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FOREWORD

India and Cambodia have enjoyed excellent bilateral relations. Both our countries share a long history of cultural exchanges and interaction which is reflected in the magnificent temples at Angkor Wat and other historic sites in Cambodia. Political relations between our two countries have been nurtured by several high level visits by both sides.

While the political and cultural relations between our two countries are excellent, at present our economic engagement though growing is still far below the potential. The total bilateral trade in 2015 was almost US$ 187 million. But the scope to increase it is immense.

Cambodia has shown tremendous progress in the last few years. It is expected to maintain a growth rate of 7% over the next few years. At the same time, India is seeking to enhance and strengthen its engagement with Cambodia as part of its Act East Policy. The launch of ASEAN Economic Community, Cambodia’s liberal investment regime and low costs of labour only add to the advantages offered by Cambodia. It is therefore most opportune time for Indian businesses to increase their engagement with Cambodia.

I am therefore very happy to release this booklet on doing business in Cambodia for our businessmen. It is my hope that this booklet, a collaborative production with Indian Chamber of Commerce, Cambodia will provide helpful information and advice to Indian businesses and will prove to be a useful reference.

Naveen Srivastava
Ambassador
Embassy of India, Phnom Penh

Debasish Pattnaik
President
Indian Chamber of Commerce, Cambodia

During the last two decades Cambodia, has undergone major transformation from a war-torn country to being a stable, growing economy. According to the World Bank, Cambodia ranks 10th among 174 countries for best growth during the last decade. Rapid growth has been supported by a steady rise in investment related to export-oriented textile industry and to investment in infrastructure.

International trade and foreign direct investment are crucial for Cambodia’s industrial upgrade. Cambodia has the potential to achieve middle-income status in a few years’ time. To maintain strong growth performance and prepare for the establishment of the ASEAN Economic Community and developments in the Greater Mekong Sub-region (GMS), the Royal Government of Cambodia has prepared an industrial policy in order to build the foundation to compete with other emerging economies in the region.

In this regard, ICC’s objective is to help promote Indian investment in Cambodia in different fields such as agriculture, agri-business industry, mining, power, and SME-manufacturing etc. to contribute towards stronger commercial relations between India and Cambodia.

This Investment guide will help Indian business houses and investors to understand the potential of investing in Cambodia and it is my hope that it will help in providing primary information for potential Investors.

For further queries, ICC can always be contacted and would be most happy to help Indian businessmen looking to increase their exposure to this vibrant market.
CAMBODIA – BRIEF STATISTICS

GEOGRAPHY
- Located in South East Asia
- Landmass of 181,035 km²
- Land borders with Vietnam, Laos and Thailand
- Capital: Phnom Penh
- Other major cities: Siem Reap and Sihanoukville

GOVERNMENT
- Government: Constitutional Monarchy
- Head of State: His Majesty King Norodom Sihamoni
- Head of Government: H.E. Mr. Hun Sen, Prime Minister

GDP
- GNI per Capita (2014): US $1020
- GNI per Capita (PPP): US $3100 (current US $)
- GDP growth: 7.0% (2014): agriculture 30%, industry 27% and services 43%
- Labour force by occupation: agriculture 55.8%, industry 16.9% and services 27.3%

INFLATION
- 1.6% (2015)

DEMOGRAPHY
- 15.33 million (estimated): Phnom Penh: largest city with more than 2 million
- Rural population around 80% of total
- 60% of the population between 15-55 years
- Life expectancy: 63 years
- Male/female ratio: 49.1%/50.9%
- Poverty rate: 20 % (2012)
- Literacy rate: 78%

CLIMATE AND WEATHER
- Two main seasons - wet (May to October) and dry (November to April) with an average temperature of 27°C

LANGUAGE
- Official language: Khmer; (English widely spoken)
- Ethnicities: Khmer (90%), Chinese, Vietnamese and Cham

FOREIGN TRADE (till October 2015)
- Exports: US$ 6.99 billion
  - Growth rate: 10.8%
- Imports: US$ 8.63 billion
  - Growth rate: 29.7%

The garment industry in Cambodia has been expanding rapidly and as a result textiles account for more than 70% of total exports. Cambodia’s other exports include footwear, natural rubber and fish products. Cambodia mainly imports petroleum products, fabrics, vehicles, wholesale yarn, cigarettes, electrical communications equipment and medicine. Cambodia’s main trading partners are the United States, Hong Kong, China, Singapore, Canada and Vietnam.

The country attracted $4 billion FDI in 2014, with China, Malaysia and Japan being the top foreign investors.

1. ECONOMIC OVERVIEW

Cambodia has experienced rapid economic growth over the last decade. Cambodian gross domestic product (GDP) grew at an average annual rate of over eight percent between 2000 and 2010 and over seven percent per year since 2011 to the present. It is expected to continue to grow at a similar rate over the next two years. As a result Cambodia today is one the bright spots for emerging market investment.

The main industries are garments and textiles, footwear, tourism, mining, agro-processing and construction/real estate sectors, though Cambodia still remains largely an agrarian country. Approximately 60 percent of the Cambodian population is involved in agriculture on a full-time or part-time basis. In the last several years, it has seen an increase in foreign investment, which has mostly gone into construction, tourism, agro and food processing industries as well as in infrastructure sector (power and roads). China has become a major source of foreign investment (cumulative investments are estimated over US$10 billion) followed by Japan. Other ASEAN member states, notably Malaysia, Thailand, Indonesia and Vietnam have also invested in Cambodia. Attracting and increasing foreign investment is critical not only to Cambodia’s ongoing development, but also to setting the speed at which Cambodia is able to continue developing. As of now Indian investments are very miniscule (MESCO is investing in a gold mining venture, Bajaj has opened a show room and is in process of expanding, TATA International too is distributing Farmtrac agriculture equipment). There is scope for increasing investments and economic engagement in several sectors, including pharmaceuticals, engineering goods, services industries such as tourism, education and medicine including medical devices.

Since Cambodia became the first least-developed country (LDC) to join the World Trade Organization (WTO) in 2004, trade has steadily increased. The main exports are garments and textiles, footwear (both usually as part of regional value chains), agro products and rubber. Imports are mostly from ASEAN member states, China, Japan and Korea and include petroleum products, construction and engineering goods, vehicles and pharmaceuticals. As per ADB Shipments of garments and footwear produced in Cambodia rose by 11.0% year on year. Growth in total merchandise exports was 14.0% in the first half of 2015. At the same time, the rate of tourist arrivals was up 4.6% in the first half of 2015. ADB adds that the expansion of garment manufacturing, construction, and services—in particular tourism, finance, and real estate services—will continue to drive growth in Gross Domestic Product (GDP) which is projected to remain around 7% per annum as Cambodia completes its transition to a lower middle income country.

A new World Bank Group report (October 2015) finds that Cambodia has continued to improve its business environment over the past years. Among 189 economies, it is now ranked at 127.
1.1 Business Environment

Cambodia is one of the fastest growing economies in the South East Asian region with a very open investment policy and real opportunities for creative entrepreneurs and dynamic businesses. The economy has experienced strong, positive growth over the last 15 years, except for a dip in 2008-09 due to the global financial crisis.

In 1999, Cambodia became a member of the Association of Southeast Asian Nations (ASEAN) allowing favourable import and export within the ASEAN Free Trade Area. Cambodia obtained full membership of the World Trade Organisation (WTO) in 2004 which provided a major confidence-boosting impact to the economy, particularly with regards to foreign direct investment; manufactured exports and real estate. Through its membership of ASEAN Cambodia enjoys favourable market access to the several developed and large markets including Japan, Korea and China. Due to its LDC status, Cambodia also enjoys preferential access to EU under its Everything But Arms (EBA) initiative (granted by the European Union) and the Generalized System of Preferences (GSP) offered by many countries including the United States.

The Cambodian Government has, over the past few years, adopted a wide range of free market policies. The government in general remains business-friendly and proactive in seeking to encourage investment. In addition, Cambodia offers an accessible, stable government with a simple tax system and plenty of incentives, particularly in certain industries or for companies in one of the country’s burgeoning Special Economic Zones. Other advantages offered by Cambodia include a very liberal FDI regime which does not put any restrictions on ownership of businesses in most of the cases. The investment law of Cambodia imposes no requirement for local equity participation which implies that businesses can be 100% foreign-owned. There are also no price controls on products of services and no restrictions on foreign exchange or capital controls.

There are estimated to be in excess of 25,000 businesses in operation of which approximately 15,000 are foreign enterprises. Small and medium sized enterprises (SMEs) make up the vast majority of business in Cambodia and provide around two-third of the country’s employment. The Government has adopted in 2015 New Industrial Development policy which places emphasis on moving up the value chain in manufacturing, developing infrastructure and in supporting SMEs.

With the formation of ASEAN Economic Community since January 2015, Cambodia is expected to benefit from increased foreign investments especially from ASEAN and its partner countries.

Majority of foreign companies are involved in garments and textiles, footwear, agriculture, tourism, construction and real estate. As an emerging market, Cambodia is also an attractive destination for franchise businesses, with a growing middle class demonstrating an appetite for, and the financial means to afford, international brands and the perception of quality and trendiness that attaches to them.

Businesses wanting to raise capital most commonly borrow from banks. However several private equity investors are present and willing to invest in well managed Cambodian projects. The Cambodia Securities Exchange (CSX) was established in July 2011 as a joint venture between the Royal Government of Cambodia, which controls 55%, and Korea Exchange Inc. (KRX) the Seoul operator, which holds 45%. The CSX is intended to spur economic development by providing a fresh source of capital to local companies. The first IPO was successfully completed in 2012 and the shares of Phnom Penh Water Supply were the first to trade on CSX in February 2012.

Cambodia launched the National Commercial Arbitration Centre (NAC) in 2013. A key objective in establishing the NAC is to offer the business community an alternative to the Cambodian courts for resolving disputes. The NAC is expected to settle disputes more quickly, inexpensively and fairly than the traditional court system.

