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## Accounting

### **Sub-Decree No. 169 (RGC) dated October 09, 2009 on the Utilization of Privatization Account for Public Enterprises (L&R/Acc/2009/Khm)**

This Sub-Decree allows the Ministry of Economy and Finance to use the money from the private accounts of public enterprises established by Law on Finance 2005 (article 83) in order to cover the expense of equipment and decorations for the Office of the Council of Ministers Building and the International Conference Center in the amount of 10,000,000.00 USD.

## Administration

### **Royal Decree NS/RKT/0909/943 dated September 23, 2009 on the Modification and Legalization of the Establishment of the Mekong River National Committee of Cambodia (L&R/Adm/2009/Khm)**

This Royal Decree abrogates the decision by People's Revolutionary Council (Cambodia) No. 319/80 Kor.Bor that established the Cambodian National Mekong Committee ("CNMC"). The CNMC is now classified as one national institution under the direct administration of the Government. Its function and organization are to be determined by Sub-Decree.

The CNMC oversees one operating committee: composed of the Head of the CNMC, Deputy Head of the CNMC, General Secretary and Deputy General Secretary. The full composition of the CNMC is provided in article 2, while the whole list of its functions and duties are in article 3.

## Agriculture

### **Royal Decree NS/RKT/0809/866 dated August 27, 2009 on the Establishment of the Council for Rehabilitation of the Rural and Agricultural Sector**

This Royal Decree establishes the Council for Rehabilitation of the Rural and Agricultural Sector. The Council is composed mostly of Ministers or Secretaries of State from all Ministries, along with the top-level officers of other governmental institutions, including the NBC and CDC. The Council has the position of commanding group, assuming responsibility to coordinate the Government's work developing the rural and agricultural sector. The list of its duties is wholly included in article 4. To ensure its daily functioning, the Royal Decree establishes one operating committee and for that committee there shall be at least one meeting per month in order to monitor and assess the government's work.

There are two important points to notice:

- 1) The Committee has the right to use its separate stamp, and
- 2) Although it receives financing from the Council of Ministers' Budget, the Committee has the right to accept and to manage funds that it might receive from other financing resources such as the foreign governments or NGOs.

This Royal Decree abrogates the previous Royal Decree NS/RKT/1298/104 which was dated December 31, 1998.

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## Business

### Royal Kram NS/RKT/0809/017 dated August 29, 2009 promulgating the law on the Ratification of the Agreement on ASEAN Merchandise Trade (L&R/Bsn/2009/Khm&Eng).

This law was adopted to implement the ASEAN Trade In Goods Agreement (ATIGA) done at Cham Thailand on February 26, 2009 by and between all Member States of ASEAN.

The objective of this Agreement is to achieve the free flow of goods within ASEAN as one of the principal means of establishing a single market and production base for the deeper economic integration of the region towards the realization of the ASEAN Economic Community (AEC) by 2015.

The following are important features of this Agreement:

- Comprehensive coverage - this agreement covers trade-related rules and regulations, including tariff liberalization, non-tariff barrier liberalization, rules of origin, trade facilitation, customs procedures, standards and conformance, and Sanitary and Phytosanitary (SPS) measures.

- Consolidated and streamlined rights and obligations - this agreement consolidates all of ASEAN's existing initiatives, obligations and commitments made with regard to intra-ASEAN trade-in-goods into one comprehensive document in order to be more user-friendly for traders.

- Most-favored nation treatment - if a Member State enters into any agreement with a non-Member State where commitments are more favorable than those accorded under this Agreement, the other Member States have the right to request negotiations with that Member State for treatment no less favorable than is provided under the aforesaid agreement. The decision to extend such tariff preference will be on a unilateral basis. The extension of such tariff preference shall be accorded to all Member States.

- Full tariff reduction schedules - Member States shall eliminate import duties on all products traded between the Member States by 2010 for ASEAN-6 and by 2015, for Cambodia, Laos, Myanmar, and Vietnam (CLMV) with flexibility until 2018.

- Streamlined and unified provisions on modification of concessions and trade remedies - In exceptional circumstances where a Member State faces unforeseen difficulties in implementing its tariff commitments, that Member State may temporarily modify or suspend a concession contained in its Schedules.

