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## Banking

### Procedures in subscribing the Negotiable Certificate of Deposit (NCD) issued by National Bank of Cambodia (NBC)

After the launch of Negotiable Certificate of Deposit (“NCD”) in September 2013, the National Bank of Cambodia (“NBC”) has recently adopted the procedures regarding the subscription for Negotiable Certificate of Deposit (“NCD”) issued by the NBC. Based on this notification, eligible subscribers are all banks and financial institutions. Regarding the subscription procedure, the NBC determines the location, the time, the application form, and the payment method.

The NCD is issued in dematerialized form which shall be deposited at the NBC. Therefore, all subscribers are required to open a custodian account at Securities Management Division of Banking Operation Department, of the NBC. In case of ownership transfer, the parties shall fill out the NBC application form and deliver it to the NBC. After receiving the requests for ownership transfer, the NBC will match the information in both requests and transfer the NCD from custodian account of delivering party to that of receiving party and will inform the concerned parties regarding the result. The payment shall be carried out through the NBC and the delivery of NCD shall be executed at the same time as the payment is done (Delivery vs. Payment). On maturity date, the NBC will transfer the principal and interest amount to the current account of ultimate NCD holder.

## Customs & Import-Export

### Inter-Ministerial Prakas No. 233 dated November 29, 2013 on the Amendment to the Procedure of filing the Foreign-Export Form

The purpose of this Prakas is to facilitate the export of goods from the Kingdom of Cambodia and to revise the payment of services fees and procedure in applying for the Certificate of Origin for the export of goods. The amended requirements for Certificate of Origin are as follows:

- Companies and exporters are not required to apply for the Certificate of Origin if the company or the exporter does not have necessary need or the authorities of the import country does not required the Certificate of Origin. However, they are required to send a letter of notice of the export to the Ministry of Commerce within 30 days from the date of the export.

- Companies and exporters who do not apply for the Certificate of Origin shall fulfill the obligation of payment Export Management Fee as set out by the Inter-Ministerial Prakas No. 274 dated 09 December 2008 and shall be calculated in accordance with Joint Prakas No. 985 dated 28 December 2012. However, companies and exporters who do not apply for the Certificate of Origin shall be exempted from paying Administrative Fee.

The Export Management Fee shall be paid within 30 (thirty) days from the date of export otherwise the company and exporter shall receive a warning or have their rights to export suspended temporarily or definitively.

### Prakas No.200 Dated 02 October 2013 on Use and Determination of Sheets of Certificate of Origin Form A and N for Goods Exported to European and African Continents

This Prakas aims to facilitate the issuance of Certificate of Origin Form A and N for the export of textile, garment and footwear goods as well as agricultural products and other goods to European and African continents. The Certificate of Origin Form A has been simplified which shall be signed and initialed only on the original sheet of the Certificate of Origin by carbon-papering the subsequent sheets and stamped by the Ministry of Commerce’s stamp on all sheets.

The Certificate of Origin Form A and N shall be printed with the following number:

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## ABOUT US

BNG Legal is a leading law firm with offices in Phnom Penh and Yangon providing comprehensive legal services to foreign and local clients.

We differentiate ourselves by coupling a deep understanding of the local business environment with international professionalism and integrity.

We facilitate business, investment and trade between Cambodia, Myanmar and the rest of the world through innovative and cost-effective legal services.

Superior knowledge of local protocol, local procedure, and local people is necessary for any business to succeed in Cambodia, Myanmar and throughout Southeast Asia.

Conducting daily business in Cambodia and Myanmar, BNG Legal is up-to-date with the latest procedures and requirements, helping clients efficiently and successfully complete any project.

## CAMBODIAN LAW BLOG

[cambodianlaw.wordpress.com](http://cambodianlaw.wordpress.com)

BNG Legal believes expanding access to legal information is crucial to rule of law. To that end, several of our legal professionals write a blog discussing recent developments in the legal landscape.

## LEGAL DATABASE

The laws and regulations in our database are based upon the Official Gazettes, law compendiums and other collections from the ministries and institutions of the Royal Government of Cambodia. These are available to the public through our partner site, [www.bnglaw.net](http://www.bnglaw.net).

- Export by sea: 04 sheets per one Certificate of Origin
- Export by air: 06 sheets per one Certificate of Origin
- Export by land/air: 06 sheets per one Certificate of Origin.

This Prakas shall be in effective from the date of signature.