The Anti-Corruption Act 2011 came into force on 1 July 2011 as a first step in reducing the culture of facilitation and bribery. Local staff should be trained to only make payments where a receipt is provided. Professional advice should be sought where matters of this nature become difficult. Despite the efforts of the government, the level of corruption does remain high and a recent report from Transparency International placed Cambodia the last among the ASEAN member states.
1.2 Establishing a Business

It is very easy to establish a business in Cambodia. The incorporation and typical licensing processes are straightforward and can be completed relatively quickly. The 2004 Law on Investment established an open and liberal foreign investment regime. There are no restrictions on sectors open for investment (although participation arrangements exist on occasion) and companies can be wholly foreign owned. If you are applying to have your business recognised as a Qualifying Investment Project or “QIP”, which is entitled to tax holidays and other financial incentives, you will need to apply to the Council for the Development of Cambodia (CDC).

Only locals or locally controlled companies can own land as the Law on Investment of Cambodia and Civil Code restrict foreigners from owning land in Cambodia. However, foreigners are allowed to have a perpetual lease for up to 50 years (renewable for an additional 50 years) or a renewable short-term lease.

The Ministry of Culture and Fine Arts (MCFA) is responsible for the registration of copy rights. The Ministry of Commerce supervises trademarks and geographic identification. The Ministry of Industry and Handicraft is in charge of Patent, Utilities Models and Industrial Design.

1.3 Currency

The official unit of currency is the Khmer Riel, often abbreviated to KHR when writing. However, Cambodia is currently a heavily dollarized country with 80% of deposits and credits in the banking system in U.S. dollars. US Dollars are actually used in most transactions. Both Riel and Dollars are widely accepted and either can be withdrawn from ATMs. Most hotels, major restaurants, shops and supermarkets will accept international credit cards.

There are no restrictions on transferring funds into or out of Cambodia through banks. This includes payments for imports, management fees, repayment of loans and interest, repatriation of investment capital and dividends. Certain payments, including management fees, royalties, interest and dividends attract withholding tax. There are currently no significant restrictions on the repatriation of profit or capital derived from investments made in Cambodia.

1.4 Labour

Companies can employ local staff and workers by means of a labour contract. Wages remain amongst the lowest in the region (minimum wage is currently USD140 although the skill and knowledge levels may be lower than anticipated). Employees are entitled to 16 days annual leave and 25 days public holiday each year.
1.5 Office Hours

Normal office hours in Cambodia are Monday to Friday from 8am to 5pm with one hour for lunch (usually at midday). Some local companies require staff to work a half-day on Saturday morning. Government offices are generally open Monday to Friday from 7:30am to 11:30am and from 2pm to 5pm.

1.6 Communications

The Ministry of Posts and Telecommunications (MPTC) was originally responsible for policy making and has held regulatory and supervisory roles, including issuing and administering licenses and frequency spectrum for the telecommunications sector. In January 2008, it separated its telecom operation arm and established a new public enterprise called Telecom Cambodia to provide fixed-line service with the 023 prefix. Telecom Cambodia dominates the fixed-line service in Cambodia. It also operates the international connection.

Cambodia was the first country in the world with more mobile phones than fixed line phones. The country has several mobile phone operators. As of last year, those operators had sold out 19.1 million SIM cards, exceeding the country’s population. The mobile phone market is rapidly expanding.

Cambodia recorded 6.2 million internet users in 2015, a 25% percent rise year-on-year (source: Ministry of Posts and Telecommunications). Internet is the fastest growing communications medium in Cambodia with a current Internet penetration of approximately 40% of the population and projected to reach 65% by 2020. Among the social media networks, Facebook remains the dominant platform. Its popularity has grown based on a number of factors including that the Prime Minister and other leaders use the social network to reach out to the common people.

1.7 Transportation

Waterways

Sihanoukville Autonomous Port (SAP) is the country’s only deep seawater port. With the possibility of offshore oil field being developed nearby, a new multi-purpose terminal is planned, consisting of a supply base for the oil fields and a handling area for bulky materials such as wood chip or coal.

Current shipments through SAP include the export of garments and import of vehicles, machinery, construction material, electronics and raw material for garment manufacturing.

In addition to SAP, there are other smaller sea ports such Sre Ambel, Oknha Mong and Kampot Port - which is due to undergo expansion. There are also plans to develop ports in Kiri Sakor, Koh Kong province (deep seawater port), Steung Hav of Preah Sihanouk province (international port) and Kep province (tourist port).

Inland Water Transportation

Cambodia’s inland water network consists of the Mekong River and its tributaries; the Tonle Sap and Bassac River. The navigational segments of the network stretch to approximately 1,750 km in length during the rainy season. The Mekong River accounts for 30 percent of the total length, the Tonle Sap 15 percent, the Bassac River 5 percent, and other tributaries 50 percent.

Phnom Penh Autonomous Port (PPAP)

PPAP was initially wholly owned by the State, but is now listed at the Cambodia Securities Exchange after a successful IPO. PPAP is Cambodia’s second largest port. Shipments included garments, agricultural products, construction materials, vehicles, and machinery and consumer products.

PPAP is building a new container terminal with a total capacity of 120,000 TEUs per year. This new port will end the need for shipment transfers to larger vessels in Vietnam. It means that the imported goods can go directly to the capital rather stopping first in Sihanoukville and then travelling overland to Phnom Penh.
Aviation

Currently, there are 11 airports in Cambodia of which 3 are international. In recent years, regular international flights have only been available at two airports; Phnom Penh International Airport and Siem Reap International Airport. But, over the coming years flights are expected to increase to and from Sihanoukville International Airport.

Cambodia Airports holds the concession for the development and the management of Cambodia’s three international airports serving its main economic poles and tourist destinations: the capital city of Phnom Penh; Siem Reap, home to Angkor Wat and the port city and resort town of Sihanoukville. The shareholders of Cambodia Airports are France’s Vinci Group (70%) and Muhibbah Mesteron Cambodia (30%), a Malaysian-Cambodian joint venture. Vinci plans to invest close to US$ 400 million on upgrading Cambodia’s airport system over the next eight years to meet the fast growing demand of passengers and air cargo.

All other airports are under the management of the State Secretariat of Civil Aviation (SSCA), except Kampong Chhnang Airport.

Forecasts predict that Phnom Penh International Airport could be handling around 3 million passengers per annum by as early as 2016, Siem Reap 4 million passengers per annum by 2020. and Sihanoukville international Airport 4 million passengers per annum by 2025.

Railways

Cambodia’s modern railway system commenced commercial rail operations on the 256- kilometer “Southern Line” between the capital city of Phnom Penh and Sihanoukville Port after years of renovation with the support from the development partners. At present the line is being used only for cargo transportation.

The new North Railway line is being planned to link Phnom Penh to Poipet and Thailand. It is not yet functional and total project cost is likely to be approximately 142 million U.S. Dollars.
2. INDIA - CAMBODIA COMMERCIAL RELATIONS

India-Cambodian bilateral relations are warm and cordial. Contemporary times have witnessed an expansion of cooperation in diverse fields such as institutional capacity building, human resource development, and the extension of financial assistance to infrastructure projects, security and defence. India has extended Duty Free Tariff Preference Schemes to Cambodia since August 2008, which has encouraged exports of Cambodian goods to India. In addition, India has extended bilateral assistance to Cambodia through grants and lines of credit. The Indian Embassy has helped establish an Indian Chamber of Commerce to promote bilateral trade and investment ties. With the signing and entry into force of ASEAN-India Free Trade Agreement both in goods and service, Cambodia offers good opportunities for increasing trade and investment.

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<td>100.38</td>
<td>126.59</td>
<td>124.57</td>
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Value: US$ million
Source: Ministry of Commerce, Government of India

As may be seen from the above table, the trade has experienced a steady growth. According to preliminary figures, the total trade in 2015 is around US$187 million with Indian exports around US$145 million. The principal commodities exported from India are: drugs and pharmaceutical products, organic chemicals, yarn, woven fabric, leather, man-made staple fibres, tobacco, vehicle parts, machinery and cosmetics. Whereas the main exports from Cambodia are non-ferrous metals. The trade basket can be however expanded by sourcing potential segments including in engineering goods, agricultural products, pharmaceuticals etc. It must be kept in mind, that Cambodia is at present importing many of the goods from other countries, and these can be sourced from India also. Our share in bulk of the imports is still very negligible. This highlights the potential for enhancing such exports.

At present investment from India is marginal. But doing business with Cambodia can also be looked at from a broader perspective of increasing investments for the following reasons:

- Cambodia being a member of ASEAN, the Indian business community can take advantage of the existing free trade agreement between India and all the ASEAN countries;
- As ASEAN member it provides access to regional markets through preferential trading arrangements with big markets such as China, Japan, RoK.
- Cambodia, being an LDC, has easy access to the markets of developed countries such as EU and the US through the GSP route as well.

Indian companies are showing interest in investment in hotel, hospital, mining and agro-industries sectors, and are discussing projects with Cambodian parties. Indian pharmaceutical companies have their representative offices in Phnom Penh. The announcement by Government of India to create a Project Development Fund to attract more investments towards CLMV countries would provide impetus to the increasing interest of the Indian companies.

Bajaj Auto has established presence in Cambodia in the last two and a half years with the opening of showroom in Phnom Penh and Siem Reap for their motorcycles and power bikes. Bajaj is currently in the process of launching small cars in Cambodia. TATA International has also been present in Cambodia in the last several years and is engaged in the business of farm equipment and machinery under the brand name FarmTrac. Bank of India opened its branch on May 27, 2009. Chennai based Agarwal Eye Hospital has opened their first eye hospital in September 2014 with up to date state of art technology in Phnom Penh. Another Indian company MESCO has invested in gold mining in the province of Ratanakiri and is looking at possibilities of investing in power generation, and plantation sectors.
3 INVESTING IN CAMBODIA

Cambodia offers a very liberal regime that is open to foreign investment, with 100% foreign owned investment permitted in most sectors. The government is business friendly and the population is generally welcoming of foreigners. The wide-spread use of US dollars and the fact that there are no significant restrictions on transfer of funds or repatriation of profits only adds to its advantages. In addition, Cambodia provides preferential access to regional and international markets as it can leverage its membership in the Association of South-East Asian Nations (ASEAN). Tariffs on most Cambodian exports to and imports from ASEAN member countries will be abolished by 2018. The Kingdom has entered into bilateral investment treaties with several countries to provide reciprocal national treatment to investors, preclude expropriations and guarantee the repatriation of investments. Further, Cambodia offers low labour costs and a dynamic and young workforce.

