

Technical update

August 2025

Official Implementation of 0% Customs Duty on Eligible U.S. – Origin Goods – Effective 8 August 2025

To promote trade facilitation and enhance economic cooperation between the Kingdom of Cambodia and the United States of America, the Royal Government of Cambodia has implemented a **0% customs duty on new goods originating from the United States and directly imported into Cambodia**. This preferential tariff aims to **reduce import costs, encourage foreign investment, and broaden access to high-quality U.S. products** in the Cambodian market.

On **8 August 2025**, the following legal instruments were issued to implement this policy:

- **Sub-decree No. 139** by the Royal Government of Cambodia
- **Prakas No. 632** by the Ministry of Economy and Finance
- **Instruction No. 3724/25** by the General Department of Customs and Excise (GDCE)

These instruments formally establish the application of a **0% customs duty** for qualifying goods, effective from the date of issuance.

🚨 Important: This benefit applies only to **new goods**. **Used goods** remain subject to the applicable standard customs duty rates.

Instruction No. 3724/25 outlines the customs procedures and conditions for importing eligible goods from the United States to Cambodia. It provides official definitions, requirements for 0% duty eligibility, and specific customs processes.

All customs units, importers, and relevant stakeholders are required to fully implement these procedures starting **8 August 2025**.

Commentary

The introduction of a 0% customs duty on eligible U.S.-origin goods marks a significant milestone in strengthening Cambodia–U.S. trade relations. By reducing import costs, this policy is expected to:

- Promote greater access to high-quality U.S. goods for Cambodian businesses and consumers,
- Encourage diversification of supply chains,
- Support domestic industries through improved availability of raw materials and equipment, and
- Create a more competitive and investment-friendly trade environment.

This initiative reflects the Royal Government of Cambodia's ongoing commitment to trade liberalization, economic growth, and integration into the global market.

KPMG in Cambodia is well-positioned to assist businesses in navigating and complying with the new customs duty exemption framework. For personalized support, please reach out to our Trade & Customs team.

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