- Trade facilitation and related chapters - The ATIGA has taken into account and has dedicated chapters on Trade Facilitation for relevant sectors, i.e. (i) customs, (ii) standards, technical regulations and conformity assessment procedures; and (iii) SPS Measures. The ATIGA details disciplines in these areas to ensure clear and consistent application of trade procedures and establishes formalized contact points for customs authorities to facilitate the resolution of customs-related issues that arise during the import/export of goods.

- Trade repository - An ASEAN Trade Repository containing trade and customs laws and procedures of all Member States shall be established and made accessible to the public through the internet. The ASEAN Trade Repository shall contain trade related information such as (i) tariff nomenclature; (ii) MFN tariffs, preferential tariffs offered under this Agreement, and other Agreements of ASEAN with its Dialogue Partners; (iii) Rules of Origin; (iv) non-tariff measures; (v) national trade and customs laws and rules; (vi) procedures and documentary requirements; (vii) administrative rulings; (viii) best practices in trade facilitation applied by each Member State; and (ix) a list of authorized traders of Member States.

- Issuance of Legal Enactments:

☒ ATIGA provides for the issuance of a single legal enactment for the whole tariff reduction schedule by each Member State.

☒ No later than 90 days for ASEAN-6 and six months after entry into force for CLMV.

• Such enactment will have retroactive effect from 1 January of the year of its entry into force.

In case a single legal enactment cannot be issued, individual legal enactments will be issued 3 months before any tariff reduction takes effect.

## **Criminal & Procedure**

### **Sub-Decree No. 162 (RGC) dated September 25, 2009 on the Establishment of the National Committee for Leading the Task Force to Combat Human Trafficking, Smuggling, Human Exploitation and Sexual Exploitation of Women and Children (L&R/ Crp/2009/Khm)**

This Sub-Decree establishes a National Committee to Combat Human Trafficking, Smuggling, Human Exploitation and Sexual Exploitation of Women and Children committee (the Committee) with its purpose to:

- Cooperate with ministries, partner institutions and other relevant countries in the mentioned matters;
- Examine and evaluate the situation and the execution of projects regarding human trafficking, smuggling, and labor and sexual exploitation;
- Examine and decide on the report to submit to the government;
- Examine and resolve upon requests for advice and give other recommendations;
- Recommend and push the competent authorities and other relevant institutions to take responsibility in this matter;
- Take measures to help preserve and enhance the quality of rehabilitation, integration, and repatriation services for victims of human trafficking;
- Enforce the investigation and the punishment of relevant offenses;
- Enforce to spread out the service to promote citizen confidence;
- Cooperate with relevant working groups;
- Conduct a meeting every trimester to issue a report, resolve requests, and determine purpose and strategy;
- Regularly report to the chief of the government about the relevant action.

The Committee is composed of one president, 4 vice presidents and 15 members arising from the ministries and secretariats.

The Committee contains one secretariat, attached to six technical working groups and municipal and provincial level committees. The secretariat is led by one president and one vice president and the members who are the leaders of the technical working groups.

## **Custom Import & Export**

### **Prakas No. 906 (MoEF) dated October 09, 2009 on the Establishment and Functioning of the Customs-Private Sector Partnership (L&R/CIE/2009/Khm) (Ogs, Year 09, No. 77, October 19, 2009)**

Prakas No.906 establishes a partnership between customs authorities and the private sector. The aim is to provide coordination between the customs administration and the private sector regarding the procedure and timeframe for fulfilling the customs application form. This partnership will coordinate the contributions of relevant companies in the private sector in the establishment and adjustment of any customs regulation.

## Finance and Banking

### **Prakas No. B7.09-216 (NBC) dated September 15, 2009 on Reporting of the Biggest Exposures and Surveillance of Credit Risk Concentration(L&R/Bnk/2009/Khm&Eng)**

This Prakas is comprised of 6 chapters and 16 clauses. It creates an obligation for banks and financial institutions, hereafter called “Institutions”, to establish a comprehensive review of their fifty biggest borrowers on a quarterly basis. If an Institution cannot comply with the requirements set forth in this Prakas then that Institution is required to adapt and upgrade their information management system in order to be able to comply.