3.1 Market Opportunity

Cambodia offers potential investment opportunities in several areas including in tourism infrastructure and resorts; tourism related services; education; architecture, construction, and engineering goods and services; household goods and appliances; agribusiness and food processing; used cars and automotive parts; power generation equipment; pharmaceuticals, medical supplies, medical equipment and banking among others.

Reasons to Invest

- Open economy
- Sound Macroeconomic Environment
- Competitive Investment Incentives and tax regime
- Government’s strong support in private sector
- One Stop Service - Fast Track Investment Approval Process (20 days)
- Low cost, young and energetic workforce
- Strategic Location
- Preferential Trading Status - Access to ASEAN and World Markets
- Widespread use of dollars

Best Prospects

- Tourism services and infrastructure
- Education services
- Architecture, Construction, and Engineering goods & services
- Household Goods and Appliances
- Agribusiness and Food Processing
- Used Cars and Automotive Parts
- Power Generation Equipment
- Food and Beverage Franchises
- Pharmaceuticals, Medical Supplies, and Medical Equipment
- Banking

Policies toward FDI

Laws and regulations governing FDI in Cambodia are basically designed to encourage investments. As the Law on Investment stipulates, FDIs are treated in a non-discriminatory manner except for land-ownership. Under the current Law on Investment, the investors, who are given Final Registration Certificates, will be entitled to various incentives. In addition, the Cambodian government has been improving their investment facilitation services. For example, the Government decided in 2005 to establish the Cambodian Special Economic Zone Board (the CSEZB) under the CDC to promote the special economic zone (SEZ) scheme in Cambodia. Administered by the CSEZB, the Special Economic Zone Administration is to be established in authorized SEZ and expected to provide one-stop service to zone investors from the registration of investment projects to routine export-import approvals.

There are still some negative factors of which investors must be aware: these include high cost of inputs (electricity); immaturity of the financial sector; a legal framework that is still evolving, lack of adequately trained manpower (businesses must be ready to train the workers – this also provides an opportunity for educational services sector); relatively inadequate infrastructure – especially road and railways – though the road sector is seeing improvements with aid from China and Japan.
3.2 Special Economic Zones (SEZ)

The main objective of SEZs is to:
- Provide investors with adequate infrastructure and supportive facilities
- Effectively respond to the challenge of diversifying the Cambodian economy and to promote demand-driven development, such as export promotion
- Enhance competitiveness of garment industry and other labour intensive activities
- Promote agro-industry, food processing
- Promote assembling industry
- Promote electronic and electric appliances industries

Investment Incentives in SEZ
- Up to 9 years tax holiday
- 10% rate on Value-Added Tax
- Full Import Duty Exemption: raw materials, machinery, equipment...
- No Export Tax
- Employment of foreign expatriate authorized up to 10% of all employees, staff and workers
- Permanent visa for families and investors
- Long term lease up to 99 year
- Free repatriation of profit

One Stop Service is provided by Special Economic Zone Administration (SEZA) which facilitates:
- Company registration and investment license
- Export/import permit
- Work permit and Labour books (both workers and expatriate)
- SEZA also provides on-site immediate legal and administrative assistance

Infrastructure/Utilities in SEZ
- Internal roads in connection to public roads
- Dry port/bonded warehouse
- Telecommunications
- Electricity
- Industrial water supply
- Waste water treatment plant
- Dormitory and canteen

4. SETTING UP A BUSINESS

Generally, there are no restrictions on the setting up of businesses. However, many businesses require a license or permit to operate, including areas such as banking and finance institutions, tour agencies, real estate agencies, telecommunication, industrial factories, etc.

4.1 Commonly used Business Entities

A new entity is registered with the Cambodian Ministry of Commerce (MoC). Since 4 January 2016, the company registration at MoC is conducted via on-line or an automated registration system. Approval for registration usually takes approximately ten and a half working days upon submission of all required documents. In general, businesses operate in Cambodia via the following vehicles:

- A company incorporated in Cambodia ("Limited Liability Company")
- A branch of a company incorporated outside Cambodia
- A representative office of a company incorporated outside Cambodia

4.2 Legal Formalities for setting up a company

For establishing a Limited Liability Company (LLC) the minimum registered capital is 4,000,000 Reais (approximately USD1,000). Generally, there is no restriction on 100% foreign ownership (except for land holding). Foreign LLCs are afforded all the rights and benefits of a locally owned LLC with the exception that it cannot own land. The name of the company must first be cleared with the MoC. A standard memorandum and articles of association will have to be prepared for the company and lodged with the MoC, together with the prescribed information for incorporation. LLCs may have from 1 to 30 shareholders. A single shareholder LLC will be called a Single Member Private Limited Liability Company.

ii) Branch Office of Foreign Company ("Branch")

In all aspects, a Branch can undertake the same activities as an LLC. A Branch may enter into contracts to buy and sell goods and services and engage in manufacturing, processing and construction activities undertaken by its principal, employ staff, etc.

However, a significant disadvantage of this form of enterprise is that a Branch does not enjoy the limited liability afforded to LLCs. Liabilities with respect to losses and debts of a Branch are a joint liability for both the Branch and its parent. Accordingly, the parent of the branch is held jointly responsible for the debts of the Branch in Cambodia. There is a risk of linking the parent directly to any local issues which might damage the parent entity.

A Branch of a parent company must be damaged by one or more managers. There is no minimum capital requirement applicable to a Branch.
iii) Representative Office of Foreign Company ("RO")

An RO may be established in Cambodia to facilitate the sourcing of local goods and services and to collect information for its parent company. Essentially, this means that RO’s activities are limited to sales liaison work. The RO is not considered a separate legal entity from its parent company, and is prohibited from entering into contractual arrangements for selling goods, performing services or engaging in manufacturing, processing or construction.

The RO may engage in the following activities:
- Contact customers for the purpose of introducing customers to its parent company;
- Research commercial information and provide such information to its parent company;
- Conduct market research;
- Market goods at trade fairs, and exhibit samples and goods in its office or at trade fairs;
- Rent an office and employ local staff; and
- Negotiate (but not enter into) contracts with local customers on behalf of its parent company.
- An RO is not allowed to earn income and must be funded exclusively by its parent office.

For Branch Office, certain documents and information of the holding company and the Cambodian branch are required to be provided to the MoC for branch registration. The name of the Branch shall be the name of its principal.

A Representative Office (RO) is prohibited from undertaking profit making activities including the buying or selling of goods, performing services or engagement in manufacturing, processing or construction. The name of the RO shall be the name of its principal.

4.3 Requirements for Foreign Investors

For a Cambodian company, the full name, address, nationality of the foreign investor and the number of shares held in the company are required by the Ministry of Commerce (MoC). For a Cambodian branch, the place of registration of the foreign company, details of its structure and other information in the prescribed documents is required by the MoC.

For a Cambodian branch, the place of registration of the foreign company, details of its structure and other information in the prescribed documents is required by the MoC.

For a RO, the requirements are the same as a Branch. If the Cambodian company or Cambodian branch needs to apply for a particular license to carry out its business operation, additional information on the foreign investor may have to be provided to the relevant government authority.

Available Business Organization Forms

All types of business organization forms are summarized in the chart below:

<table>
<thead>
<tr>
<th>Form</th>
<th>Definition</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
</table>
| Limited Liability Company | Company in which liability of shareholders is limited to capital contribution. Includes single-member private limited liability company. | - Widely accepted.  
- Minimum capital at KHR 4 million (about USD 1,000).  
- Accepted for CDC approval investment project.  
- Flexible forms. | - Taxable activities in Cambodia.  
- Higher reporting and administration burden.  
- Approvals required for share transfers and changes of directors. |
| Branch Office             | Division of offshore parent company.                                      | - Simplifies internal, legal, and accounting structure.              | - Not acceptable for CDC investment project.  
- Exposes parent to liabilities of branch.  
- Taxable activities in Cambodia. |
| Representative Office     | Local representative of parent company.                                    | - Rapid approval with minimum legal documentation.  
- Minimum tax activities in Cambodia. | - Not acceptable for CDC investment project.  
- Scope of permissible activities limited.  
- Cannot engage in business activities in Cambodia. |
| Business Corporation Contract (BCC) | Contractual relationship with government entity. | - Rapid approval with minimum legal documentation.  
- Minimum tax activities in Cambodia. | - Not acceptable for CDC investment project.  
- Scope of permissible activity limited.  
- Cannot invoice.  
- Cannot engage in activities in |

(source: DFDI guide)
4.4 Qualified Investment Project (QIP)

The Council for the Development of Cambodia (CDC)/Cambodian Investment Board (CIB) is the main agency of the government on all strategic and regulatory aspects of Qualified Investment Projects (QIPs) and the development of Special Economic Zones (SEZs) in Cambodia.

Investment incentives are available for QIPs. Notably, investors who are given final registration certificates (FRCs) will be entitled to various incentives. To be entitled to these, QIPs must undergo an investment registration process with the CDC or the Provincial/Municipal Investment Sub-Committee (PMIS) depending on the type of investment project. The CDC/CIB reviews investment applications and grants concessions to investors and investment projects meeting the requirements stipulated in the Investment Law. The application for the investment registration can be made either before or after incorporation or registration with the Ministry of Commerce (MOC).

In addition, the government has improved investment facilitation services. For instance, in 2005, the government established the Cambodian Special Economic Zones Board (CSEZB) under the auspices of the CDC to promote the SEZ scheme. Administered by the CSEZB, the Special Economic Zone Administration (SEZA) has established authorized SEZs and provides a one-stop service to investors from the registration of investment projects to obtaining routine export-import approval.

**Process and Timeframe from Submitting an Investment Proposal**

The following table outlines the process and timeframe for obtaining the FRC:

<table>
<thead>
<tr>
<th>Process</th>
<th>Condition/Requirement</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submitting the investment proposal to the CDC or PMIS</td>
<td>Payment of application fee of KHR 7 million.</td>
<td>N/A</td>
</tr>
<tr>
<td>Obtaining a CRC from the CDC or PMIS</td>
<td>The proposal contains all the required information, and is not made in respect of an activity included on the Negative List, or which previously has been, or is currently, carried on by the investor or any other person, and which has received investment incentives.</td>
<td>Within three working days of submitting the investment proposal.</td>
</tr>
<tr>
<td>Ministries/Authorities</td>
<td>Meet the conditions/requirements of the approvals, authorizations, clearances, licenses, permits, or registration.</td>
<td>Within 28 working days of obtaining the CRC.</td>
</tr>
<tr>
<td>CDC or PMIS</td>
<td>Obtaining all the approvals, authorizations, clearances, licenses, permits, or registrations from the relevant ministries/authorities.</td>
<td>28 working days after obtaining the CRC.</td>
</tr>
</tbody>
</table>

(source: PDOC guide)

4.5 Process of establishing a sole proprietorship

A Sole Proprietor, who falls into the “Real Regime” (see information box below) for tax purposes, must obtain a business registration with the Ministry of Commerce.

