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# **Monthly Law Update**

December 2014

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#### ADMINSTRATIVE AND PUBLIC SECTORS

Decision No.146 Dated 24 October 2014 On The Establishment Of Technical Working Group For Coordinating And Developing Derivative Instruments trading

Under this decision, the Royal Government of Cambodia has established the Technical Working Group for Coordinating and Developing Derivative Instruments Trading in Cambodia under the supervision of the Committee for Economic and Financial Policy. The president of this working group is the Secretary of State of the Ministry of Economy and Finance.

The Technical Working Group for Coordinating and Developing Derivative Instruments trading in Cambodia are responsible for the following tasks:

- To study in detail on aspect of derivative instruments;
- To develop the governing of derivative instruments trading in Cambodia; and
- To coordinate and prepare for institutions to govern derivative instruments trading in Cambodia.

The said working group has its secretariat located at the Department of Markets and Financial institutions of the General Department of Industrial finance of the Ministry of Economy and Finance.

Decision No.153 Dated 4 November 2014 On The Creation Of Technical Working Group For Development Strategy Of Pension Sector

The technical working group is under the Committee on the Economic and Finance Policy. There are 15 members who have a role in organizing and planning the development strategy of pension sector. They are also responsible for the followings duties:

- Study and determine the policy and development strategy plan.
- Study and provide the recommendations about the management structure and organize of the development strategy plan in an effective and transparent manner.
- Study and provide recommendations about rate contributions for support of development strategy plan.
- Study and provide recommendations about management model as well as control and process the development strategy plan.
- Discus with relevant public and private institutions in order to receive information to support the plan.
- Discus with assistants and other development partners in order to harmonize the plan with international standards.
- Annually review the development strategy plan.
- Make an annual report to the Committee on Economic and Finance policy on the development of the strategy plan.

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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 costeffective 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

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.

#### Inter-Ministerial Prakas No.1235 Dated 24 October 2014 On The Modification Of The Agents To Collect Fee/Tax Related To Cambodian Identification Card

Agents are responsible the followings tasks:

- To manage and be responsible for the income from Cambodian identification card fee/tax
- To pay the income to the Ministry of Interior
- To organize the report about the income situation and about in and out of the receipt payment situation to the Ministry of Interior.

# Prakas No. 1354 Dated 11 November 2014 On Creation Of Supervisory Board for Supervision And control Of Airport Division Services (ADS)

Missions, roles, duties and organizational structures of the ADS Committee are defined under this Prakas. The ADS committee is the executive unit of the Ministry of Economic and Finance analyze and check the ADS's report. This Prakas entrusts the ADS Supervisory Board the duties to:

- Discuss and check on service that is the symbol of income-outcome from ADS in Multi-Agreement dated on 1July 1999 between Government of Kingdom of Cambodia, RAC Aviation Company and SCA concessionaire company;
- Give recommendations on the profit-sharing in the quarterly meeting
- ADS Committee's Annual Meeting must analyze and check on income payment of profitsharing of ADS.

There are four compositions in the ADS Supervisory Board as follows:

- 1. Mr. AUN Bunhak Representatives of the Ministry of Economy and Finance
- 2. Mr. SEANG Sabo Representatives of the SCA concessionaire company
- 3. MR. SINN ChansereyVutha Representatives of the Secretariat of Civil Aviation
- 4. Mr. WONG Wai Hong Representatives of the SCA concessionaire company

#### **BUSINESS**

Sub-Decree No. 281 Dated 3 November 2014 On The Organization And Functioning Of National Committee For Trade And Economic Cooperation Between The Kingdom Of Cambodia And The Republic Of Belarus

The National Committee for Trade and Economic Cooperation between the Kingdom of Cambodia and the Republic of Belarus is established and the main purpose to coordinate and guarantee the efficiency of joint-implementation and related agreements between the Royal Government of Cambodia and the Government of the Republic of Belarus.

