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ADMINISTRATION AND PUBLIC SECTOR

Circular No. 01 (RGC) dated 05March2015on the Measure for the Management of the Civil official Contract, Solider Contract, National Police Contract and Staff floating.

In order to implement the reform system of the Royal Government of Cambodia (RGC) in relation to the management of the civil servants, contractual officials and other officials, the RGC recommends relevant ministries and institutions as below:

- Recruiting the contractual officials only in response to numbers of the retried officials, resigned officials, the dismissed officials, the disable officials and the dead officials;
- Using the existing officials more effectively and efficiently and restricting the new official recruitment ;
- Avoiding create any new structure of the relevant ministries and institutions ;
- Allowing recruiting the contractual officials and other type's officials.

Sub-Decree No. 78 (RGC) dated 12 June 2015 on the Amendment of Article 10 of the Sub-Decree 42 dated 17 May 2002 on the Electoral Procedure and Organization of the Chamber of Commerce

Article 10 (new) of the Sub-Decree No.42 as amended by the Sub-Decree No. 78 sets requirements for candidates for the election of the first mandate of Chamber of Commerce and the following mandate.

For the first mandate, the candidates must have been registered for the election. He/she need to be at least 25 years of age and have duly paid for the right to stand for a candidacy for election as required by the Election Committee. Furthermore, he/she must not loss his or her civil, citizenship and political rights.

For the following mandate, the candidates for the election shall:

- Have been registered for the election
- Be a member of the concerned Chamber of Commerce, be a company that have registered with Ministry of Commerce and have settled all its tax obligations for the previous year
- Be at least 25 years of age
- Have paid for the right to stand for a candidacy for election as required by the Election Committee
- Have not lost his or her civil, citizenship and political rights

AGRICULTURE, FORESTRY & FISHERY

Prakas No. 319 (MAFF) dated 25 May 2015 on the Determination of Authorized Fishing Equipment in Cambodia Maritime Fishing Area

By this Prakas, the Ministry of Agriculture, Forestry and Fishery (MAFF) determines the category of the authorized fishing equipment in family scale, handicraft fishing equipment and industrial handicraft fishing equipment for fishing in the Cambodia Maritime Fishing Area. The type of the fishing equipment which is allowed to use in the sea fishing area is based on the amount, the size, length, and the season. The details of the criteria of the equipment are detail in the Annex of the Prakas.

The Ministry of Agriculture, Forestry and Fisheries is authorized to amend or modify the type of the equipment that was not defined in the Annex of this Prakas due to the research and the necessity.

This Prakas will come into force from the signature date.

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ABOUT US

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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.

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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.

Prakas No. 099 (MAFF) dated 04 February 2015 on the Pre-Shipment Inspection Procedure and the Granting the Validity to the Distribution of the Agricultural Pesticides and Fertilizer

The purpose of this Prakas is to guarantee the quality, efficiency, and the security of the pesticides and the fertilizers to be imported, exported or packaged, together with the guarantee of the standard enforcement for the pesticides and fertilizer to be commercialized before being distributed in Cambodia. This is to ensure the protection of the farmers and the last user in the farming products or for exportation from Cambodia.

The objective of this Prakas mainly focuses on the setting out the process of pre-shipment inspections, and the granting of validity to the pesticides and fertilizer distribution that is exported, imported or packaged. Further, this Prakas details the joint procedure (condition and obligations) of the imported, exported and packaged pesticides and fertilizer, the pre-shipment inspection procedure for the exported products, packaged products, and exported products.

The Agricultural Litigation Department of the Ministry of Agriculture, Forestry and Fishery is in charge of the pre-shipment inspection and the validity granting to the distribution of the pesticides and the fertilizer exported or imported or packaged in the Kingdom.

Upon finding any infringement to the Law of Management of the Pesticides and Fertilizer and any other relevant regulations, the inspector can:

- suspend the distribution or any trade from that operator,
- temporarily withdraw the license of distribution, the relevant permits and other equipment,
- collect and return the pesticides and fertilizer products which are rejected for granting the license for the trade by the Minister of the Agriculture, Forestry and Fisheries to the warehouse,
- file the case to the court.

