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ADMINISTRATION AND PUBLIC SECTOR

Sub-Decree No. 109 (RGC) dated 19 August 2015 on the Organization and Functioning of Ministry of Interior

The Ministry of Interior (MoI) has the mission to lead and to supervise all local authorities on the administration policy sector, all police force on the national security sector, public order, and social safety in the Kingdom of Cambodia.

Upon the Sub-Decree No 109, the MoI is led by a minister, followed by Secretary (Secretaries) of State, and/or Under Secretary (Secretaries) of State. MoI's organization structure is as follows:

- General Secretariat,
- General Department of Administration,
- General Commissariat of National Police,
- General Inspectorate,
- General Department of Prison,
- General Department of Immigration,
- General Department of Identification,
- General Department of Logistics and Finance,
- Academy of National Police (ranked equal to General Department),
- General Department of Internal Audit,
- Legislature Council (ranked equal to General Department)

Royal Decree No.NS/RKT/0715/810 dated 05 August 2015 on the Organization and Functioning of the National Authority for Protection and Development of Cultural Monument of the Sambor Prey Kouk Temple

The Royal Decree establishes the National Authority for Protection and Development of Cultural Monument of the Sambor Prey Kouk Temple as a public establishment having its own legal characteristic with administration and finance autonomy. This public establishment is under the guardianship of the Ministry of Culture and Fine Arts.

This National Authority has a Board of Directors whose Chairman is the Minister of Culture and Fine Arts. The main missions of the Authority are to:

- Protect, maintain, preserve and upgrade the value of the archeological park, culture, environment, and history of the monument,
- Determine and implement the action plan and program for tourism development of the monument,
- Manage the land use in the temple area,
- Prevent any forestry offense and other unlawful activities at the temple etc.

Royal Decree No.NS/RKT/0815/872 (King) dated 08 August 2015 on Legal Status of Public Establishment of Administrative Nature

Public Establishment of Administrative Nature is a legal person of public law in charge of any public service mission such as service in nature of administration, social affair, wealth, culture, education, scientific, or technical.

Although the Establishment has financial autonomy, it remains under the two guardians. Firstly, technical guardian is a Ministry or Specialized Institute responsible for activity of Public Establishment of Administrative Nature based on the determination by a sub decree. Secondly, it is the Ministry of Economy and Finance who serves as financial guardian.

The Establishment shall be created by a sub-decree upon the request from technical ministry and Ministry of Economic and Finance.

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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

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.

The Establishment is governed by a board of directors that consists of not less than 5 members and not more than 9 members. Each board of directors has the mandate of three years, and one time renewable. A representative of employees in the Establishment is automatically appointed as member of the board of directors.

Director of the establishment shall be nominated by the Royal Decree upon the request from the Prime Minister or by Sub Decree upon the request from the technical ministry. Director position is incompatible with Royal Government Member, Parliament Member, and Board of Director member.

Prakas No. 910 (MEF) dated 10 August 2015 on the Establishment of the Commission in Charge of Liquidating Inventory Asset which is under the Framework of Public Financial Management Reform Program (PFM)

The Commission in charge of liquidating inventory asset which is under the framework of PFM reform program which is instituted by The Ministry of Economy and Finance (MEF) holds the duty to inspect and appraise the materials under the PFM reform program; then the Commission raises the requests to Leading Committee of the PFM Reform Program for approval. All members of the committee are officials of the MEF and PFM reform program.

Notification No.7617 (MEF) dated 22 September 2015 on Additional Instruction on the Preparation of Budget Expense on Staffs (Chapter 64) for the Year 2016 of the Ministry of Economy and Finance (MEF)

The MEF recommends the relevant municipality and provinciality regarding expense budget (Chapter 64) for the year 2016.

Upon MEF's letter, the Royal Government of Cambodia increases 12% of basic salary to all officials and support finance allowances of KHR 400,000 to contractual officials from January 2016. In addition, all official remuneration will be increased from April 2016 for under KHR 50,000 official remuneration from KHR 150,000 to KHR 250,000. For the support finance allowances, it is going to promote from April to December 2016 to the council of municipality, provincial hall, district, Khan, commune, Sangkat and village.

ADVERTISEMENT

Notification of Phnom Penh Municipality dated 06 August 2015

This notification is issued in order to notify to any the director of any entity, institution, organization, association and private company regarding the prohibition of the dissemination paper activities.

The Phnom Penh Municipality prohibits all kinds of establishments to disseminate and stick the advertising activities on public property such as trees, buildings, traffic lights and light pillars...etc.

The disseminator will be requested to sign the contract, to collect the disseminated sticker for the first violation of the activities and will be fined or have business activities suspended or sent to court in the case of repeat violations of the activities.

LABOR AND SOCIAL AFFAIRS

Decision No. 1568 (MLVT) dated 02 September 2015 on the Clarification of Public Holiday on Sunday, Monday and Tuesday

In reference to a letter of Garment Manufacturers Association in Cambodia (GMAC) No. 064/08/15 dated 05 August 2015, Minister of Labor and Vocational Training informs GMAC that :

- Article 162 of Labor Law states that in case a public holiday coincides with a Sunday; workers will have the following day off.
- Prakas No.248 dated 22 October 2014 on public holiday for 2015 requires that any public holiday falling on Sunday, the workers/ employees shall be given a day off on the following day. Thus, holiday of Pchum Ben Day for 2015 to be held on 11th, 12th, 13th October which fall on Sunday, Monday and Tuesday, there will be then a day off on Wednesday instead of Sunday.