The National Committee for Trade and Economic Cooperation between the Kingdom of Cambodia and the Republic of Belarus has the following tasks and obligations:

- To prepare policy, action plan and strategies to promote and support the expansion of trade and economic cooperation between the two countries
- To participate negotiating and discussion on the related commercial-trade matters
- To cooperate with the relevant ministries, institutions and other private sectors and other related parties for the purpose of guarantee and strengthen the consistency of cooperation between the two countries
- To attract and encourage investors to invest in Cambodia
- Other tasks as instructed from the Head of the Government.

#### FORESTRY

Prakas No. 491 Dated 10 October 2014 On The Establishment And Management Of Community Forests In Kampong Thom Province

The Community Forests in Kampong Thom Province is established in the main purpose of sustainable management in compliance with conditions of forest community which located in Stung Forest Administration of Kampong Thom Forest Administration.

Within this Prakas, there are 3 (three) Community Forests in Kampong Thom of this Prakas which are divided into 4 sectors in total surface of 749.61 Ha. The organization and functions of this Community Forests shall be incompliance with the procedure as provided in Law on Forest, Sub-Decree on the management of Community Forest and Prakas of the Guideline of Community Forests.

This Sub-Decree shall be in effective from the date of signature.

Prakas No. 492 Dated 10 October 2014 On Establishment And Management Of Community Forests In Kratie Province

Ministry of Agriculture Forest and Fishery has issued a Prakas, dated 10 October 2014, on establishment and management of Community Forests located in forestry administration commune of Kratie Province.

This establishment aim is to provide an effective means for Community Forests to participate in the reforestation, rehabilitation and conservation of natural resources, forest and wildlife, and to enable Communities to manage, use and benefit from forest resources, to preserve their culture, tradition and improve their livelihoods.

Ten Community Forests will be created, and divided into 12 areas, in total of 17, 795 hectors.

# Prakas No. 493 Dated 10 October 2012 On Establishment And Management Of Community Forests In Ratanakiri Province

Ministry of Agriculture Forest and Fishery has issued a Prakas, dated 10 October 2012, on establishment and management of community forests located in forestry administration commune of Ratanakiri Province.

This establishment aim is to provide an effective means for a Community Forests to participate in the reforestation, rehabilitation and conservation of natural resources, forest and wildlife, and to enable Communities to manage, use and benefit from forest resources, to preserve their culture, tradition and improve their livelihoods.

Four Community Forests will be created, and divided into 4 areas, in total of 1,483 hectors.

#### HEATLH

Decision No.150 Dated 31 October 2014 On The Establishment Of The Committee Combatting Counterfeited Products Highly Harming Health And Social Safety

Under the provision of this Decision, the Committee consists of ten members from various governmental institutes.

The Committee has the authority over the territory of Cambodia with the duty to cooperate with other institutions both local and international against counterfeited products. The Committee searches, investigates and educates the public on the use and risk of the counterfeited products that would cause the harm to the health. The Committee has the financial budget under the annual budget of the Ministry of Interior, and the Committee itself has the authority to use the stamp of the Ministry of Interior in fulfilling its missions.

#### **INDUSTRY, MINES AND ENERGY**

Decision No. 148 Dated 28 October 2014 On The Establishment Of The Joint Technical Committee Responsible For Border Delimitation And The Joint Development On The Oil Resource In The Thai-Cambodia Joint Claimed Sea Area

The decision is to establish the Joint Technical Committee Responsible for the border delimitation and the joint development on the oil resource in the Thai-Cambodia joint claimed sea area. The committee has the authority to negotiate the treaty, regulations, policy, legal instruments related to the joint development of the oil resource for the bilateral benefit and the share of benefit and expense of doing business in the oil resource, negotiate the treaty, border delimitation and the exclusive economic zone between the lines of the claimed territorial sea in the respect of the international principles, international laws.

In certain necessary, the joint technical committee shall observe with Thai authority. All of the Joint Technical Committee members shall attend the meeting as requested of the Committee President and the Committee is authorized to invite the advisors and the technicians to attend if necessary and report to the government. The Joint Technical Committee is located at the Council of the Minister. The committee is also authorized to use the budgets receiving from the oil sector of the Ministry of the Mines and Energies for the purpose of work performance as approved by the Prime Minister.