Attached in the Annex, Prakas provides also the sample of the affidavit of the operation of the pesticides or fertilizer, sample of the record of the pesticides or fertilizer that is exported, imported and packaged.

BANKING, FINANCE AND CAPITAL MARKET

Circular No 008 (MEF) dated 04 June 2015 on the Rectification of the Circular No 013 dated 31 December 2015 on the Implementation of Law on Finance for Management 2015 by the Sub-National Level

The rectifications made by this Circular No 008 focus only on the part related to the public revenue collected from the cadastral and construction services fees. By this Circular No 008, the revenue received from the cadastral and construction services must be processed in compliance with the Joint-Prakas No 995 (MEF) dated 28 December 2012 on the Public Services provided by the Ministry of Land Management, Urbanism and Construction and the Joint-Prakas No 996 (MEF) dated 28 December 2012 on the Incentive provided to Ministry of Land Management, Urbanism and Construction, Ministry of Economy and Finance, and sub-national level authorities.

The remaining content of the Circular No 013 not covered by this rectification remains in effect.

Sub-Decree No 79 (RGC) dated 12 June 2015 on the Establishment of National Anti-Money Laundering and Counter-Terrorism Financing Coordination Committee

By virtue of this Sub-Decree No 79, the National AML/CFT Coordination Committee (NCC) is the high and permanent coordination mechanism for anti-money laundering and counter terrorism financing in the Cambodia. NCC is chaired by Deputy Prime Minister (Standing) and is composed of vice-chairmen, members and secretary from various ministries and institutions, including National Bank of Cambodia, Ministry of Interior, Ministry of Economy and Finances, Ministry of Foreign Affairs and International Cooperation, Ministry of Justice, Council of Ministers, as well as Financial Intelligent Unit (FIU).

The main duties of NCC are to establish national policies and strategies for AML/CFT, to coordinate national policy with regional and international initiatives and to ensure the effective implementation of the Law on AML/CFT. NCC also ensures that Cambodia implements the recommendations of Financial Action Task Force, those of the Asia Pacific Group on Money laundering (APG), as well as the decision and action plan of United Nation on these matters.

The Sub-Decree No 79 dated 12 June 2015 replaces the Sub-Decree No 56 dated 11 April 2012 on the Establishment of National AML/CFT Coordination Committee.

ENVIRONMENT

Prakas No 215 (MOE) dated 20 March 2015 on the Registration of Environmental Impact Assessment (EIA) Consulting Company

Under Cambodian laws and regulations related to the environment protection, it is compulsory for some categories of companies to conduct the environment impact assessment (EIA). To processing this EIA, the companies need to use the services provided by the EIA consulting companies registered at the Ministry of Environment. Recently, the Ministry of Environment has issued a Prakas that elaborates a procedure for the consulting company whose main business purpose is to assess both environmental and social impact of any targeted project, to obtain an EIA consulting license.

In this regards, the Ministry of Environment requires a certain strict conditions in respect of filing application for registration of EIA consulting company. In addition to the capability and experience of technical teams, the chairman of EIA consulting company is also required to have knowledge and at least five-year experience in Environmental management and assessment.

Once issued, the EIA consulting license is valid for 5 years renewable. During its activities EIA consulting company must, needless to say, conduct its activity in a professional and effective manner. Any failures or mistakes in fulfilling its duties will result in license removal and/or even criminal penalties.

PUBLIC SERVICE FEES

Sub Decree No. 25 (RGC) dated 11 March 2015 on the Creation of the National Single Window Directorial Committee

The National Single Window Directorial Committee is created to manage the development and to implement the National Single Window Project. This committee has a secretariat at the Department of Customs and Excise and uses seal of the Ministry of Economy and Finance within its scope of task.