## Company

### Prakas No. 240 dated December 09, 2013 on the Establishment of Single-Window Counter for Commercial Registration Work

This Prakas establishes a new Single-Window Counter for Commercial Registration. All applications for commercial registration and company name search should be brought to the new counter. Any provision contradict to this Prakas will be repealed.

The introduction of this Single-Window Counter is considered as a promotional tool simplifying the procedure for any sole proprietorship or commercial enterprise to make proper commercial registration at the Ministry of Commerce. This will also induce the establishment of the small and medium enterprises in this emerging market.

## Inter-Country Adoption

### Prakas of MOSAVY No. 194 on Organization and Functioning of Central Authority for Inter-Country Adoption, dated November 5, 2013

Prakas of MOSAVY No. 194 on Organization and Functioning of Central Authority for Inter-Country Adoption, dated November 5, 2013, is separated from the abrogated Prakas of MOSAVY No. 1980 on Organization and Functioning of Central Authority for Inter-Country Adoption and Inter-Country Adoption Administration, dated August 18, 2011. The new Prakas has 11 articles effective from the signed date and abrogates the provisions before its date of application.

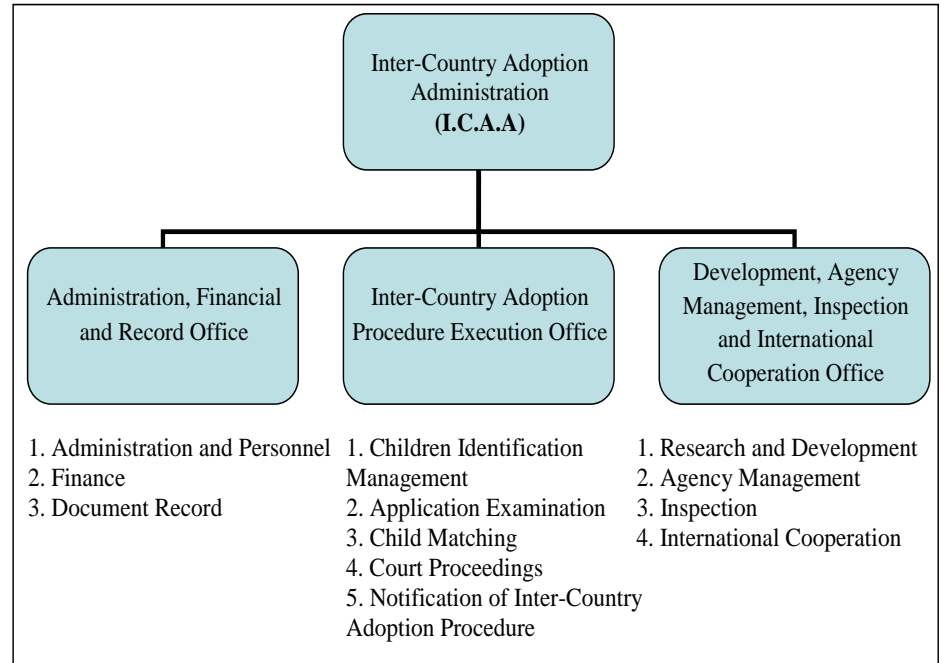
MOSAVY is the Central Authority for Inter-Country Adoption (C.A.I.A) whose duty is to:

1. Adopt and inspect the application of policies, law, regulations and procedure related to the decision on inter-country adoption;
2. Cooperate and coordinate inter-country adoption procedure with relevant competent authorities in Cambodia and in receiving countries;
3. Prevent and take measures against unnecessary processing fees;
4. Train relevant competent authorities;
5. Review requests of ICAA regarding inter-country adoption cases;
6. Inspect inter-country adoption procedure;
7. Take necessary measures in collecting, changing information of the child's situation and preserving the child's profile, identification, the parents' profile and the child's health record;
8. Provide inter-country adoption statistics to other countries as requested;
9. Receive expense, fees and other contributions from prospective adoptive parents through competent authorities;
10. Take in charge in recording, tracking the expense, fees and other contributions collected and transfer it to the account of the committee of management of the humanitarian contributions at national treasure;
11. Report the status of expense, fees and other contributions collected and the transfer into the account monthly, quarterly and annually to the committee of management of the humanitarian contributions;
12. Examine, advise and forward inter-country adoption cases to the Court;
13. Perform other tasks as required by MOSAVY in the application of inter-country adoption procedure following the law and regulation in effect under Cambodian law.

CAIA is led by the committee of CAIA to perform CAIA's duties above, call for meetings and decide on inter-country adoption application.