Institutions are allowed to determine their own level of exposure and concentration of risk, but should be aware that concentrated credit risks might severely impact their financial situation. This Prakas therefore requires quarterly reports in order to assess potential impacts of the deterioration of big borrowers under adverse economic circumstances. Institutions shall provide their Board Members or Members of their Executive Body with a list of the 50 largest individual or group borrowers and a summary assessment of the borrowers’ overall financial condition. Such report shall, at a minimum, include all the data and information required by the National Bank of Cambodia (NBC).

This Prakas provides for sanctions if Institutions are not compliant with its requirements. This Prakas does not apply to microfinance institutions.

### **Prakas No. B9.09.230 (NBC) dated October 19, 2009 on Money Changer License or Authorization (L&R/Bnk/2009/Khm&Eng)**

The objective of this Prakas is to manage money changer operations in the Kingdom of Cambodia. Any persons desiring to run a money exchange operation shall apply for a license or authorization at the National Bank of Cambodia. The applicant shall have a minimum capital of KHR 80 million (eighty million Riel or around 19,000 USD) permanently deposited at the National Bank of Cambodia, which generates an interest determined by the National Bank of Cambodia. A license is valid for 3 years from the issuance date whereas the authorization is valid for 1 year from the issuance date. In addition, this Prakas sets forth a code of conduct for money changer operations that is attached as an annex.

This Prakas repealed Prakas No. B998-393 PRK, dated August 5, 1998 on the Management of Foreign Exchange dealers.

### **Prakas No. B7.09-213 (NBC) dated September 09, 2009 on the Liberalization of Interest Rate Setting (L&R/Bnk/2009/Khm)**

This Prakas abrogated the Prakas No. B5-95-47 PRK dated March 16, 1995 on the Liberalization of Interest Rates Setting. According to the provisions of the current Prakas, banks and financial institutions have the right to determine the interest rates they charge on deposits and loans both in local and foreign currencies according to their capacity and interest rate policy. At the end of each month, banks and financial institutions must report in writing to the National Bank of Cambodia on the average interest rate they applied to deposits and loans.

### **Prakas No. T5.09.228 BRK dated October 19, 2009 on the Utilization of the Standard Cheque of the National Bank of Cambodia (L&R/CIE/2009/Khm) (Ogs, Year 09, No. 77, October 19, 2009)**

This Prakas is composed of five clauses. Its purpose is to implement two kinds of new standard cheques: the “Riel cheque” and the “US Dollar cheque” which will replace the use of prevailing cheque. The standard cheque of the National Bank of Cambodia, Head office and branch is of the same character except the address. The characters of the said cheque are general and special such as the size, color, leaf, picture on the cheque, location of the cheque number, line using in the cheque... etc. There is a slight different between the “Riel cheque” and “US Dollar cheque.”

## Land & Property

**Sub-Decree No. 168 (RGC) dated October 09, 2009 on the Transfer the Land of 72.82 hectares at Phnom Poon (L&R/L&P/2009/Khm)**

This Sub-Decree aims to classify as private state property 77.82 hectares of land located at Phnom Poon in Phnom Lieav Village, Pong Teuk Commune, Damnak Chang Aer District, Kep Province. It allows for the creation of a long-term lease for the purpose of conservation and development.

## Land Use & Zoning

**Sub-Decree No. 173 (RGC) dated October 14, 2009 on Defining the Management Zones in Natural Protection Zones as Sustainable Usage Zones (L&R/L&Z/2009/Khm)**

This Sub-Decree is composed of three articles. Article 1 establishes the use of 6 defined management zones for an unlimited period. The use of these 6 zones has been given to 6 different private companies for the purpose of investments that aid in development. The Maps and the Coordinates of the zones are described in 6 attached appendices.

## Legal Profession

**Sub-Decree No. 177 (RGC) dated October 14, 2009 on the Establishment of the Legal Council of the Ministry of Interior (L&R/Lgp/2009/Khm)**

This Sub-Decree is comprised of 12 articles and creates the Legal Council of the Ministry of Interior. The purpose of the Council is to assist the Minister in researching and drafting any legal instruments relevant to the Ministry and contribute to the reform of the legal and justice system of the Royal Government. The Council is composed of one President, Vice Presidents and members.

