] and the MPTC, assess Cambodia's legal and institutional frameworks and encourage Cambodia to strengthen AI ethics and protection of privacy safeguards consistent with international standards.

Although AI is fast developing, if regards worthy obstructions of ethical mechanics and data safeguards, then its furtherance can pose numerous hazards. These include unfair decision-making because of prejudice, lack of transparency on how AI arrived at a result, shrinking responsibility from the consequences of AI, and threats to personal privacy (UNESCO, 2025; Gomstyn & Jonker, 2024). An unchecked AI can lead to privacy violations, where it would go about gathering our personal data without consent, further giving rise to surveillance, identity theft, and human-rights violations (Lumenalta, 2024; DataGuard, 2024).

Despite these dangers, Cambodia has a chance to create ethical AI and privacy safeguards right away. UNESCO's Artificial Intelligence Readiness Assessment Tool for policymakers, the

National AI Strategy 2025-2030, the Digital Tech Roadmap, and some digital literacy and capacity building from MISTI could, it is hoped, help Cambodia meet international standards and learn from the best practices, while also helping improve awareness and trust in the country. If done rightly, Cambodia will be a digital economy that protects citizens' rights and remedies for innovation and social development.

Local Actions / Policy Options

The country's path with AI is bright with possibilities, yet it is still at a crossroads and shadowed by gaps in legal frameworks, institutional strength, and public awareness. The option is there for Cambodia to have its own comprehensive data protection law at par with local norms, and economic advancement by studying modern and older data protection laws from EU and ASEAN peers and carefully adapting them to Cambodia's present institutional realities.

1. Adopt a Comprehensive Data Protection Law

In order to address the enormous challenges of data protection and the data situation as it currently stands, the MPTC prepared the Law on Personal Data Protection standard and completed a final draft on 23 June 2025, which plans to come into force on 1 January 2026 (Open Development Cambodia, 2025). The draft law demonstrates some of the structure of the GDPR, according to legislative reviews, indicating the GDPR is being adapted to suit the Cambodian context. To ensure compliance with Articles 5, 6, and 35 of the GDPR, the draft proposes to rely on notice and consent primarily as grounds for data processing while giving attention to accessing, rectifying, erasing, porting, and objection (UNESCO, 2025).

Even so, critical gaps remain. The current draft does not provide compensation mechanisms for data breaches, and it currently applies only to the private sector, leaving public-sector processing outside its scope. As a general rule in Cambodia, Sub-Decrees and Prakas are expected to help interpret and provide further comprehensive legislation for the implementation. This means the effectiveness of the Personal Data Protection Law will depend not only on its statutory text but also on the clarity and enforcement of these implementing regulations.

To develop a meaningful framework, Cambodia should protect the public and private sectors, expressly regulate AI-related data utilization and automated decision-making in line with GDPR Article 22, and generate a truly independent Data Protection Authority with statutory independence. Ultimately, also generate a full-length Data Protection Law.

2. Develop Ethical AI Guidelines

Cambodia has noted increased usage of AI tools for fintech, e-commerce, public service applications, and consumer-facing applications like ChatGPT and Gemini. Estimates show that from 2025, around 6.9 and 7 million Cambodians will be engaged and will have used AI tools (Chaker & Gonzalez de Alba, 2025). Along with chances for growth and efficiency, these new technologies also raise ethical issues about privacy, surveillance, and fairness in developing digital identity systems, improving healthcare, and pushing forward city initiatives (UNESCO, 2025).

International guidelines, such as the UNESCO Recommendation on the Ethics of Artificial Intelligence and the ASEAN AI Governance and Ethics Guidelines, provide helpful real-world instances of how to tackle the problems and potential dangers that come with using AI. These guidelines are built upon important principles like openness, responsibility, fairness, and safeguarding fundamental freedoms (UNESCO, 2025). Establishing national ethical guidelines for Cambodia, underpinned by these values, can deter irresponsible uses of AI at a national level, as well as encourage innovation based on a sense of social responsibility.

