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## Agriculture

**Sub-decree No. 36 (RGC) dated February 24, 2011 on Agriculture Production by contracts. (R&L/Agri/Khm/2011) (Royal Gazette, Year 11, No. 16, dated February 28, 2011)**

The purposes of the Sub-Decree are to reduce and increase the sale and export of agricultural products. It covers all kinds of agricultural products produced in the Kingdom of Cambodia. The Ministry of Agriculture, Forestry and Fisheries shall work closely with relevant authorities to facilitate the relationship between investors and farmers/producers, to enhance and encourage establishment of agricultural communities, to promote products classification, to facilitate agricultural enterprises, industry and export, to provide timely technical support on seeds, plants, animals, fertilizer and other aspects of agriculture. In addition, the Sub-Decree also states the right and obligation of agricultural producers and purchasers. Agricultural contracts must be in writing and adhere to the provisions in the Civil Code as well as other legal provisions regarding the formation and enforcement of contracts.

## Criminal & Procedure

**Decision No. 003 (RGC) dated January 10, 2011 on Formality and Procedure for the declaration of assets and liabilities. (L&R/Cir&Pro/2011/Kh) (Royal Gazette, Year, No.11, February 12, 2011)**

This decision is intended to set up forms and procedures for debts and property declaration. This decision mainly focused on:

- Personal information for declaring debts and property.
- Forms for declaring property and debts.
- Procedures for declaring property and debts.

## Finance

**Notification No. 001 (MEF) dated January 18, 2011 on Announcement of Public Procurement via Website of the Ministry of Economy and Finance (L&R/Finc/2011) (Royal Gazette, Year 11, No.11, February 12, 2011)**

The Ministry of Economy and Finance created a website ([www.mef.gov.kh/procurement](http://www.mef.gov.kh/procurement)) to publish all announcements for procurement, which is live from February 1, 2011. At this stage, only information regarding national and international competitive bidding will be published. In the future, the Ministry will make information regarding price consultation, price assessment and other procurement-related information accessible to bidders.

## Labor and Social Affairs

**Instructive Circular No. 002 (MEF) dated February 09, 2011 on Procedure for providing the budget for payment of overtime. (R&L/La/So/Khm/2011) (Royal Gazette, Year 11, No. 15, dated February 26, 2011).**

This Instructive Circular seeks effective and transparent rules regarding expenses related to overtime wages, to establish administrative accounting programs on public financial management reform and to improve educational standards at all public educational establishments. This Instructive Circular

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also strictly enforces Sub-Decree No. 38 issued on September 06, 1996.

**Instructive Circular No.01 (RGC) dated February 08, 2011 on Promotion of Qualities and Effectiveness of Technical and Vocational Training (R&L/LU&Edu/2011/Kh) (Royal Gazette, Year 11, No. 11, February 12, 2011).**

This Instructive Circular's core focus is on human resource training to promote socio-economic development to reduce poverty and encourage a higher standard of living. It advocates training to develop skills and create opportunities for socio-economic development, especially for younger generations. The goal of this effort is to attract local and international investment, including a worker exchange program, and to create an Asian Free Trade Zone by 2015.

A government forum on efforts to promote technical and vocational training in the private sector was held on 15th April 27, 2010. That forum included the evaluation of results from the government working group on Technical and Vocational Training. The government's strategy in this area is to promote technical and vocational training in the Kingdom of Cambodia in order to improve socio-economic development and provide for job creation, better jobs and increased incomes, especially for families. Government promotion of technical and vocational training will be equitable and special provision will be made for the most vulnerable in Cambodian society, including women, the disabled, those who lack educational opportunity and other less-fortunate members of society.

The following key strategies will be pursued to effectively realize the goals of this Instructive Circular: Technical and vocational training that meets existing needs in a competitive market workplace, ensuring that such training will increase productivity and therefore be of value in the marketplace, provide for public-private partnerships to provide such training and ensure that any system for providing such training is equitably administered.

## **Taxation**

**Instructive Circular No. 003 (MEF) dated February 10, 2011 on Management of Collection of Tax On Profits and Other Taxes of Insurance Enterprises. (R&L/Tax/Khm/2011) (Royal Gazette, Year 11, No. 15, dated February 26, 2011)**

This Instructive Circular reiterates the primary obligation of insurance companies to pay taxes, which are set out as follows:

1. Tax on Profit

- Premiums from insurance or re-insurance of risks in Cambodia will be taxed at the rate of 5%.
- Other non-insurance related income will be taxed at the rate of 20%.
- Interest income received from banks being subject to withholding taxes is not subject to the Profit Tax.
- Expenses incurred with respect to activities which are subject to the 20% tax on profit may be deductible from the gross income due to such activities.

2. Prepayment of Profit Tax

Insurance companies are liable for normal prepayment of the profit tax at the rate of 1% for non-insurance related companies and to make a monthly prepayment at the rate of 5% of premium turnover profit realized in previous month, within the first 15 days of the subsequent month.

3. Withholding Taxes

The Circular reminds insurance companies that they have to be in compliance with articles 25 and 26 of the Law on Amendment of Law on Taxation regarding withholding taxes. The Circular specifies that payment of re-insurance premiums to a non-resident taxpayer would not be subject to the withholding tax.

4. Salary Tax

Insurance companies are subject to the usual tax on salary as stated in the Tax Law and Notification No. 1173, dated December 31, 2003.

5. Patent Tax

The Circular clearly confirms the obligation of insurance companies to pay their annual patent tax no later than March 31 each year.

## Tobacco

### **Sub-Decree No. 35 (RGC) dated February 24, 2011 on Measures banning the advertisement of Tobacco Products. (R&L/Tob/Khm/2011) (Royal Gazette, Year 11, No. 16, dated February 28, 2011)**

Any means of advertising tobacco products via pictures, letters, sound, radio, television, magazines, CDs, VCDs, DVDs, billboards, banners, paintings, posters or electronic advertising on vehicles and telecommunications services are prohibited. The display or posting of tobacco brand labels or names of tobacco products are authorized only in places or stores where selling cigarettes is permitted, such as in cigarette shops. The Ministry of Health shall issue a Prakas to determine the allowable size and types of brand labels and names of tobacco products posted or displayed in permitted places.

Moreover, advertisements for concerts, sporting events or other public events by a tobacco company or its agent are not allowed, but materials or financial sponsorship for humanitarian or other activities serving the public interest must be allowed. The Sub Decree is effective six months from the date of signing.