

Finance and Banking – Public Statement on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT)

Notification No. 164 of 26 June 2019 on the Public Statement and Improving Global AML/CFT Compliance by the Financial Action Task Force (FATF)

The National Bank of Cambodia (NBC) notifies the Directors of all Reporting Entities to conduct ongoing enhanced Customer Due Diligence with regards to business relationships and transactions with individuals, businesses, companies and financial institutions from the Democratic People's Republic of Korea (DPRK) and from Iran and to make detailed enquiries about their background and purposes in order to establish findings in writing and to make them available to the competent authorities.

Note that Reporting Entities are defined in the Law on AML/CFT.

According to the updated report, the FATF calls on the jurisdictions with strategic deficiencies, including Cambodia, to complete the implementation of action plans expeditiously and within the proposed timeframes.

The FATF will closely monitor the implementation of these action plans and encourages its members to consider the information presented.

Customs – Implementation of the Protocol between ASEAN and the People's Republic of China

General Department of Customs and Excise (GDCE) – Notification

Letter No. 2575 of 26 August 2019 on Implementation of the Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation and Certain Agreements thereunder between ASEAN and the People's Republic of China (PRC)

New Rules of Origin (ROO) shall be implemented from 1 August 2019 onwards in accordance with the Protocol to amend the Framework Agreement on Comprehensive Economic Cooperation and certain Agreements between ASEAN and the PRC.

These new ROO include the new Operational Certification Procedure (new OCP), and the new Product Specific Rule (new PSR) in the Harmonized System (HS) 2017 and Certificate of Origin Form E (new CO Form E). Acceptance of the CO Form E for implementation of preferential tariff treatment under ACFTA shall be determined as follows:

- Start to accept **new CO Form E** of PRC issued from 20 August 2019 onwards
- Continue to accept **old CO Form E** issued before or on 31 August 2019 until its expiration date.

Health - Notification of 9 July 2019 on the payment of administrative official fee via online banking

On 9 July 2019, the Ministry of Health (the MoH) issued a notification to the public announcing that the MoH will not accept cash payments for its administrative official fee from 01 August 2019 onwards. The payments can be made:

- via QR-code of the ACLEDA BANK PLC. at the one-window office of the MoH, or
- at ACLEDA BANK PLC.'s counter.

Transportation - Conditions and Procedures for the Issuance of Permits to Legal Entities Conducting Public Bus Operation Services

Ministry of Public Works and Transport (MPWT) - Prakas No. 220 of 9 July 2019 on Conditions and Procedures for the Issuance of Permit to Legal Entities Conducting Public Bus Operation Services

This Prakas aims to manage the companies conducting the Public Bus Operation Services (PBOS) in Cambodia. It determines the conditions and procedures for the company registration and permit of PBOS.

The company who wishes to conduct the PBOS, must request (1) License of PBOS, (2) Permit of PBOS and (3) Operational Lines Book from the MPWT.

The company or the legal representative can file the request for the License of PBOS and Permit of PBOS to the General Department of Land Transport OR it can be filed via the online system of the MPWT through this website: transportlicense.mpwt.gov.kh

The validity of the License of PBOS is permanent.

The Permit of PBOS is valid for five (5) years and the application for renewal shall be made within thirty (30) working day before the expiry date.

Annexes to the Prakas include the template of the Operational Lines Book, the forms for requesting the license and permit, samples of the license and permit, and the monthly report form.

Labor – The Prohibited Business Activities for Self-Employed Foreigners

Ministry of Labor and Vocational Training (MLVT) - Prakas No. 360 of 28 August 2019 on the Determination of the Types the Occupations and Jobs Prohibited for Foreigners.

This Prakas aims to determine the types of occupations and jobs prohibited for self-employed foreigners in Cambodia.

Self-employed refers to a person who works or earns for his/her own income, not involved with any wages or salaries through an employment contract.

The below activities are prohibited for the self-employed foreigners:

1. Driver of all types of vehicles in a form of business such as two-wheeler driver, three-wheeler driver, driver of two-wheeler with a trailer, four-wheeler driver, passenger car driver and truck driver
2. Street vendor or vehicle vendor in the public places
3. Masseur/Masseuse in public places
4. Barber, hairdresser and beauty treatment
5. Cobbler and shoe shiner
6. Tailor
7. Flat tire and auto mechanic
8. Khmer souvenir maker
9. Khmer musical instruments, alms bowl, Buddha image maker
10. Goldsmith, diamond/gem polisher

The MLVT will neither offer nor renew the work permit/employment card to the foreigners who are working in the occupations and jobs as stated above.

Any person violating to this Prakas shall be subject to be fined and punished in accordance with the Labor Laws and other regulations in force.

Construction – Requirement to Have Quality Inspection Company / Engineer / Architect at the Construction Site

Ministry of Land Management, Urban Planning and Construction (MLMUPC) - Letter No. 2602 of 8 August 2019 to the Capital/Provincial Governors to Instruct Building Owners to have the Quality Inspection Company or Architecture or Engineer to Assess the Construction Quality at the Construction Sites.

The MLMUPC has requested the capital/provincial governors to instruct the owners of buildings as follows:

1. If the construction is under the authority of the MLMUPC, to have the Quality Inspection Company registered with the MLMUPC.
2. If the construction is under the authority of the Capital, Provincial, District, Commune administration, to have the Quality Inspection Company or engineer or architect registered with the MLMUPC to inspect the quality of the construction.
3. To retain the construction permit attached with construction plan and permit to open construction site attached with building layout plan and the other necessary technical plans and documents at the construction site.

4. To have a construction billboard in front of the construction sites displaying the information such as, name of the project, name of construction company, name of construction owner, name of engineer and architect, construction permit, permit to open the construction site, address of the construction site and contact number.

In case of not complying with the above instruction, the capital/provincial governors must suspend the construction temporarily until the requirements are satisfied.

As a committed tax and corporate consultant, we welcome the opportunity to discuss the applicability of these regulations to your business at your request.



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