Under article 2 of the Sub-Decree, the Council shall accomplished duties such as doing research with relevant units attached to Ministry of interior and NGOs in drafting legal instruments, raising adjusting the legal instruments which serve the activities of the Ministry of the Interior; watching over the implementation and the advertising of legal instruments; and monitoring the decisions of Capital, Provincial, Municipal, District authorities.

## Telecom/Post/IT

**Prakas No. 206 BT.BRK dated October 05, 2009 on the Interconnection of the Telecommunication Network (L&R/TPI/2009/Khm)**

This Prakas is composed of 19 Articles, ranging from definition, to the purpose and general operational management of the telecommunication business in Cambodia. It aims to determine the rights and obligations of the operators holding licenses or who are otherwise authorized to provide wired telecommunication service in the Kingdom of Cambodia. This Prakas applies to all operators holding licenses or otherwise authorized to offer telecommunication services to the public. Article 1 sets forth the major definitions pertaining to telecommunications.

Article 5 sets forth that the application for wiring shall be made in writing and use a form, stating the date and estimated speed required, as well as other legal requirements imposed upon the telecommunication companies. Article 6 stipulates how wiring costs will be determined. Article 7 determines technical conditions. Article 9 sets forth measures for dispute resolution.

Part 2 of this Prakas sets out its scope and objective, the principle of network wiring, the network wiring capacity plan, the contract to provide network wiring capacity, quality guarantees and reporting requirements.

This Prakas also contains five appendices covering the jam to conversation, usage efficiency, conversation jam report model, and reporting model for eventual conversation jam.

## Tourism

### **Prakas No. 133 BRK dated September 09, 2009 on the Revision of the Organization and Function of the Tourist Industry Department of the General Department of Tourism (L&R/Tou/2009/Khm)**

This Prakas is composed of 7 articles which aim to determine the Organization and Function of the Tourism Industry Department within the General Department of Tourism. The Department is to contribute to the effective, quality and durable management of tourism development.

Under the provisions of this Prakas, the Department, to be lead by one Director assisted by a number of Deputy Directors as necessary, shall determine the mechanism and procedure to monitor and evaluate the Tourism License application form and prepare the legal instruments relevant to the tourism activities for which the Ministry of Tourism is responsible. As stated in this Prakas, there are 9 offices attached to the Department and each office shall accomplish the duties mentioned in clause 6.

1. Office of Hotel and Tourist Stay Service
2. Office of Restaurant and Cantina
3. Office of Tourism Transport
4. Office of Tourism Agent
5. Office of Tourism Guide
6. Office of Tourism Entertainment Service
7. Office of Tourism Sport
8. Office of Tourism Communication and Industrial Information
9. Office of Tourism Security and Safety

## Transportation

### **Sub-Decree No. 163 (RGC) dated October 01, 2009 on the Establishment of the Railway Department under the Ministry of Public Works and Transportation (L&R/Trp/2009/Khm)**

This Sub-Decree aims to establish a railway department under the supervision of the Ministry of Public Works and Transport. The railway department shall be endowed with the following roles and responsibilities: studying, researching, and developing strategies and policies regarding the development and modernization of Cambodia's railway network. In addition, the Department has the right to study, research and prepare any policy regarding the railway in order to strengthen public security, order, traffic, and inspection on railway transportation.

The railway department shall be led by a chairperson and vice-chairpersons as assistants.

### **Sub-Decree No. 164 (RGC) dated October 01, 2009 on the Termination of the Legal Status of the Royal Train of Cambodia (L&R/Trp/2009/Khm)**

This Sub-Decree terminates the legal status of Cambodian Royal Railway, its board of directors, chief executive officer and all of its officials as of November 15, 2009. The Ministry of Economy and Finance shall be responsible for settling all outstanding debts and the remaining balance shall be transferred to the Cambodian government's bank account. All 1102 employees of the Cambodian Royal Railway shall be transferred to the Ministry of Public Works and Transport.