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## Labor Law

### **Sub-Decree No. 237 on the Preparation and the Functioning of the National Committee on Occupational Safety and Health, dated November 21st, 2016**

This sub-decree establishes a National Committee for Occupational Safety and Health (“NCOSH”) and the mechanism for the consultation, coordination, cooperation, monitoring and advice to the government regarding the occupational safety and health matters. This sub-decree applies to enterprises or establishments which are covered by the provisions of the Labor Law.

NCOSH is composed of 38 members, 20 of which are from the government. Nine others are from national level Representatives, and the final nine are from employers organization’s Representatives. Minister of Labor and Vocational Training is the chair of the Committee.

The responsibilities of the Committee are as follows:

- Examine and advise on occupational safety and health policy and regulations
- Examine and advise on occupational safety and health standards to be applied at work place
- Examine and advise on action plans related to occupational safety and health
- Educate and disseminate knowledge of occupational safety and health
- Cooperate and coordinate with foreign countries, development partners, national and international organizations, private sectors and civil society organization for the purpose of mobilizing resources, technologies and funds to support activities aiming at enhancing occupational safety and health
- Examine and adopt the internal rules of the Committee
- Prepare budgets for the operation of the Committee
- Prepare activity reports of the Committee for the government
- Execute other tasks assigned by the government

The term of the members of the Committee is one year and is renewable upon the nomination by relevant ministries and institutions. Meeting shall be held at least twice per year at the invitation of the president of the Committee. Extraordinary meetings are held when necessary.

## Corporate & Investment

### **Decision No. 112, dated 06-10-2016, about “establishment working group responsible for cooperation in the production and investment capacity”**

This Decision was made by the Prime Minister to establish a working group to cooperate in the production and investment capacity.

The working group is composed of representatives from the Council of Development of Cambodia (CDC), Ministries of Foreign Affairs and International Cooperation, Economy and Finance, Commerce, Public Work and Transportation, Posts and Telecommunications, Industry and Handicraft, Mining and Energy, Agriculture, Forestry, and Fishery, Water Resources and Meteorology, and Department of Public Relations and Promotion of Private Investment of the CDC.

The working group is responsible for (1) the strengthening of relations, coordinating, exchange

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of information policies and providing recommendations in order to promote cooperation in production and investment capacity, (2) preparing plans for investment projects that are applicable under bi-lateral cooperation, and (3) preparing lists of priority projects by coordinating and addressing challenges in the project implementation and promoting cooperation in production and investment capacity.

### Sub-Decree No.234, dated 08-November-2016, on film industry management

The purpose of this sub-decree is to guarantee the management and the development of film industry in order to promote the economy on the one hand and to protect, promote, and develop the national culture on the other.

This sub-decree is aimed at controlling:

- Local production;
- Production of foreign films in Cambodia;
- Importation and exportation of films;
- Film business and services in film production;
- Dissemination/circulation of films
- Film training school;
- Encouragement of creativity;
- Film offenses;

The production of film, film business, cinema, supply of filming equipment, film editing service, sound dubbing and reproduction of film, translation and sound track service, filming studio service, school of filming training shall be licensed by the Ministry of Culture and Fine Arts. Before starting production, the scripts must be submitted to the Ministry of Culture and Fine Arts for censure and approval, except for the soap opera produced by a concerned television station and broadcast on that station. The Ministry must approve or reject the production within 15 days of the date of receipt of the scripts. The production will be rejected if the contents of the work are contradictory to the Constitution and other laws and regulations, affect the national secrets and national security, affect the state's institutions, distort the truth of the national history, affect the national security, public order, social stability, destroy the tradition and national culture, ethnic culture, and social morals, incite to racial, ethnic, national, or religious discrimination.