Prakas of MOSAVY No. 250 on Organization and Functioning of Inter-Country Adoption Administration, dated January 31, 2013

Prakas of MOSAVY No. 250 on Organization and Functioning of Inter-Country Adoption Administration, dated January 31, 2013, is separated from the abrogated Prakas of MOSAVY No. 1980 on Organization and Functioning of Central Authority for Inter-Country Adoption and Inter-Country Adoption Administration, dated August 18, 2011. The new Prakas has 8 articles effective from the signed date and abrogates the provisions before its date of application. The below table is the structure of Inter-Country Adoption Administration (I.C.A.A).



**Joint Prakas of MEF and MOSAVY No. 448 on Determination of Expense, fees and Other Contributions for Inter-Country Adoption, dated April 10, 2013**

Joint Prakas of MEF and MOSAVY No. 448 on Determination of Expense, fees and Other Contributions for Inter-Country Adoption, dated April 10, 2013 has 10 articles and is effective from the signed date. This Prakas determines the expense, fees and other contributions to be paid by prospective parents in applying to adopt one child. The payment is considered as humanitarian contribution to support child-care programs and the orphanages in Cambodia. It is also the processing fee in the inter-country adoption.

The total fee is USD5,000 to be paid to the inter-country adoption agency. In the absence of such agency, the fee is paid to Central Authority for inter-country adoption or the competent authority of the receiving country in charge of inter-country adoption. 70% of the fee is contributed to child-care programs and the orphanages and 30% of the fee is the processing fee in the inter-country adoption. A committee is established to manage these humanitarian contributions. The court fees in processing the inter-country adoption and immigration processing fees are excluded.

**Labor**

**Prakas No.176 Dated 19 June 2013 On Education on Hygiene and Technicality for Occupational Safety to Workers, Shop Stewards and Unions.**

By this Prakas, all employers defined under Article 1 of the Labor Law are obliged to educate workers and their representatives on hygiene, technicality for occupational safety and health issues relevant to works in each workstation, and to provide training on all potential risks and preventive measures. The employers are also obliged to provide those trainings to all workers and representatives who commenced work before the entry into force of this Prakas. Non-compliance with provisions of this Prakas is fined or sanctioned as per Chapter 16 of the Labor Law.

## Real Estate

**Prakas No. 959 dated October 18, 2013 on the establishment of Multi-Working Group for Monitoring on the Standard of Immovable Evaluation in Cambodia. (L&R/Adm/Khm/2013) (Royal Gazette, Year 13, No. 82, dated November 08, 2013).**

This Prakas establishes a working group named “the Mixed Working Group for Reviewing the Draft on Standard of Valuation of Immovable Properties in Cambodia”. This working group is tasked to review the draft and the implementation of the standard of valuation of immovable properties and the code of valuator’s conduct. It also has to participate in drafting legal documents pertaining to the Financial Sector Development Strategy 2011-2020 and to submit reports to the Minister of Economy and Finance for instruction.

## Taxation

**Notification No.2172 dated 29 November 2013 on the Use of Tax Invoice and Commercial Invoice.**

According to article 77, 78, 79 and 98 of Law on Taxation (LoT), all tax payers shall issue invoice on supplies goods or services and make proper record of account thereof.

All Self-Assessment Regime (Real Regime) taxpayer shall use invoice upon the below requirements:

1. The Self-Assessment Regime (Real Regime) taxpayers shall issue invoice when supply goods or services. Tax invoice shall be issue when providing goods or services to other Self-Assessment Regime taxpayer; Commercial Invoice is to be issued to the estimated regime taxpayer and the end user/final consumer.
2. Invoice form shall contain some necessary components as below:
  - a. Name, Address and Tax Identity Number (VAT TIN) of seller
  - b. Date of issue of invoice
  - c. Name, Address and VAT TIN if purchaser is a real regime tax payer
  - d. Quantity, Description and selling price of goods or services
  - e. Total Value excluding Tax and amount of tax in case of issuing Tax invoice or Total value including tax in case of issuing Commercial Invoice.
3. Tax payer shall maintain proper serial invoice number and keep for 10 years.

According to article 128 of LoT, the failure to maintain proper records of account and other documentations or the failure to issue invoices on any transaction shall be considered as an obstruction to the implementation of tax provisions and shall be subject to fine as stated in article 78, 133 and 136 of LoT, including the establishment closing for a specified period, additional tax or subject to prosecution of criminal offense to LoT for a fine up to 10,000,000 Riels (approximately USD 2,500) and an imprisonment up to 1 year or both.