3. Institutional Strengthening

For AI governance in Cambodia to be truly effective, institutional frameworks must be set in place for overseeing data protection, ensuring the ethical use of AI, and guaranteeing regulatory compliances. But as the first step in that process, there needs to be established an independent data protection authority (DPA), one vested with statutory independence and with mandates and resources adequate to accomplish its mandate. Among other duties, it would monitor the use of AI systems, enforce the Personal Data Protection Law, issue guidelines, and investigate breaches, as well as illicit uses. Without an empowered DPA, enforcement of laws will be weak, oversight will be inconsistent, and the public may rather distrust AI systems (UNESCO, 2025).

4. Prioritize High-Risk Sectors

AI, though unquestionably holding revolutionary potential for Cambodia's numerous industries, poses enormous dangers, particularly where sensitive data is being handled. Industries such as fintech, health tech, innovative city projects, and digital identity-based systems are most vulnerable. Insufficient regulatory frameworks in these technologies don't generate hypothetical threats—they generate actual ones like privacy invasion, increased discrimination, and less protection for fundamental human rights.

Consider the fintech sector. AI now plays a key role in processes like credit scoring, loan approval, and managing digital payment systems. These applications require large amounts of personal and financial information. If the algorithms behind these systems are not properly controlled, not thoroughly tested, or based on unconscious bias, the risks include exclusion from important financial services, institutional discrimination, and greater chances of systemic fraud (Lei, 2025). The risks are genuine and, unless addressed, will likely outweigh the pledged benefits of technological advancement in the three areas.

The use of AI in smart cities and digital IDs also raises serious concerns regarding mass data collection, inertia towards privacy, and real consent. With AI-driven technology being involved in the delivery of public services, and with it, increases in traffic management, surveillance technology, and e-governance, concerns regarding data stewardship and rights become much more palpable and urgent (Ho, 2024). These issues require not just technical fixes but also longer-term and effective regulation, oversight, and public involvement in governing how AI systems are used.

5. Capacity Building & Awareness

To make AI governance in Cambodia function, capacity development among policymakers, regulators, and the private sector is necessary. Education would need to focus on AI technologies, data protection needs, ethical questions, and sector-specific regulatory customs. With officials and industry participants possessing the necessary skills, Cambodia can make AI deployment innovative and synchronized with emerging legal structures (UNESCO, 2025). Public awareness is equally important. It's important for people to understand AI. People should be aware of how AI impacts their personal data and what to do in the event that they run into issues. We can help by offering educational programs such as training sessions, public outreach campaigns, and easily accessible online resources. We enable people to use AI safely and effectively by increasing our understanding of it (Chaker & González de Alba, 2025). Raising awareness not only protects individuals but also fosters confidence in the use of AI across different industries.

6. International Cooperation

Since AI technologies and data flows are cross-border, Cambodia must engage proactively with ASEAN as well as other global organizations to align its own policies based on international best practices. It can accomplish this by exchanging knowledge, taking part in cooperative

research projects, and abiding by local, national, and international ethical guidelines for AI governance. The EU GDPR and ASEAN's AI Governance and Ethics Guidelines offer models that can be studied and modified to suit the domestic context of Cambodia. Cambodia can ensure that the adoption of AI advances national development priorities while respecting human rights by striking a balance between innovation and responsibility through coordinated regional and international partnerships (Chaker & González de Alba, 2025).

Conclusion

The emergence of AI in Cambodia brings many opportunities but also significant challenges. Ethical use of AI and the protection of personal data remain major concerns, especially since developed countries already have regulations in place to address these issues, while Cambodia's current framework is still limited. Nonetheless, initiatives like the Digital Tech Roadmap, MISTI's AI Landscape, the UNESCO-CADT AI Readiness Assessment, and the draft National AI Strategy 2025-2030 provide important starting points. The main challenges now are enforcing and adopting clear rules on data protection and ethical AI. Cambodia can improve on international frameworks by creating a strong Data Protection Law, developing ethical AI guidelines, strengthening data protection agencies, focusing on high-risk sectors, and encouraging international cooperation.

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