The National Single Window Directorial Committee is presided by the Minister of Economy and Finance, with other 18 representatives from the relevant authorities. The National Single Window Directorial Committee mainly has the roles and duties to:

- Act as the Government Secretariat for directorial mission, manage the development and implement the national single window project including the link up the national single window to the ASEAN single window in accordance with the relevant existing laws and regulations and the policy of the Royal Government of Cambodia;
- Examine and implement the mission planning and recommendations requested by the Legal and policy consultation Council;
- Fix and determine the service fees for the National Single Window.

This Prakas is effective from the date of signature.

Prakas No. 6049 (MIR) dated 01 July 2015 on the Transfers of Administrative Services Function and Incentives Bonus for Citizens Statistic Tasks

The Ministry of Interior has decided to assign the administrative services on citizens' statistic tasks from the General Department of Identification to Municipal-Provincial Commissariat of Police in order to implement the collection of administrative services fee for national funds benefits.

The Municipal-Provincial Commissariat of Police is responsible to collect the national funds received from the administrative services and responsible to manage the revenues, pay the revenues to the national funds and issue revenue sheet and record in the national revenue accounting book.

Incentive bonus will be injected to entity that directly performed their tasks and other related entities working on the above administrative services.

This Prakas is effective from August 1st, 2015.

QUALITY AND STANDARD

Notification No. 125 (MIH) dated 06 March 2016 of the Institute of Standards of Cambodia dated March 6th, 2015 on the Publication of the Draft on Cambodian Standard CS 077: 2015 for Poultry Feeds and the Draft on Cambodian Standard CS 159: 2015 for Cashew nut

Under this Notification, the Institute of Standards of Cambodia "ISC" would like to notify to all Companies, Factories, Enterprises, Handicrafts and the public to check and give their comments on all points of the new Draft on Cambodian Standard CS 077 : 2015 for Poultry Feeds and the Draft on Cambodian Standard CS 159: 2015 for Cashew nut at the ISC or on the website: www.isc.gov.kh by a written letter within 30 days from the date of signing this notification.

Please note that there are five objectives of the Cambodian Standards of ISC:

1. Cambodian Standards are developed to meet the needs of industries and consumers to promote quality and safety of products and services.
2. Cambodian standards fulfill generally recognized requirements of both producers and consumers and aim to reduce waste of resources and eliminate unnecessary variety to obtain economic benefits to the country.
3. Cambodian standards for products ensure optimum quality level desired by the market.
4. The standards are formulated using the principle of consensus and are aligned with international standards to the maximum extent feasible.
5. The standards conform to the requirements of the agreement on Technical Barriers to Trade (TBT agreement) of the World Trade Organization (WTO).

TAXATION AND CUSTOMS

Prakas No. 683 (MEF) dated 23 June 2015 on Collection of Tax on Means of Transportation and all Vehicles for 2015

Tax on Means of Transportation for 2014 is due for all types of transportation means and vehicles from July 01 to November 30, 2015. The owner of the transportation must pay Tax on Means of Transportations at Large Tax Payer Department or Branch Tax Department or Canadia Bank or ACLEDA Bank.

To pay the tax, the owner must attach the documents as below:

1. Tax payer Identification Card (ID) (No need to file the application). If this ID was lost, tax payer shall request a new ID at Tax Branch or GDT. The cost is R 5,000
2. File 2 applications issued by GDT with attach documents as below
 - Transportation Tax document for 2014. If this documents were lost, the owner shall apply to Tax Branch or GDT for the certify letter for transportation tax payment for 2014.
 - Registration Card or Import Duty Receipt
 - Certify letter on using transportation issued by Commune Authority for local produced recycle transportation
 - ID, Passport or Birth Certificate
3. For first transportation tax payment, the tax payer shall file 2 applications as mentioned in section 1. In order to make next year tax payment easier, Owner can make a card on transportation tax with the cost of R 5,000.
4. For Motorcycle and Tricycle which use motorcycle's engine are not required to file application.