**Step 1**

The Sole Proprietor informs the Registry Official at the provincial Department of Commerce (PDOC), Municipal Commerce Department or at the Commercial Registration Department at the Ministry of Commerce that they are a natural person who wishes to operate as a Sole Proprietor. The Sole Proprietor needs to perform the name check with the Registry Official.

**Step 2**

The required documents and administration fee for registration as a Sole Proprietor.

**Step 3**

When the documents as mentioned above is sufficient for registration, the sole proprietor must report at PDOC, Municipal Commerce Department or the Commercial Registration Department at the MoC for signature.

**Real Regime Information:**

MEF Prakas 1819 dated 25 December 2015, sets out the thresholds for whether a sole proprietor falls within the Real Regime for tax purposes. These are as follows:

- Annual Revenues of more than KHR 250 Million, or,
- Revenue in the (last/expected) three consecutive months is more than KHR 60 Million, or
- Participate in bidding for government contract with any amount.

**Step 4**

All documents must be taken to the Commercial Registration Department at the MoC.

**Step 5**

The PDOC, Municipal Commerce Department or MoC shall enroll the Sole Proprietorship in the commercial register and notify the applicant within one (1) month from the date of receiving such documents. The PDOC, Municipal Commerce Department or the Commercial Registration Department at the MoC will inform the Sole Proprietor within one (1) month of the application to pick up the registration certificate.
4.6 Registration Practicalities

4.6.1 Registering a Company

Company Registration is to be done by automated registration system.

Step 1
Check availability of company name at automated system. An important early decision, requiring some thought, is selecting a name for your business. An effective business name relates to your product or service and is easy to pronounce, spell and remember.

If the chosen name is not unique, the Applicant is requested to suggest an alternative. This may require consultation with a shareholder or a director if the Applicant does not have the authority to select an alternative name. The name search should take less than a minute via this online system.

Step 2
The required documents and administrative fee for registration are to be submitted. The fee can be paid online as the MOC has signed a memorandum of understanding with some commercial banks in Cambodia.

Step 3
When the documents as mentioned above are considered sufficient for registration, a director or any shareholder of the company must be present at MoC for signature of the application form before the Registration Certificate is produced.

Where the application has been made at a provincial Commercial Registration Branch, a director or any shareholder of the company must be present. When the documents as mentioned above are considered sufficient for registration, a general partner must be present at MoC for signature of the application form before the Registration Certificate is produced.

Where the application has been made at a provincial Commercial Registration Branch a general partner must be present at that Commercial Registration Branch for signature of the application form before the Registration Certificate is produced.

Step 4
All documents must be taken to the Commercial Registration Department at the MoC.

Step 5
The PDOC, Municipal Commerce Department or MoC shall enroll the Sole Proprietorship in the commercial register and notify the applicant within one (1) month from the date of receiving such documents.

4.6.2 Registering a Partnership

All partnerships must go to the Commercial Registration Bureau at the Ministry of Commerce except where a Commercial Registration Branch is available in their province for business registration, in which case the partnership must make its application to that office.

Step 1
Check availability of company name at the Commercial Registration Department at MoC. An important early decision, requiring some thought, is selecting a name for your business. An effective business name relates to your product or service and is easy to pronounce, spell and remember.

If the chosen name is not unique, the Applicant is requested to suggest an alternative. This may require consultation with a partner of the partnership if the Applicant does not have the authority to select an alternative name. The name search should take less than a minute via the automated system.

Please note that the name of the partnership shall include the name of one or more of the partners.
Step 2
The required documents and administration fee for registration of a partnership.

Step 3
When the documents as mentioned above are considered sufficient for registration, a
general partner must be present at MoC for signature of the application form before the
Registration Certificate is produced.

Where the application has been made at a provincial Commercial Registration Branch
a general partner must be present at that Commercial Registration Branch for signature
of the application form before the Registration Certificate is produced.

Step 4
It can take as few as 5 working days to process documents and issue a Registration
Certificate. If the application has been made at a provincial Commercial Registration
Branch a temporary Registration Certificate will be issued within 10 days. This temporary
Registration Certificate will have a validity of 30 days and the formal Registration
Certificate will be issued within that period of validity.

Step 5
The Commercial Registration Department can organise for the newly registered
partnership to get a partnership seal made in accordance with the approved design of the
Ministry of Commerce.

4.6.3 Registering a Representative Office

All Representative Offices is able to go to the Commercial Registration Bureau at the
Ministry of Commerce except where a Commercial Registration Branch is available in
their province for business registration, in which case the Representative Offices is able
to make its application to that office or else to be done by automated registration system.

Step 1
An important early decision, requiring some thought, is selecting a sub-type on Parent
company name for your business at the Commercial Registration Department at MoC. An
effective business name is the name of its principal. The name search should take less
than a minute via the automated system.

Step 2
The required documents and administrative fee payable for registration of a
Representative Office. The fee can be paid online since MOC has signed memorandum
of understanding with some commercial banks in Cambodia.

Step 3
When the documents as mentioned above are considered sufficient for registration, a
legal representative may be present at MoC for signature of the application form or sign
from distance before the Registration Certificate is produced.

Where the application has been made at a provincial Commercial Registration Branch
a general partner must be present at that Commercial Registration Branch for signature
of the application form before the Registration Certificate is produced.

Step 4
It can take as few as 5 working days to process documents and issue a Registration
Certificate. If the application has been made at a provincial Commercial Registration
Branch a temporary Registration Certificate will be issued within 10 days. This temporary
Registration Certificate will have a validity of 30 days and the formal Registration
Certificate will be issued within that period of validity.

Step 5
The Commercial Registration Department can organize for the newly registered
representative office to get a representative office seal made in accordance with the
approved design of the Ministry of Commerce.
4.7 Accounting

4.7.1 Financial Statements

The National Accounting Council of Cambodia has decided to adopt International Financial Reporting Standards for Small and Medium-sized Entities and International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) effective for Financial Statements with the period beginning on or after 1 January 2010 and 1 January 2012, respectively. The new standards will be referred as Cambodian International Financial Reporting Standards for Small and Medium-sized Entities (CIFRS for SMEs) and Cambodian International Financial Reporting Standards (CIFRS).

Public accountability entities are required to adopt CIFRS and non-public accountability entities that meet the audit requirements below are required to adopt CIFRS for SMEs or opt to use CIFRS, if necessary. Other entities can also adopt CIFRS for SMEs.

4.7.2 Audit Requirements

All enterprises that meet two of the three criteria set by Prakas No. 643 (MoEF Br.K dated 26 July 2007), must submit their annual financial statements to be audited by an independent auditor. The audit shall be carried out by an auditor registered with Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA):

- annual turnover above 3 billion Riels (USD750,000)
- total assets above 2 billion Riels (USD500,000)
- more than 100 employees

4.7.3 Book Year/Accounting Currency

Generally, the tax and accounting year is the calendar year. The accounting year end does not need to coincide with the calendar year, although any change must be approved. The bookkeeping shall be prepared in Khmer Language and in Khmer Riels.

4.8 Other Compliance requirements

4.8.1 Permission letter for Registered Office from Municipality or Province
In addition to registration with the MoC, a registration with the Phnom Penh Municipality or provincial commercial offices is necessary for confirming the business’ registered address.

4.8.2 Annual Declaration of Commercial Enterprise (ADCE)
All entities registered with the MoC in Cambodia are required on an annual basis to prepare and lodge with the MoC an ADCE.

4.8.3 Certificate of Compliance (COC)
For a QIP, the CDC requires all QIPs to apply for the CoC on an annual basis to enable QIPs to continue to receive the investment incentives granted under the Investment license.

4.8.4 Labour Code Compliance
The enterprise is required to notify the Ministry of Labour and Vocational Training on an ongoing basis of any changes that may occur. The obligations for an employer under the labour code compliance include: initial registration requirement, declaration of staff movement in/out, annual application for quota of foreign workers, annual application for work permits of expatriate staff, registration of minutes of meeting for the election of staff representatives, etc.

4.8.5 National Social Security Fund (NSSF)
Every month, an employer or owner of an enterprise (8 staff or more) shall report the number of workers/employees and pay the required contribution of 0.8% of average monthly wage of workers/employees to NSSF by the 15th of the following month.

4.8.6 Tax
The principal taxation law of Cambodia is the Law on Taxation (LoT) adopted by the National Assembly in January 1997. In 2000, the Ministry of Economy and Finance issued a Prakas (regulation) on Tax on Profit to clarify certain tax provisions stipulated in the 1997 Law.

The Law on Amendment on the LoT (LALoT) was signed into Law in March 2003, and the revised Prakas on Tax on Profit was issued in December 2003.

Sole proprietorships will be subject to tax under the real regime if the sole proprietorships meet certain conditions as stated in the tax provisions (i.e. level of turnover or type of business activities).

A Real regime taxpayer will be required to submit and pay taxes to the General Department of Taxation (GDT) on an annual and monthly basis. Such taxes are mainly as follows:

- Annual Tax on Profit and/or Minimum Tax
- Annual Patent Tax
- Monthly Prepayment of Tax on Profit
- Monthly Tax on Salary and Fringe Benefit Tax
- Monthly Value Added Tax
- Monthly Withholding Tax

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5. TAXATION

Corporate taxpayers in Cambodia are classified as either resident taxpayers, or non-resident taxpayers. A resident taxpayer is primarily an enterprise that has a place of management and carries on business in Cambodia. A company is resident in Cambodia if:

- It is organised or managed in Cambodia; or
- It has its principal place of business in Cambodia.

A non-resident taxpayer is an enterprise that derives Cambodian source income, but does not have a place of management in Cambodia. A non-resident taxpayer will be deemed to be Cambodian resident for tax purposes if it is found to have a Permanent Establishment (PE) (see 4.17.4) in Cambodia.