### Sub-Decree No. 240 on the creation of the department of administration of private security and the department of fight against commercial gambling offenses, dated November 28th, 2016

The Department of Administration of Private Security has functions and duties as below:

- Work as focal point for Central Department of Security, National Police Commissioner and Minister of Interior to review documents submitted for the application for a permit for the business of private security and recruiting private security personnel;
- Provide training, specialized skill training, and laws to the private security personnel and issue the certificate of the training to them;
- Monitor the activities of the companies which provide private security services, enterprises and private security establishments to ensure that they comply with existing policy;
- Inspect the use of the equipment, technical tools, devices or animals utilized in security protection activities.
- Provide the cooperation with the private security service companies, protect key locations and the transportation of cash, property and legally valuable things;
- Submit proposals to National Police Commissioner and to the Ministry of Interior to request for the cancellation or temporary suspension of activities or revocation of the business license or re-instate the license to the private security service companies which conduct activities inconsistent with the determined policy;
- Promote private security businesses, participate in the protection of the security establishment and maintain the public order;

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- Collect the information, make the report on the situation, and other facts according with the hierarchy and submit them to the National Police Commissioner and the Ministry of Interior accordingly;

- Do the administrative work, staff work, logistics, accounting of the Department accordingly;

- Fulfill other duties which are provided by the Central Department of Security, National Police Commissioner and the Ministry of Interior.

Department of Fight Against Commercial Gambling Offenses has functions and duties as below:

- Work as focal point for the Central Department of Security, National Police Commission and Minister of Interior on the fight against all types of commercial gambling offenses;

- Cooperate with casino owners and entertainment clubs in order to monitor the gambling techniques and to prohibit gambler and entertainment mongers;

- Research, prevent and repress all types of gambling;

- Research, investigate, repress money laundering, relevant offenses related to gambling technique in casinos and entertainment clubs;

- Inspect the gambling equipment and technical materials;

- Require the business of commercial gambling to comply with the laws;

- Monitor the resorts, entertainment clubs, and all types of gambling in accordance with the laws;

- Study, research, and provide training on commercial gambling expertise;

- Make the reports to the Central Department of Security, National Police Commissioner and Ministry of Interior as required.

- Perform administrative work, manage staff, logistics and accounting services for the Department;

- Perform other tasks required by Central Department of Security, National Police Commissioner and Ministry of Interior.

## Finance

### **Decision No. 118 on the Establishment of the Commission to Review and Assess the Financial Situation and Investment Capital of the Airport Concession Company (SCA), dated November 01st, 2016**

**The seven-member Commission to Review and Assess the Financial Situation and Investment Capital of SCA has the following duties:**

- **Conduct a comprehensive study of all concession agreements which the government has signed with SCA in order to check the implementation of the projects from the beginning until now**

- **Review and evaluate the investment of SCA in the three international airports, which are the Capital of Phnom Penh, Siem Reap Province, and Preah Sihanouk Province**

- **Review the accounting of SCA in order to obtain investment data and to determine proper financial status including the calculation of the investment return rate (IRR) of the Company**

- **Perform other duties as required by the government.**

**In performing its duties, the Commission can invite the representatives of relevant ministries, institutions and experts for consultation, to participate in its meeting or participate in the research and for them to provide opinions as necessary.**

## Real Estate & Construction

### **Decision No. 119 on The Creation of the Commission to Negotiate with Airport Concession Company (SCA) in order to compensate the Premature Termination of the Concession Contract, dated November 01st, 2016**

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The Commission is composed of eight members from Ministry of Economy and Finance, Council of Ministers, Secretariat of Civil Aviation, and Council of Jurists. The Commission has the following responsibilities:

- Negotiate with SCA to prematurely terminate the concession contract for the development and operation of Siem Reap international airport;
- Negotiate with SCA in order to pay compensation for the premature termination of concessions in accordance with Article 7 of the Fourth Additional Concession Agreement, dated September 06th, 2001
- Perform other duties as required by the government.

### Joint Prakas No. 1368 on the Issuance of Construction Permit Over the Index of Official Maximum Use of Land

The Ministry of Urban Planning and Construction is allowed to collect a public service fee from the issuance of construction permits over the index of official maximum use of land for the benefit of the national budget ("Construction Permit").