### Sub-Decree No.283 Dated 14 November 2014 On Organization And Functioning Of The Ministry Of labor And Vocational Training ("MLVT")

This Sub-Decree determines the organization, structures, missions and responsibilities of the Ministry of Labor and Vocational Training ("MLVT") as well as entities under the supervision of this Ministry; its goal is to govern Labor sector and vocational training in the Kingdom of Cambodia. The

MLVT has its structures as follows:

- 1. Central Level
- Cabinet of Minister
- Department of Internal Audit
- General Department of Administration and Finance
- General Department of Labor
- General Department of Technical and Vocational Training
- General Inspectorate
- 2. Local Entities
- 3. Other Public establishments.

Briefly, General Department of Administration and Finance is composed of 4 departments and responsible for coordinating and supervising administration task, staffs, finance, state properties, plans, statistic, legalization, and international cooperation.

The General Department of Labor is composed of 5 departments and responsible for labor relation, coordinating, supervising labor inspection tasks, labor disputes, occupation, agriculture farming, child labor, and labor hospital.

Further, the General Department of Technical and Vocational Training is composed of 6 departments and responsible for adopting development policies of technical and vocational training, implementation of apprenticeship based on labor law, information on employment market in and outside the country, insure the qualification of the technical and vocational training and improve study curriculum standard.

Finally, the General Inspectorate play its role as an inspector to all entities under the supervision of the MLVT and at the local level, there are Departments of Labor and Vocational Training in every capital and province responsible for implementing and coordinating the activities of the Ministry. And at city-district level, there are Offices of Labor and Vocational Training responsible for coordinating and implementing the activities of the Ministry and Departments.

For the details of the structure, task repartition, and responsibilities of the MLTV, it is to be consulted with the Sub-Decree No. 283 on the Organization and Functioning of the MLTV dated 14 November 2014.

#### LABOUR AND SOCIAL AFFAIRS

Prakas No. 283 Dated 12 November 2014 On Setting Of Minimum Wage For Workers/Employees In Textile, Garment, And Shoes Industries For 2015

Upon recommendation of the Prime Minister, the Ministry of Labor and Vocational Training ("MLVT") have added US\$5 to the minimum wage US\$123 per month proposed by Labor Advisory Committee. The minimum wages of the workers/employees in textile, garment, and shoes industries have officially set at US\$128 per month for 2015. During the probation period, the minimum wage for workers/employees shall be US\$123 per month. After probation period, the minimum wage for workers/employees shall be US\$128 per month. If the workers/employees receives wage based on productivity, the wages shall be based on actual result/performance. If the performance is over minimum wage, the wage shall be based on performance. If the performance is below minimum wage, the wage shall be added to US\$ 123 per month for probation workers/employees and US\$128 per month for yours and US\$128 per month for probation workers/employees and US\$128 per month for probation workers/employees and US\$128 per month for workers/employees for workers/employees and US\$128 per month for

Instruction No. 029/14 Dated 17 November 2014 On Implementation Prakas No 283 Dated 12 November 2014 On Determination Of Minimum Wage For Workers/Employees In Textile, Garment, And Shoes Industries For 2015

The Ministry of Labor and Vocational Training ("MLVT") informed to vocational organizations, workers/employees and employers of factories, enterprises, establishment in textile, garments, and shoes industries shall implement following instructions:

- A. Minimum Wage
- 1. Setting minimum wage for probation workers/employees (3 months for employees, 2 months for specialist workers and 1 month for normal workers) at US\$123 per month and after probation the minimum wage shall be US\$128 per month.
- 2. If the workers/employees receives wage based on productivity, the wages shall be based on actual result/performance. If the performance is over minimum wage, the wage shall be based on performance. If the performance is below minimum wage, the wage shall be added to US\$ 123 per month for probation workers/employees and US\$128 per month for workers/ employees.