A resident taxpayer is subject to Tax on Profit (ToP) or Corporate Income Tax (CIT) on income derived from both Cambodian and foreign sources, whereas, a non-resident taxpayer is subject to ToP/CIT in respect of its Cambodian source income only. The standard rate is 20%.

5.1 Taxable Income

Taxable income is the net profit obtained from all types of business operations including capital gains realized during the business operation or at the cessation of the business, interest, rental, and royalty income as well as income and gains from financial or investment assets including immovable assets.

Taxable income shall also include all capital gains realized from operations other than business operations. The determination of taxable income, and the rules and procedures for the collection of the tax due, are determined by Prakas (Regulation).

5.2 Capital Gains

All realized gains (including capital gains) are treated as income. Cambodia does not impose a separate tax on capital gains. Gains arising from the disposal of real property and other assets are treated as ordinary income and are therefore subject to tax at the prevailing tax on profit rate.

5.3 Dividend

A dividend is defined as a distribution of property or money, made by a legal person to a shareholder. A distribution arising from a complete liquidation is specifically excluded from the definition of a dividend. Dividends received from resident companies that subject to the standard profit tax 20% are not subject to income tax.

Dividends received from non-resident companies are subject to income tax in Cambodia. A credit is allowed for tax paid on foreign source income, subject to certain conditions.

5.4 Deductions

Allowable deductions include most expenses incurred in the course of carrying on a business, with certain limitations. The deductibility of charitable contributions is limited to five percent of taxable profit of the taxpayer.

Depreciation is allowed as a deduction in accordance with the rates determined by the tax provisions. There are also certain restrictions on the deductibility of interest.

5.5 Non-deductible Expenses

Non-deductible expenses include:

- increase in provisions
- any expense on activities generally considered to be amusement, recreation, entertainment
- personal expenses, except for fringe benefits which are subject to fringe benefit tax
- any loss on sale or exchange of property, directly or indirectly, between related parties
- penalties, additional tax and late payment interest imposed for violation of the Law on Tax (LoT)
- non-deductible tax expenses
- donations, grants or subsidies and
- Extravagant and / or unrelated business expenses.

5.6 Losses

Losses can be carried forward for a maximum of 5 years. Losses cannot be carried back. Tax losses may be forfeited upon a change in ownership of the business or if there is a change in business activity. Tax losses will also be forfeited in the event a taxpayer is subject to a unilateral tax assessment.

5.7 Grouping

There are no grouping provisions in Cambodia.
5.8 Tax Depreciation

Depreciation is deductible in accordance with specified rates if the assets are used in the course of carrying on a business. Land is not a depreciable asset. Depreciable assets are divided into the following classes, and are depreciated at the following rates:

- **Class 1:** Buildings and structures - 5% straight line
- **Class 2:** Computers, electronic information systems, software and data handling equipment - 50% diminishing value
- **Class 3:** Automobiles, trucks, office furniture and equipment - 25% diminishing value
- **Class 4:** All other tangible property - 20% diminishing value

Assets in classes 2 to 4 are accounted for on a pooled basis, and therefore capital gains or losses on the disposal of fixed assets are not calculated individually but are calculated based on the result of the pooled asset account. Additions for fixed assets from class 1 to 4 are depreciated for the full year in the year of acquisition.

5.9 Amortization of Expenditure

Intangible assets, including preliminary and formation expenses, R&D, patents, copyrights, trademarks, computer software, and purchased goodwill can be amortized over the useful life of the property. If the life of the intangible assets cannot be determined, a tax depreciation rate of 10% based on the straight-line method is used.

All exploration and development costs of a natural resource, including interest, shall be capitalized and written-off in accordance with the depletion of the resource recorded as a percentage of the estimated total production from the resource.

5.10 Interest Expense

Interest expense allowable as a deduction is limited to an amount equal to the total interest income plus 50% of net non-interest profit earned for the year. Net non-interest profit is the gross income, other than interest income, less allowable non-interest expenses. The excess amount can be carried forward to future years.

5.11 Tax Rates

The Cambodian Tax Law provides corporate income tax or annual tax on profit (ToP) rates as follows:

- 20% for the profit realised by a legal person.
- 30% for the profit realised under an oil or natural gas production sharing contract and the exploitation of natural resources including timber, ore, gold and precious stones.
- 0% for the profit of QIP during the tax exemption period as determined by CDC.
- 5% on gross premiums received in Cambodia for Insurance Companies engaged in the insurance or reinsurance of life, property or other risks and 20% on non-insurance income.

5.12 Tax Credit

Tax paid on foreign source income is available as a tax credit, subject to the taxpayer providing sufficient evidence to substantiate the foreign tax paid. The tax credit is calculated separately for each foreign country and is the lower of the foreign tax paid or Cambodian tax payable on foreign source income.

5.13 Record keeping

All books of accounts, accounting records and other documents must be maintained in the Khmer language and in KHR, and kept for a period of 10 years.
5.14 Tax on Individuals

Individual residents in Cambodia are liable for personal income tax on salary on Cambodian foreign source income, whereas non-residents are subject to income tax on Cambodian source income only. A credit for foreign income tax paid is allowed against Cambodian income tax. The tax credit is calculated separately for each foreign country and is the lower of the foreign tax paid or Cambodian tax payable on foreign source income. Employers are required to withhold income tax from salaries and other benefits paid to employees. The salary tax rate is based on a progressive tax rate ranging from 5% to 20%.

5.14.1 Residence

A person is resident in Cambodia if the person is “domiciled in” or has a “principal place of abode” in Cambodia, or the person is present in Cambodia for more than 182 days during any 12 month period of the calendar year.

Individuals receiving remuneration in the course of employment are subject to personal income tax known as tax on salary. The remuneration includes salary, wage, bonus, overtime and other compensation. A fringe benefit tax on employer-provided cars, housing, low interest loans, and free, subsidized or discounted goods and services is levied on employers according to the taxable value of the fringe benefits provided to their employees. The actual cost of providing the benefit will normally be deductible for the employer except for the fringe benefit tax.

5.14.2 Exempt Income

Employment-related payments received by a tax resident that are not subject to income tax include:

- reimbursement of business expenses by the employer, provided that the costs are incurred in the course of employment, the amounts are not excessive and they can be substantiated
- indemnity for layoff within the limit as stated in the Labor Law
- additional remuneration received with social characteristics as provided in the Labor Law
- supply of free or subsidized uniforms or special professional equipment used in the course of employment and
- flat allowances for mission and travel received in the course of employment.

5.14.3 Deductions

Employees are not allowed any deductions against their salary income as employees are not required to submit annual tax returns.

Personal Allowances/Rebates of Tax

The following relief is provided to a resident employee:

<table>
<thead>
<tr>
<th>Relief for the Month</th>
<th>KHR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child relief for each child (14 years old or 25 years old if still at school)</td>
<td>75,000</td>
</tr>
<tr>
<td>Dependent spouse (must be housewife)</td>
<td>75,000</td>
</tr>
</tbody>
</table>

5.14.5 Tax Rates

Residents: The personal income tax rates are as follows:

<table>
<thead>
<tr>
<th>Taxable Income for the Month (KHR)</th>
<th>Progressive Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 800,000</td>
<td>0</td>
</tr>
<tr>
<td>From 800,001 - 1,250,000</td>
<td>5%</td>
</tr>
<tr>
<td>From 1,250,001 - 8,500,000</td>
<td>10%</td>
</tr>
<tr>
<td>From 8,500,001 - 12,500,000</td>
<td>15%</td>
</tr>
<tr>
<td>Over 12,500,000</td>
<td>20%</td>
</tr>
</tbody>
</table>

Non-residents

Non-residents are taxed on salary from Cambodian sources at the flat rate of 20%.

Returns and Assessments

The salary and fringe benefit tax return and payment are due to be filed and paid to the GDT by the 15th day of the following month. Currently the Cambodian Tax Law does not require a resident individual to submit an annual personal income tax return to the GDT. Accordingly, the monthly salary tax deduction is considered to be a final tax for individuals.
5.15 Indirect and other Taxes

Value Added Tax

VAT is chargeable on a wide range of goods and services supplied in Cambodia and on the importation of goods. The basic principle of VAT is to charge tax at each stage of production, allowing each supplier credit for the tax paid, so that the VAT eventually impacts the final consumer.

Taxable supplies attract VAT at either the standard rate of 10% or the zero rate. Zero rating applies to export of goods and services, and certain charges in relation to international transport of people and goods.

Exempt supplies are not subject to VAT and include:

- public postal service
- hospital, clinic, medical, and dental services and the sale of medical and dental goods incidental to the performance of such services
- passenger transportation services by a wholly state-owned public transportation system
- insurance services
- primary financial services
- importation of articles for personal use that are exempt from customs duties and non-profit activities for public interest that have been recognized by the Ministry of Economy and Finance.
- Enterprises providing taxable supplies of goods and services are required to register for VAT if they meet the criteria specified below:
- corporations, importers, exporters and investment companies
- taxpayers with turnover in respect of goods sold exceeding KHR125 million for the preceding three consecutive months or in the next three consecutive months
- taxpayers with turnover in respect of services provided exceeding KHR60 million for the preceding three consecutive months or in the next three consecutive months and
- tax payers undertaking government contracts with a total taxable turnover exceeding KHR30 million VAT registration must be made at the commencement of business operations or within 30 days in which the taxpayer becomes a taxable person.

VAT returns and payment are due to be filed and paid to the GDT by the 20th day of the following month.

VAT is payable at 10% on imports by reference to the value of the import, including any customs duty, insurance and freight charges.

Specific Tax on Certain Merchandises and Services (STCMS)

Certain goods and services are subject to STCMS which is a form of excise tax that applies to importation or domestic production and supply of certain goods and services.

Examples of the levy of STCMS are:

<table>
<thead>
<tr>
<th>Item</th>
<th>Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic and international telephone services</td>
<td>3</td>
</tr>
<tr>
<td>Domestic and international air ticket</td>
<td>10</td>
</tr>
<tr>
<td>Entertainment services</td>
<td>10</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>10</td>
</tr>
<tr>
<td>Beers</td>
<td>25</td>
</tr>
</tbody>
</table>

For domestically produced goods, STCMS is calculated on the ex-factory selling price. The ex-factory selling price is determined as 65% of the selling price exclusive of VAT and any discounts. For imported goods, the tax is computed inclusive of duty and CIF value. Payment of STCMS to the GDT is due on the 15th day of the following month.