Decision No.105 (Mosavy) dated 01 September 2015 on the Establishment of the National Commission for Child Protection

National Commission for Child Protection is established to coordinate and to collaborate with ministries, institutions, national NGO, international NGO, relevant development partners and in private sector, in order to strengthen child protection system, to prevent and remove all kinds of violations and violence on children. This Committee works at national level in order to protect children from all kinds of violation. This decision also mentions the composition of the Committee.

The roles and duties of the National Commission for Child Protection are to:

1. Coordinate in examination and fulfill the gap in legal framework, policy and national plan in practical framework;
2. Coordinate in providing technical support and encourage the practice of child protection;
3. Coordinate, promote the awareness of child protection;
4. Coordinate, collaborate and encourage the examination, evaluate the practice of child protection.

The National Commission for Child Protection is under the organization structure of the Cambodian National Council for Children, which has the secretariat for the examination and the protection of children.

The National Commission for Child Protection shall have meeting twice a year except when requested by Chairman of the Commission, the said Commission could have an extraordinary general meeting.

The members of the Commission do the report of the result of work every trimester, semester and when necessary upon the request of the Chairman of the Commission. The said Chairman shall also do the report about result of work for CNCC. The vice chairman substitutes the Chairman when he is absent.

INVESTMENT

Decision No. 66 (RGC) dated 19 August 2015 on C the Organization and Functioning of the Senior Working Group to Promote the Common Priority Investment Project between Kingdom of Cambodia and the Federation of Russia

The Working Group is established for the purpose of facilitating and for ensuring the effectiveness of every common priority investment projects of both countries. The Working Group consists of one Chairman (Minister of the Commerce), 2 Vice-Chairmen and 13 members.

The Working Group is to organize, prepare and discuss the work with the relevant parties on the investment projects, the policy, planning and strategies for the purpose of cooperation and mutual investments.

The Working Group is authorized to use the budget of the Ministry of Commerce or the donation provided by the cooperation partner.

BANKING AND FINANCE & CAPITAL MARKET

Notification No.010/15 (SECC) dated 06 July 2015 on Application for Central Counter Party, Derivative Broker and Derivative Representative License

The Security and Exchange Commission of Cambodia recently announced that the application for Central Counter Party, Derivative Broker and Derivative Representative License is now open. The application can be filed at Building #99, Street 598, Khan Sen Sok, Phnom Penh. For further detail information, applicant can consult by calling at 023 885 611, fax 023 885 622 or by email intermediaries@secc.gov.kh.

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.

Prakas No. 004/15 (SECC) dated 02 July 2015 on the “Licensing and Supervision of Derivative Trading”

This Prakas aims to determine rules and also to regulate the derivative trading sector by allowing individuals or firms to apply for related license. Broker can be Central Counterparty, Derivative Broker or Derivative Representative. Derivative instrument consists of contracts for difference of goods such as bond, gold, oil, seeds or principal protected scheme, which will be placed on market.

License is valid for one year and renewable for one year. Licensee shall request for license renewal at least 30 days before the expiration date. Those applying for a central counter party license require a minimum registered capital of 20 billion riel, or almost \$5 million. Applicants must also dedicate at least 10 per cent of their registered capital to the derivatives trade, and must make a deposit of 15 per cent of their capital with the Security and Exchange Commission of Cambodia's account at the National Bank of Cambodia. Applicants must also fulfill other requirements as provided in this Prakas.

Investors can open a derivatives trading account with only one broker, while the account may not exceed 40 million riel (or \$10,000), and any investor who wants to open a trading account with a higher cash volume must obtain permission from the SECC.

This Prakas is effective from the date of signature.

Prakas No. 005/15 (SECC) dated 10 September 2015 on the Public Issuance of the Non-Government Securities

This Prakas sets the procedure, form and the authorization relevant to the public issuance of the Non-Government Securities. This Prakas also sets out the criteria for any person who wishes to issue the sales of the Non-Government Securities and by this Prakas any Public Limited Company or Permitted entity wishing to issue the Non-Government Securities are required to:

- File application form set by the Security and Exchange Commission of Cambodia (SECC)
- File the disclosure document set by the SECC
- File the supplement disclosure documents as stated details in this Prakas.

The detailed information of the supplement documents is provided in the Prakas. Upon filing the documents, the Director General of SECC can request further documents or any clarification within 15 days after SECC notification and within two months after the complete filing, the Director of CSEC will notify the applicant about the decision on the application.

TAXATION

Prakas No. 855 (MEF) dated 24 July 2015 on the Suspension of Prepayment of the Profit Tax for Enterprise which got Tax Incentive in Securities Sector

The enterprise which received tax incentive upon the Sub-Decree No 01 dated 08 January 2015 on Tax Incentive for Securities Sector is allowed to suspend the monthly payment on Prepayment of Profit Tax (PPT). The period of suspension is symmetry with the incentive received in securities sector and starting from enterprise got approval from the SECC. The qualified enterprise has to notify to General Department of Taxation (GDT) through SECC in order to start this incentive. In the period of this incentive, GDT can resume the payment of the PPT if GDT found any irregularities relevant to tax incentive as mentioned in article 08 of Sub-Decree No 01 dated 08 January 2015.