- 3. The minimum wage for workers/employees shall be implemented from 1 January 2015.
- B. Additional Benefit
- 1. The workers/employees shall receive travelling and accommodation expense US\$ 7 per month.
- 2. The workers/employees come to work regular in working days of each month without absence shall receive US\$ 10 per month.
- 3. The workers/employees voluntary work over time upon request by employer shall receive 2000 Riels per day for foods or receive free food one time.
- 4. The workers/employees who work in the factories, enterprises, over 1 year shall receive seniority bonus depending on the number of years working (i.e. the workers/employees who have 2 years of working shall receive US\$ 2 per month and if the workers/employees who have more than 11 years of working shall receive US\$ 11 per month.)

#### MILITARY POLICE AND WEAPONS

Decision No. 149 (RGC) Dated 30 October 2014 On Determination Of The Roles And Duties Of President, Vice President For Controlling On Activity Of Mine Authority And Mine Victim (L&R/ Pr&Sp/Khm/2014)

Missions, roles, duties and organizational structures of the president, vice president for controlling on the activity of Mine Authority and Mine Victim are defined under this Decision.

This Decision entrusts the president and the vice president role and duties to:

- President is overall responsible of mine authorities.
- 1st Vice President role:
- To generally cooperate with the development partner: national organization and international organization
- To prepare, propose the appointment, change the leader and all ministers of mine authorities to president for review and approval;
- 2nd Vice President role:
- To help to track the work on Province Mine Activities Committees, and Mine Planning Unit
- To help to track the mines operators
- To implement other duties as entrusted by the President of Mine Authorities.

#### TOURISM

Decision No.152 Dated 4 November 2014 On The Establishment Of Inter-Ministerial Committee For Managing And Developing Historical Tourism Anlong Veng Region

The Royal Government of Cambodia has established, on 4 November 2014, an Inter-Ministerial Committee for managing and developing the historical tourism Anlong Veng region. This Inter-Ministerial Committee is to promote, prepare, manage, and develop Anlong Veng region for historical Tourism.

This Committee is responsible for the following tasks:

- to establish master plan in the Anlong Veng region for historical tourism to become standard tourist resort;
- to research on the true history of Anglong Veng region for compiling as documents for tourist guides;

- to gather the remaining evidence to be reserved for showing in the museum;
- to reconstruct old buildings in accordance with original structures;
- to publish to national and international tourists of this region for historical tourism;
  - to seek fund from all institutions and NGOs to support the project for development;
  - to organize seminar on the management and development of Anlong Veng region for historical tourism once per year.

Furthermore, this Committee is entitled to seek for cooperation from private partners or NGOs to support for the development of Anlong Veng region for historical tourism. The Decision No.48 dated 22 August 2011 on Establishment of Inter-Ministerial Committee for managing and developing Anlong Veng region for historical tourism is abrogated.

Finally, for the composition of this new committee, it is to be consulted with the Decision No.152 on Establishment Inter-Ministerial Committee for Managing and Developing Anlong Veng Region for Historical Tourism dated 04 November 2014.

## Sub-Decree No. 1267 Dated 29 August 2014 On Establishment Of Permanent Working Group For Resolving, Promoting, and Monitoring The Development On Koh Rong

The Permanent Working Group for Resolving, Encourage, and Monitor the Development on Koh Rong (the "Working Group") is composed of 15 members representing various ministries such as Ministry of Tourism, Ministry of Interior, Council of Ministers, Ministry of National Defense, Ministry of Land Management, Urban, Planning, and Construction, Ministry of Environment, and Ministry of Agriculture, Forestry, and Fisheries. The Working Group shall have the duties as follows:

- to resolve, encourage, and monitor development on Koh Rong
- to take action to prevent and resolve issue of anarchy building on costal land and water and freeze all constructions without construction permit on Koh Rong
- to take action to prevent and resolve liquid waste, hard waste, and forest land encroachment on Koh Rong
- to implement policy "Tiger Skin" to ensure that development does not affect settlement and local people's livelihood in settlement land dispute between local people and company that have license to invest on Koh Rong
- to take action to prevent and resolve problems that affect urbanization, environment, and tourism for the purpose of maintaining the aesthetics, order, social security, and attract tourism
- to regular reporting of activities and achievement for National Commission for the Management and Development of Coastal in Cambodia for reporting to Royal Government of Cambodia.