Tax for Public Lighting (TPL)

TPL is a tax levied on the sale of alcohol and cigarette products, both imported and domestically manufactured, at each stage of supply. The tax rate is 3% of the value of the taxable product inclusive of taxes but not the TPL nor VAT. The tax is payable on a monthly basis, by the 15th day of the following month. The revenue from the collection of this tax shall be used to improve public lighting in cities and the provinces.

Accommodation Tax (AT)

AT is a tax on the provision of hotel accommodation services. AT is levied at the rate of 2% on hotel accommodation services, inclusive of other services charges and all kinds of taxes but exclusive of the AT itself and VAT. Payment of AT to the GDT is due on the 15th day of the following month.
Withholding Taxes (WHT)

Resident withholding tax

A resident taxpayer is required to with-hold tax from the following payments of Cambodian source income to a resident entity:

<table>
<thead>
<tr>
<th>Payment</th>
<th>Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment for services to a physical person, including management, consulting, and other similar services</td>
<td>15</td>
</tr>
<tr>
<td>Payment of royalties for intangible assets and interests in minerals, oil or natural gas</td>
<td>15</td>
</tr>
<tr>
<td>Interest payments made to a physical person or an enterprise, except for interest paid to a domestic bank or savings institution</td>
<td>15</td>
</tr>
<tr>
<td>Income from rental of movable or immovable properties</td>
<td>10</td>
</tr>
<tr>
<td>Interest payments on savings account made by a domestic bank or savings institution to a resident taxpayer</td>
<td>6</td>
</tr>
<tr>
<td>Interest payments on savings account made by a domestic bank or savings institution to a resident taxpayer</td>
<td>4</td>
</tr>
</tbody>
</table>

Non-Resident WHT

A resident taxpayer carrying on a business who makes any of the following payments to a non-resident is required to withhold the non-resident WHT:

<table>
<thead>
<tr>
<th>Payment</th>
<th>Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>14</td>
</tr>
<tr>
<td>Royalties, rent and other payments connected with use of property</td>
<td>14</td>
</tr>
<tr>
<td>Compensation for management or technical services</td>
<td>14</td>
</tr>
<tr>
<td>Dividends</td>
<td>14</td>
</tr>
</tbody>
</table>

The liability for WHT rests with the remitter. The GDT has no recourse to recover withholding tax from the recipient of the payment. The WHT is payable at either the date the payment is made, or the date the expense is recorded in the books, whichever is first. Payment of WHT to the GDT is due on the 15th day of the following month.

Cambodia currently has no Double Tax Treaties (DTA) in place. Accordingly, no DTA relief from WHT is available.

Additional Profit Tax on Dividend Distribution (APTDDB)

APTDDB is applicable on the distribution of retained earnings or annual profit after taxes that were subject to the following rates:

<table>
<thead>
<tr>
<th>Top rate</th>
<th>APTDD rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>9%</td>
<td>12% (11/91)</td>
</tr>
<tr>
<td>20% or 30%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Patent Tax

Patent tax is a yearly business registration tax which all enterprises carrying on business activities in Cambodia are required to pay by 31 March. A "patent tax certificate" will be issued by the GDT upon registration.

If the enterprise carries out different types of businesses, a separate patent tax certificate is required for each distinct business activity. Likewise, if a taxpayer carries out business in different cities or provinces, a separate patent tax certificate is required for each location.

According to Prakas 1821 dated 25 December 2015, the patent tax is as follows:

- KHR 400,000 for small enterprise
- KHR 1.2 Million for Medium enterprise
- KHR 3 Million for large enterprise having annual revenues from KHR 2 Billion to KHR 10 Billion.
- KHR 5 Million for large enterprise having annual revenues over KHR 10 Billion.

Customs Duty

Customs duty is levied on certain goods entering Cambodia. The rates vary depending on the type of goods entering Cambodia. Currently, the duty rates are 0%, 7%, 15%, and 35%.

As a member of ASEAN, Cambodia has implemented the tariff reduction schedule under the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area (CEPT for AFTA) since 1 January 2000. Under ASEAN-INDIA Free Trade Agreement (AIFTA) also preferential rates are available to Indian companies exporting goods to Cambodia.
Property Transfer Taxes

There is a 4% tax on transfer of title in certain assets (such as land, building, vehicles). This 4% tax is imposed on the transferred value and payable by the party acquiring the asset, within 3 months from the date of the execution of the agreement to transfer the title. The transfer of share capital in part or whole has to pay 0.1% on the value of transferring share capital.

Tax on Unused Land

A tax is levied on unused land and the registered owner of the land is responsible for the payment of the tax. Tax on unused land is based on 2% of the market price per square meter as determined by the Committee for the Valuation Unused Land and is due to be paid annually by 30 September.

Tax on Immovable Property (TIP)

TIP was recently created in the 2010 Law on Financial Management (LFM) to be imposed on certain immovable properties. The term “immovable property” is defined as land, houses, buildings and constructions that are built on the land.

The Prakas on the collection of the TIP was subsequently issued on 19 July 2010 for implementation of the TIP. This TIP will be collected every year at the rate of 0.1% on the value of the immovable property that is more than the threshold of KHR100,000,000 (approximately USD25,000). The value of the immovable property is assessed by the Assessment Committee, which is set up by the Ministry of Economy and Finance.

The deadline for paying the TIP is on 30 September each year.

5.16 Tax Incentives

The CDC is the principal government agency responsible for providing incentives to stimulate investment in Cambodia. The Law on Investments (LoI) was introduced in 1994 and substantially revised in 2003. Investors are required to submit an Investment Proposal to either the CDC or the PMIS to obtain a Qualified Investment Project (QIP) status depending on capital level and location of the investment project in question.

An amendment in 2003 changed the way in which incentives are granted. Instead of a list of eligible sectors being provided in the legislation, a “negative list” was established. This means investment incentives would be available to all sectors not included in the negative list.

The investment incentives (generally) available to QIPs are:

- exemption from import duty on production equipment, raw materials and inputs to manufacture and
- the right to employ foreign labour.

On an annual basis, the CDC requires all QIPs to apply for a Certificate of Compliance (CoC), to enable QIPs to continue to receive the investment incentives granted under the investment license.

5.17 International Tax

Double Tax Relief

A foreign tax credit is available to a resident in respect of foreign taxes paid, subject to certain conditions. Foreign tax credits in excess of the Cambodian tax liability are lost, i.e. they cannot be carried forward or back.

Double Tax Agreements

Cambodia has not entered into any Double Tax Agreements (DTA) with other countries. However, Cambodia has made investment and trade agreements with a number of countries such as China, Indonesia, Malaysia, Germany, Switzerland, France, Singapore, Russia, United States of America, Laos, Philippines, Korea, India, Thailand, Bangladesh, Brunei, Uganda, and Vietnam.

Anti-avoidance Rules

There is no “general anti-avoidance” provision in the Cambodian tax law.

Transfer Pricing

There is no specific transfer pricing legislation in Cambodia. However, the related party provision of the 1997 LoT (Article 18) gives wide power to the GDT to re-determine related party transactions. The GDT may re-determine related party transactions to impose pricing that the GDT considers “arm length” parties would have undertaken in the transactions. A related party relationship is one where there is a 20% or more shareholders relationship.

Permanent Establishment

A PEA is defined in Cambodia as “a fixed place of business in the Kingdom of Cambodia, the branch of a foreign company or an agent resident in the Kingdom of Cambodia, through which the non-resident person carries on their business. The term PE also includes any other association or connection through which a non-resident person engages in economic activity in the Kingdom of Cambodia”.

The term economic activity is explained as the “regular, continuous or time to time activity of a person, whether or not for profit, in the supply of, or the intent to supply, goods and services to other persons for the purpose of obtaining any benefit”.

As Cambodia has not entered into any DTAs with other countries, the PE provisions under the DTAs or the OECD/UN Models will be subject to the domestic law (and the interpretation of the GDT).

Thin Capitalization

There is no specific thin capitalization legislation but there are limitations on the deductibility of interest.
6. BUSINESS ETIQUETTE

Business Cards

- Always carry business cards when you visit Cambodia and distribute them at every business meeting. When you meet someone for the first time in Cambodia, it is polite to offer your card with both hands. Upon receiving a card, do not stuff it into your pocket. Take a minute to look at the person's card, take care to pronounce their name correctly and acknowledge their title to show your counterpart that you value the opportunity to meet them.

- If you have a business card that is in English and Cambodian, it is good etiquette to present the card to local people with the Cambodian side facing upwards.

- The order for a Cambodian name is family name first, then given name. So when referring to a Cambodian person, use their given name, prefixed by the appropriate term of reference.

Language

- Most Cambodian business people have used English throughout high school and university, and are surrounded by English language media both online and through television. However you should speak slowly and concisely as they may not be familiar with your accent.

- Remember to avoid using words in English that are specific to a particular country or region, and if someone does not understand certain words, try using a different version (eg. footpath, sidewalk or pavement).

- It is impolite to undermine the authority of a more senior Cambodian person by directing questions or responding to a more junior person whose English skills may be better. If it is necessary to use an interpreter, it is polite to talk directly to the person you are dealing with and to maintain eye contact.

- Attempts at Khmer language are best left to more informal settings in the company of friends.

Business Attire

The climate in Cambodia can be quite hot all year round, so it is advisable to make allowances for this when selecting your business wardrobe. Probably the most suitable business attire is a lightweight suit with collar and tie for men, and either a smart trouser suit or skirt and blouse for women.

Greetings

Traditionally Cambodians will put their hands together as high as the chest when meeting someone. This is called a “Sam Peah”, and is used when meeting or when saying goodbye to someone (much like Namaste in India). A foreigner who is familiar with this gesture and reciprocates will be warmly received. Handshakes are becoming more common on meeting and departing. Handshakes only usually take place between members of the same sex. Always wait for a woman to extend her hand. If she does not, bow your head slightly.