The building types that are the subject to the issuance of Construction Permits include:

1. High residential buildings (over 12 floors including the ground floor)
2. Commercial building
3. Multi-purpose building
4. Tourism service building
5. Hotel building

The provision of the Construction Permit by the Ministry of Urban Planning and Construction shall be complied with by adherence to a schedule of public service fees, which shall be paid within a timeframe of 30 days and which fee amounts will vary with the size of building.

## Accounting, Tax & Customs

### Sub-Decree No. 210 on Amendment of Custom Duties and Special Excise Tax for some merchandise to align with Asian 2017 (AHTN2017)

- Art 1: Amendment to 0% custom duty tax for 99 item line
- Art 2: Amendment to 7% custom duty tax for 74 item line
- Art 3: Amendment to 15% custom duty tax for 218 item line
- Art 4: Amendment to 35% custom duty tax for 66 item line
- Art 5: Amendment to 0% special tax for 106 item line
- Art 6: Amendment to 10% custom duty tax for 47 item line
- Art 7: Amendment to 15% custom duty tax for 5 item line
- Art 8: Amendment to 25% custom duty tax for 16 item line
- Art 9: Amendment to 30% custom duty tax for 40 item line
- Art 10: Amendment to 35% custom duty tax for 12 item line
- Art 11: Amendment to 40% custom duty tax for 12 item line
- Art 12: Amendment to 60% custom duty tax for 145 item line
- Art 13: Amendment to 35% custom duty tax for 20 item line
- Art 14: Amendment to 0% custom duty tax (export) for 30 item line
- Art 15: Amendment to 10% custom duty tax (export) for 2 item line
- Art 16: Amendment to 20% custom duty tax (export) for 2 item line
- Art 14: Amendment to 50% custom duty tax (export) for 7 item line

### Prakas No. 1119 on Putting into Use the Schedule of Custom Tariff 2017

The tariff 2017 is partly consistent with Asian 2017 known as "AHTN2017".

The tariff provides details on custom duty rates, special rates and value added tax.

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## Prakas No. 1127 on Tax Obligation for Enterprise Undertaking Multi-Projects, dated October 11, 2016

Multi-project is referred to as an enterprise that carries on multiple business activities, in which each activity has its own exemption condition or profit tax rate.

This Prakas covers the following enterprises:

- Qualified Investment Projects (QIP) with different exemption conditions
- Non-QIP with different profit tax rates for different companies
- QIP and non-QIP

This Prakas does not cover the following enterprises:

- QIP with the same exemption conditions
- Non-QIP with the same profit tax rates
- Different enterprise registered with Tax Department

For Enterprises which are registered with the Tax Department, the tax or VAT number will be issued to each project under the same enterprise. The enterprise shall file VAT differently according to the VAT number provided by the Tax Department. The enterprise also shall keep accounting record of each project separately.

Circular No. 011 on the Deduction of Fringe Benefit Tax, dated June 10, 2016

This Prakas provides for the exclusion of the following items from fringe benefits:

- The transport allowances to/from workstation to home, accommodation inside workstation
- Meal allowance allocating to all staff regardless of position or seniority
- Social security allowance or social contribution as determined by law
- Health or life insurance provided to all staff regardless of position or seniority
- Allowance for baby or expenses for baby center as provided by Labor Law
- Compensation at the end of employment contract or lay-off to the extent allowed by Labor Law

To be eligible for above exemption, employer has to provide supporting documents to the Tax Department for verification and approval.

## IP & Technology

Prakas No. 565 on the Usage of Quality Symbol of the Fishery Products

This Prakas enables people to use the quality symbol on the fishery products subject to certain legal requirements. The Prakas covers fishery products from natural and aquaculture sources which are displayed at purchasing locations, selling locations, processing facilities, export companies, associations which process and produce fishery products, and at the aquaculture places. Users of quality symbols must apply for the permit to use them from the Fishery Administration by fulfilling technical requirements.