For transportation means that did not pay transportation tax for 2014 with the imported duty receipt before 1st December 2014 shall pay the previous transportation tax with penalty before pay transportation tax for 2015.

All transportations include government transportations are subjected to transportation tax except:

1. Ambulance and Fire Fighter Truck which belong to government
2. Transportations which belong to Military, Military Police and Police which officially recognized from Ministry of Defend or Ministry of Interior.
3. Transportations which belong to Embassy, International Organization or Other Technical Cooperation.

For pick-up with 4 doors, tax amount will be calculated as tourist category if the age less than 7 years. If more than 7 years, tax amount will be calculated as 3T cargo truck.

OUR LIBRARY

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For the benefit of our clients and the general public, we regularly publish timely and succinct guides to major topics in Cambodian law.



For recycling vehicle, tax amount will be calculated as cargo and trailer vehicle category based on the carrying ability.

From January 01, 2016, GDT will inspect on the transportation and make penalty for any transportation which do not pay the tax.

Prakas, No. 690 (MEF) dated 25 June 2015 on the Implementation of Value Added Tax (VAT) for the Production and Supplying of the Clean Water to the public

The MEF exonerated the value added tax for the production and supplying of the clean water to population. Anyway, VAT of 10% is still applied to all kinds the production drinking water. All import and domestic purchase of the raw material for production and distribution the clean water is under the scope of Sub-Decree of VAT from the article 29 to 41.

TRANSPORTATIONS

Decision No 47 (RGC) dated 16 June 2015 on the Organization and Functioning of the Commission to Review and to Study on the Possibility to Terminate the Contract between RGC and the Company providing Services on International Ship Registration of Cambodia

ISROC (International Ship Registration of Cambodia), privately-operated South Korea-based Company that owns the rights to register foreign vessels under the Cambodian flag, is confronting with the possibility that its contract may be terminated by another party, who is RGC. A Commission has been recently created for the sole purpose of accessing the termination of a license contract between RGC and ISROC. The Commission has several members including representatives from relevant ministries, such as, Ministry of Interior, Ministry of Foreign Affair and International Cooperation, Ministry of Public Work and Transport, Ministry of Justice, and Council of Ministers. Upon its assessment, the Commission will submit its report to the RGC who is the final decision maker.

Sub-Decree No. 86 (RGC) dated 08 July 2015 on the Vehicles Speed Limitation

The aim of this sub-decree is to limit the speeds for all types of vehicles in order to reduce traffic accident, to maintain the safety of traffic, to prevent from excessive speed of vehicles, and to improve the understanding and participation from the public in order to reduce traffic accident.

This sub-decree applies to all types of vehicles in Cambodia.

This sub-decree gives definition of town, light vehicles, heavy vehicles, processed agricultural vehicles and vehicle immunization equipment.

In town, maximum speed is 30km/h for vehicles whose speed is not above 40km. Then, maximum speed is 40km/h for vehicles whose speed is above 40km.

Out of town, maximum speed is 40km/h, 60km/h, 70km/h, 80km/h, and 90km/h depending on the types of vehicles.

Drivers need to manage speed of their driving and need to reduce speed in the following cases:

- Sign indicating to reduce speed or sign of accident
- While humans or disabled people cross the street
- Avoid each other in narrow road
- Avoid the vehicles carrying passengers or children, while they get into or get off the vehicles
- Avoid stopped vehicles or parade vehicles
- Near bridges or near street that vehicles are crossing
- While change the direction of the traffic
- Bends roads, slippery road, intersection road, roundabout or construction site, road maintenance
- Schools, Hospitals near street
- Near high places or slopes
- Bad weather that cannot allow people to see far distance
- Obstacles materials on the street or many houses near roads
- Existence of vehicles of police, military, army force, delegation, superior leaders, fire truck, ambulance and some other kinds of vehicles.

Vehicles that drive slowly shall drive on the right side of the road, in order to let the vehicles that drive faster to drive on the left.

In the case that vehicles would like to slow down abnormally, they need to inform other drivers by using emergency sign.