Business Meetings

Hierarchy and face manifest themselves in different ways within business meetings. For example, the most senior person should always enter the room first. Silence is also common in meetings where someone disagrees with another and remains quiet, so as not to cause a loss of face. It is advisable not to negotiate very hard in person, but rather treat a verbal offer as indicative and follow up formally afterwards with a counter-offer and an explanation of the basis for your figures and terms. Relationships are critical to successful business partnerships. Always invest time in building a good relationship based on both personal and business lines.

Any initial meeting should be used solely as a “getting to know you” meeting. Most contracts will require several meetings to clarify the details, but also to assess your mannerisms, motivations and commitment.
**Business Notes**

Cambodians are polite people and on occasions may smile and agree with you when in fact they may not have fully understood what you have said. To avoid misunderstanding, it is advisable to politely clarify matters, and on occasion for a local colleague to do so in Khmer.

When doing business with local businesses or government organisations, it is advisable to have bilingual sales literature, including business cards and service/product manuals available for more complex negotiations. It is useful to have an agenda and relevant papers translated into Khmer prior to the meeting so both sides are clear on what they wish to discuss.

**Eating and Drinking**

Eating and drinking is a major part of doing business in Cambodia. Toasting at banquets and karaoke are common after-dinner activities. Cambodian men may smoke during the meal. When cognac or whisky is served at a meal, the custom is for individuals to drink only after a toast is made. The glass should be held in the right hand, which is supported by the left. Returning a toast is standard practice. Common toast is “Sok ka pheap la or” (Good health!)

**Gifts**

Gifts are not commonly exchanged when meeting for the first time. However a small token over dinner or at an appropriate moment is always appreciated. The gift is not as important as the sentiment sent with it. A box of chocolates, a bottle of cognac (for a man), or a small souvenir from your country will show that you are a considerate person.
USEFUL CONTACTS

A

1. Embassy of India
   No.5, Street 466, Phnom Penh, Cambodia
   Tel No.: (+855-23) 210912 / 210913
   Fax No. (+855-23) 213640 / 210914
   Email: cons.phnompenh@mea.gov.in

2. The Indian Chamber of Commerce in Cambodia
   Mr. Debasis Pattnaik
   President
   (M) (+855-12-895-895), (+855-81-895-895)
   Email: debasis@dndgroup.biz

3. Indian Association Cambodia (IAC)
   Mr. Rajiv Sharma
   President
   (M) (+855-12-986-656) / (+855-12-264-566)
   Email: iac.cambodia@gmail.com

B: Royal Government of Cambodia

1. Council for the Development of Cambodia (CDC)
   Address: Government Palace, Sisowath Quay, Sangkat Wat Phnom, Phnom Penh,
   Contact: H.E. Mr. Sok Chenda Sophea, Secretary General
   Tel: (855) 23 427 597 / (855) 23 428 954
   Fax: (855) 23 360 636
   E-mail: info@cambodiainvestment.gov.kh

2. Ministry of Commerce
   Address: Lot 19-61, MOC Road (113B Road), Phum Teuk Thla, Sangkat Teuk Thla, Khan Sen
   Sok, Phnom Penh, Cambodia
   Contact: H.E. Sun Chanthol, Senior Minister
   Tel: (855) 23 866 086; (855) 23 866 478
   Fax: (855) 23 866 188; (855) 23 866 425
   E-mail: moc@cmoc.gov.kh
   Website: http://www.moc.gov.kh

3. Ministry of Mines and Energy
   Address: No. 79-89, Pasteur road (51), Sangkat Psaa Thmey 3, Khan Daun Penh,
   Contact: H.E. Suy Sem, Minister
   Tel: (855) 23 219 574
   Fax: (855) 23 219 584
   E-mail: info@mme.gov.kh
   Website: http://www.mme.gov.kh
4. Ministry of Industry and Handicraft
Address: No. 45, Norodom Blvd, Phnom Penh, Cambodia
Contact: H.E. Cham Prasidh, Senior Minister
Tel: (855) 23 211 141
Website: www.mih.gov.kh

5. Ministry of Public Works and Transport
Address: Preah Norodom Blvd., Phnom Penh, Cambodia
Contact: H.E. Tram Iv Tek, Minister
Tel: (855) 23 427 845
E-mail: info@mpwt.gov.kh
Website: http://www.mpwt.gov.kh

6. Ministry of Agriculture, Forestry and Fisheries
Address: No. 200, Preah Norodom Blvd., Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Cambodia
Contact: H.E. Ouik Rabun, Minister
Tel: (855) 23 726 128; (855) 23 726 129
Fax: (855) 23 217 320
Website: http://www.maff.gov.kh

7. Ministry of Posts and Telecommunications
Address: Corner Street 13 and 102, Sangkat Wat Phnom, Phnom Penh, Cambodia
Contact: H.E. Prak Sokhon, Minister
Tel: (855) 23 724 009; (855) 23 428 246
Fax: (855) 23 426 011
E-mail: info@mptc.gov.kh
Website: http://www.mptc.gov.kh

8. Ministry of Tourism
Address: Lot 3A, St. 169, Veal Vong Commune, Prampi Makara District, Phnom Penh, Cambodia
Contact: H.E. Thong Khon, Minister
Tel: (855) 23 884 974 (Department of Administration & General Affairs)
(855) 23 885 039 (Department of Marketing & Promotion)
E-mail: info@tourismcambodia.org
Website: http://www.tourismcambodia.org

9. Ministry of Economy and Finance
Address: No. 60, Street 92, Sangkat Wat Phnom, Phnom Penh, Cambodia
Contact: H.E. Aun Pon Moniroth, Minister
Tel: (855) 23 724 664
Fax: (855) 23 427 798
E-mail: admin@mef.gov.kh
Website: http://www.mef.gov.kh

10. General Department of Customs and Excise
Address: No. 6-8, Preah Norodom Blvd., Sangkat Phsar Thmei III, Khan Daun Penh, Phnom Penh
Contact: H.E. Kun Nhem, Director General
Tel: (855) 23 214 065
Fax: (855) 23 214 065
E-mail: info-pru@customs.gov.kh
Website: http://www.customs.gov.kh

11. Municipality of Phnom Penh
Address: No. 69, Preah Monivong Boulevard, Sangkat Srah Chak, Khan Daun Penh, Phnom Penh
Contact: H.E. Pa Socheatvong, Governor
Tel: (855) 23 722 054
Fax: (855) 23 725 626
Public Relations and International Cooperation Office (for foreigners)
Tel: (855) 23 430 661
Fax: (855) 23 430 681
E-mail: info@phnompenh.gov.kh
Website: http://www.phnompenh.gov.kh

12. The National Bank of Cambodia
Address: No. 22-24, Preah Norodom Blvd., Phnom Penh, Cambodia
Contact: H.E. Chea Chanto, Governor; Mr. Kim Vada, Director of Bank Supervision Department
Tel: (855) 23 722-221 / (855) 23 722 563
Fax: (855) 23 426 117
E-mail: info@nbc.org.kh
Website: http://www.nbc.org.kh

13. General Department of Taxation
Address: Corner Russian Federation & Mao Tse Tong Blvd, Sangkat Toek La ak I, Khan Tuol Kork, Phnom Penh
Contact: H.E. Kong Vibol, Director General
Tel: (855) 23 886 708
E-mail: gdv@tax.gov.kh
Website: http://www.tax.gov.kh
C – Local Business Associations

1. Cambodia Chamber of Commerce
   Address: Building Address: No. 7D, Russian Address: Blvd, Sangkat Toek Laak I, Khan Toul Kork, Phnom Penh, Cambodia
   Contact: Ohkna Khith Meng, President
   Tel: (855) 23 880 795
   Fax: (855) 23 881 757
   E-mail: info@ccc.org.kh
   Website: http://www.ccc.org.kh

2. Cambodia Association of Travel Agents
   Address: No. 65, Street 240, Sangkat Chaotomuk, Khan Daun Penh, Phnom Penh, Cambodia
   Tel: (855) 23 212 421
   Fax: (855) 23 216 212
   E-mail: cata@online.com.kh
   Website: http://www.cata.org.kh

3. Cambodia Constructors’ Association
   Address: Canada Tower (12th floor), No. 315, Ang Duong St (Corner of Monivong Blvd), Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia
   Tel: (855) 23 868 222 (connect to 81 202)
   Fax: (855) 23 988 828
   Email: secretaryatcca@yahoo.com
   Website: www.cca.org.kh

4. Cambodia Federation of Employers and Business Associations
   Address: No. 44A, Street 320, Sangkat Boeung Keng Kang III, Khan Chamkar Morn, Phnom Penh, Cambodia
   Contact: Van Sou Ieng, President
   Tel: (855) 23 222 186 / (855) 23 219 279
   Fax: (855) 23 222 185
   E-mail: camfba@camfba.com
   Website: http://www.camfba.com

5. Cambodia Hotel Association
   Address: No. 53D, Street 242, Phnom Penh, Cambodia
   Contact: Mr. DIN Sometheath, President
   Tel: (855) 77 966 520
   Fax: (855) 23 220 722
   E-mail: info@cambodiathotelsassociation.com.kh
   Website: http://www.cambodiathotelsassociation.com.kh

6. Garment Manufacturers Association in Cambodia
   Address: No. 175, Street 215, Sangkat Phsar Dem Kor, Khan Toul Kok, Phnom Penh, Cambodia
   Contacts: Mr. Van Sou Ieng, Chairman / Dr. Ken Loo, Secretary General
   Tel: (855) 12 563 082 / (855) 23 301 161
   Fax: (855) 23 882 860
   E-mail: info@gmac-cambodia.org
   Website: http://www.gmac-cambodia.org

7. Federation of Cambodian Rice Millers Associations
   Address: National Road No.5, Prey Kone Sek Village, Sangkat O’char, Battambang City, Battambang Province, Cambodia
   Contact: Mr. Ny Lyheng, Managing Director
   Tel: (855) 12 932 388 / (855) 88 932 3888
   E-mail: lyhengny@yahoo.com

8. Federation of Cambodian Rice Exporters
   Address: Cambodian Chamber of Commerce building, No. 7D, Russian Federation Blvd, Sangkat Boeung Kak II, Khan Toul Kork, Phnom Penh, Cambodia
   Tel: (855) 89 222 013
   Email: info@fedocrex.com
   Website: http://www.fedocrex.com

9. Federation of Associations for Small and Medium Enterprises of Cambodia (FASMEC)
   Address: #T 168, Norodom Blvd., Sangkat Tonle Bassac, Khan Chamcarmom, Phnom Penh
   Contact: Mr. Onhka Te Taingpor, President
   Ph.No +855-23-359-3920
   Email: info@fasmec.com
   Website: www.fasmec.com

10. Young Entrepreneurs Association of Cambodia (YEAAC)
    Address: Suite 1.3, 1st Floor Parkway Square, Mao Tse Tong Blvd, Phnom Penh, Cambodia
    Tel: (855) 012-285-720
    Contact: Okhnna SOK PISETH, President
    Email: president@yeacambodia.org
    Website: www.yeacambodia.org

11. Cambodia Women Entrepreneurs Association (CWEA)
    Address: Phnom Penh Center, Building H, Room No. 486 (4th Floor), Sotheavas Blvd, Tonle Bassac, Chamkar Morn, Phnom Penh, Cambodia
    Contact: Ms. Chea Sokleang (Johnan), Honorable Advisor
    Ph. No - +855- 012550070, +855-0974797777
    Email: leang_johnan@yahoo.com
    Website: www.cweacambodia.com
D- Local Professional Services

Professional services, local law firms, and U.S. law firms are listed alphabetically below:

1. BNG Legal
   Address: No. 64, Street 111, P.O. Box No. 172, Sangkat Boeung Prolit, Khan 7 Makara, Phnom Penh, Cambodia
   Contact: Mr. Naryth Hour Hem, Managing Director
   Tel: (855) 23 217 510 / (855) 23 212 743/ (1) (503) 96 78009 (US)/ (852) 8191 5059 (Hong Kong)/ (1) (50) 8836 5665 (Japan)
   Fax: (855) 23 212 840 / e-Fax: (1) (503) 828 9033 (US)
   E-mail: hhn@bgkh.net / info@bnglegal.com
   Website: http://www.bnglegal.com

2. DFDL Mekong Legal and Tax Advisers
   Address: No. 33, Street 294 (Corner Street 29), Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Cambodia
   Contact: Mr. Martin DeSautels, Regional Managing Partner
   Tel: (855) 23 210 400
   Fax: (855) 23 214 053
   E-mail: cambodia@dfdlmekong.com
   Website: http://www.dfdlmekong.com

3. KPMG Cambodia Limited
   Address: Delano Center, 4th Floor, No. 144, Street. 169, Sangkat Veal Vong, Khan 7 Makara, 12253, Phnom Penh, Cambodia
   Contact: Michael Gordon, Senior Partner
   Tel: (855) 23 216 899
   Fax: (855) 23 217 279
   E-mail: kpmg@kpmg.com.kh
   Website: http://www.kpmg.com.kh

4. Morison Kak & Associé
   Address: No. 25, Street 360, Sangkat Boeung Keng Kang I, Khan Chamkarmon, Phnom Penh, Cambodia
   Contact: Mr. Key Kak, Chairman
   Tel: (855) 23 218 994
   Fax: (855) 23 218 993
   E-mail: mka.audit@morisonkak.com
   Website: http://www.morisonkak.com

5. PWC
   Address: No. 35, Sihanouk Blvd, Tonle Bassac, Chamkar Morn, 12301, Phnom Penh
   Contact: Kuy Lim, Partner
   Tel: (855) 23 218 086
   Fax: (855) 23 211 594
   E-mail: lim.kuy@kh.pwc.com
   Website: http://www.pwc.com/kh

   Address: 104, Confederation de la Russie Blvd (110), Siriland Tower
   Contact: Mr. Denora Sarin, Lawyer
   Mobile: (855) 98 777 007
   Tel: (855) 23 882 943
   Fax: (855) 23 882 943
   E-mail: sarin.associates@gmail.com

7. Sciaroni and Associates (Legal Advisors)
   Address: No. 24, Street 462, Sangkat Tonle Bassac, Khan Chamkarmom, Phnom Penh, Cambodia
   Contact: Mr. Bretton Sciaroni, Senior Partner
   Tel: (855) 23 210 225
   Fax: (855) 23 213 099
   E-mail: info@sa-asia.com
   Website: http://www.sa-asia.com

8. VDB Loi
   Address: Level 6, Phnom Penh Tower, 445 Monivong Blvd., Phnom Penh
   Contact: Mr. Potim Yun, Partner
   Tel: (855) 23 964 430
   Email: potim.yun@vdb-loi.com
   Website: www.vdb-loi.com
E- Foreign Business Associations

1. AMCHAM CAMBODIA
   Address: No. 34, Sothearos Blvd, Sangkat Chey Chum Neas, Khan Daun Penh, Phnom Penh, Cambodia
   Contact:
   1. Mr. Bretton G. Sciaroni (Chairman) - Mobile: (855) 15 333 715 / (855) 17 666 529
   2. Mr. Ronald Mervin (Executive Director) - Mobile: (855) 81 888 066
   E-mail: admin1@amchambodia.net / ed@amchambodia.net
   Website: http://www.amchambodia.net

2. AUSTRALIAN BUSINESS ASSOCIATION OF CAMBODIA (ABAC)
   Address: No. 20, Kramoun Sar (St.114), Corner Street 67, in ANZ Royal Bank
   Contact:
   1. Mr. Derek Nayes (Vice President) - Mobile: (855) 12 385 157
   Email: abacambodia@gmail.com
   Website: http://www.abacambodia.com
   2. Ms. Julie Littejohn (Business Manager) - Mobile: (855) 99 505441
   E-mail: info@abacambodia.com

3. BRITISH CHAMBER OF COMMERCE IN CAMBODIA (BRITCHAM)
   British Embassy-
   Address: #27-29, Street 75, Phnom Penh.
   Contact:
   1. Darren Conquest (Chairman)
   2. Paul Glew (Vice Chairman) - Mobile: (855) 12 831 950
   3. Ms. Olivia Wider (Executive Director) - Mobile: (855) 12 323 121
   E-mail: executivedirector@britchamcambodia.org
   Website: http://www.britchamcambodia.org

4. EUROPEAN CHAMBER OF COMMERCE IN CAMBODIA (EUROCHAM)
   Address: No. 33, Sothearos Blvd (corner of street 178), B.P 522, Khan Daun Penh, Phnom Penh, Cambodia.
   Contact:
   1. Ms. Ratana Phurik – Callebaut, (Executive Director) – Mobile: (855) 10 801 950
   Tel: (855) 23 964 141
   E-mail: info@eurocham-cambodia.org
   Website: http://www.eurocham-cambodia.org

5. FRENCH CAMBODIAN CHAMBER OF COMMERCE
   Address: No. 33E2, Sothearos (Street 3), Corner of Preah Ang Makhat Vann (Street 178), Khan Daun Penh, Phnom Penh, Cambodia
   Contact:
   1. Mr. Daniel Zarba (Director)
   Tel/Fax: (855) 23 221 453
   E-mail: ccfc@ccfcambodge.org
   Website: http://www.ccfcambodge.org

6. INTERNATIONAL BUSINESS CHAMBER OF CAMBODIA (IBC)
   Address: 12th floor, Phnom Penh Tower, No. 445, Monivong Blvd, Phnom Penh
   Contact:
   1. Mr. Bretton G. Sciaroni, Chairman
   Tel: (855) 23 964 455
   E-mail: admin1@ibccambodia.com / info@ibccambodia.com
   2. Ms. Janet Luckenhausen (Chairman of Sub Committee working group)
   Mobile: (855) 92 700 145
   Email: info@ibccambodia.com
   Website: http://www.ibccambodia.com

7. JAPANESE BUSINESS ASSOCIATION OF CAMBODIA
   Address: 2F, Phnom Penh Tower, No. 445, Monivong Blvd. (St.03/232), Sangkat Boeung Prat, Khan 7 Makara, Phnom Penh, Cambodia
   Contact:
   1. Mr. Kiyotaka Doho (General Secretary) – Mobile: (855) 12 725 503
   Email: jimukyoku@jbc.info
   2. Mr. Jun Arii (Vice Chairman)
   Website: http://www.jbc.info

8. KOREA TRADE CENTER (KOTRA)
   Address: Commercial Section Embassy of the Republic of Korea, PGCT Center, Street 274, Phnom Penh
   Tel: (855) 23 214 465 / (855) 23 999 099
   Fax: (855) 23 999 097
   E-mail: kotrephn@gmail.com
   Website: http://www.kotra.or.kr

9. MALAYSIAN BUSINESS COUNCIL OF CAMBODIA (MBCC)
   Address: No. 87, Street 294, Boeng Keng Kong 1, Phnom Penh, Cambodia
   Contact:
   1. Mr. Teh Sing (President) – Mobile: (855) 16 836 222
   Email: mbcc.secretariat@gmail.com
   Website: http://mbccambodia.org

10. TAIWAN COMMERCIAL ASSOCIATION IN CAMBODIA (TCAC)
    Address: No. 1E, Street Ongtaminh, Sangkat Kakab, Khan Po Senchey, Phnom Penh, Cambodia
    Contact:
    1. Mr. Lin Chih Long (President)
    2. Mr. Chen KC (Secretary) – Mobile: (855) 12 956 399 / (855) 23 982 222
    Email: tcac2011@hotmail.com
11. THAI BUSINESS COUNCIL OF CAMBODIA
Address: No. 195, Preah Norodom Blvd., Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Cambodia
Contact:
1. Ms. Ora Nooch Pakarat (President) – Mobile: (855) 16 958 065
E-mail: admin@tbccambodia.org / secretary@tbccambodia.org
Website: http://tbccambodia.org

12. U.S.-ASEAN BUSINESS COUNCIL
Address: 1101, 17th Street NW, Suite 411, Washington, D.C., 20036
Contact:
1. Mr. Daniel Henderson
Tel: (1) 202 289 1911
E-mail: mail@usasean.org
Website: http://www.usasean.org

13. SINGAPORE CLUB
Address: #129, Norodom Boulevard, Phnom Penh, Cambodia.
Contact:
1. Mr. Albert Tan (President, C/O Singapore Embassy) – Mobile: (855) 12 807 177
E-mail: albtan@hotmail.com

14. CAMCHAM (CAMBODIAN CHAMBER)
Address: Phnom Penh, Cambodia.
Contact:
1. Mr. David Marshall – Mobile: (855) 12 246 812
E-mail: david.marshall@anz.com