



ITALIAN TRADE AGENCY

ICE - Agenzia per la promozione all'estero e
l'internazionalizzazione delle imprese italiane



Assocomplast

ASSOCIAZIONE NAZIONALE
COSTRUTTORI DI MACCHINE E STAMPI
PER MATERIE PLASTICHE E GOMMA



INDAGINE DI MERCATO IN CAMBOGIA

A FAVORE DEI COSTRUTTORI ITALIANI DI MACCHINE PER

LA LAVORAZIONE DI MATERIE PLASTICHE E GOMMA

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Chapter I

General Information and Macro-Economic Profile

Overview of macro-economic of Cambodia was summarized in this Chapter. There was no analysis in this article but will be figured out in Chapter VI, preliminary analysis.

Kingdom of Cambodia



1.1 Geography Information

Area:	181,035 sq km (Land 176,515 sq km/Water 4,520 sq km)
Climate:	tropical; rainy, monsoon season (May to November); dry season (December to April); little seasonal temperature variation
Capital:	Phnom Penh
Population:	15,205,539 (est. Jul 2013)
Ethnic Groups:	Khmer 90%, Vietnamese 5%, Chinese 1%, other 4%
Languages:	Khmer (official) 95%, French, English

1.2 Economy Overview

GDP (2012):	14.06 billion U.S. dollars ¹
Growth rate of GDP: (%AAGR 2007-2012)	10.23%
GDP per Capita (2012):	946 U.S. dollars ¹
Inflation rate (2012):	2.93 percent change ¹
Export – Commodities:	clothing, timber, rubber, rice, fish, tobacco, footwear

¹ World Bank, Nov, 2013

Export – Partner:	US 32.7%, UK 8.4%, Germany 7.7%, Canada 7.7%, Singapore 6.6%, Vietnam 5.8%, Japan 4.7%
Import – Commodities:	petroleum products, cigarettes, gold, construction materials, machinery, motor vehicles, pharmaceutical products
Import – Partner:	Thailand 27.2%, Vietnam 20%, China 19.5%, Singapore 7.1%, Hong Kong 5.9%, South Korea 4.3%
Monetary Unit:	Riels (KHR)
Exchange rate: EU:	1 Riels = 0.007 Baht (Thai) 4,190 Baht (Thai) = 1 USD

1.3 Cambodia Free trade agreements²

1. Member of the World Bank, the International Monetary Fund, and the Asian Development Bank. On October 13, 2004, Cambodia became the 148th member of the World Trade Organization.
2. ASEAN, ACMECS
3. Cambodia – ASEAN Free trade agreements

As a member of ASEAN, Cambodia is a party to a number of Free Trade Agreements (FTA).

- ASEAN - China Free Trade Agreement: ACFTA
- ASEAN - Japan Comprehensive Economic Partnership: AJCEP
- ASEAN - Korea Free Trade Agreement: AKFTA
- ASEAN – India Free Trade Agreement: AIFTA
- Agreement Establishing the ASEAN-Australia- New Zealand Free Trade Area: AANZFTA (signed)
- ASEAN – Canada
- ASEAN – Russia
- ASEAN – United States
- ASEAN – European Union

In order to promote International trade and Foreign direct investment (FDI) flows between the Association Southeast Asian Nations (ASEAN) and the European Union, both economic blocs signed the Trans-Regional ASEAN - European Union trade

² en.reingex.com/Cambodia-FTA-Agreements.shtml,
www.customs.gov.kh/regulations.html

Initiatives (TREATI) which is a policy dialog mechanism and process in economic and foreign trade related topics. Total ASEAN external trade with the European Union countries decreased to 171 billion USD (a fall of 16% from 2008) owing to the global financial crisis.

European Union is the top export destination of ASEAN economics (11% of total exports of ASEAN). The European Union is the 2^o trade partner after the People's Republic of China owing to higher ASEAN (Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore, Thailand, Cambodia, Laos, Myanmar and Vietnam) imports from China.

4. EU's Generalized System of Preferences (GSP).

Since 1971, the European Union schemes like the Generalized System of Preferences (GSP) have allowed developing countries to pay lower import tariffs. In 2009, imports that received Generalized System of Preferences (GSP) preferences were EUR60 billion (4% of total European Union imports and 9% of the total European Union imports from developing countries). Under the revised scheme of the GSP (General System of Preferences), imports that will receive Generalized System of Preferences (GSP) preferences are estimated at EUR37.7 billion. The actual Generalized System of Preferences (GSP) scheme covers 3 factors:

- The general Generalized System of Preferences (GSP) arrangement (import tariff reductions for 176 developing economies)
- The special incentive arrangement for sustainable development and good governance (GSP+). GSP+ offers additional preferences to support vulnerable developing countries in their ratification and implementation of international conventions in the field of human and labour rights, sustainable development and good economic governance. The actual GSP+ scheme covers 15 beneficiaries.
- The Everything But Arms arrangement which provides for complete access (duty-free and quota-free) to the market save for arms and armaments for the 49 Least-Developed Countries (as defined by the United Nations).

In 2001, the Council adopted Regulation (EC) 416/2001: "EBA Regulation" ("Everything But Arms"), granting duty-free access to imports of all products from Least-Developed Countries, except arms and ammunitions. Least-Developed Countries (LDCs) benefitting from EBA (Everything But Arms) arrangement:

- Asia Pacific: Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Lao, Maldives, Nepal, Solomon Islands, Samoa, Timor-Leste, Tuvalu, Vanuatu, Yemen
- Africa: Angola, Chad, Democratic Republic of Congo, Comoros Islands, Niger, Djibouti, Lesotho, Rwanda, Benin, Equatorial Guinea, Liberia, Eritrea, Madagascar, São Tomé and Príncipe, Togo, Burkina Faso, Ethiopia, Malawi, Senegal, Burundi, Gambia, Mali, Sierra Leone, Uganda, Kenya, Guinea, Mauritania, Somalia, Cape Verde, Guinea-Bissau, Mozambique, Sudan, Central African Republic, Haiti, Tanzania, Zambia.

1.4 Investment promotion³

1. Investment incentives granted to a qualified investment project (QIP)

QIPs are entitled to the following investment incentives (“Amended Law on Investment”):

- QIPs may elect to receive a profit tax exemption or use special depreciation.
- Profit tax exemption (selective): A tax holiday period is composed of “Trigger period” + 3 years + Priority Period (Maximum total 9 years).
- Maximum Trigger Period: commencing on the issuance of the Final Registration Certificate and ending on the last day of the taxation year immediately preceding the earlier of:
 - (a) if the QIP derives a profit, the taxation year that the profit is first derived; and
 - (b) if the QIP derives income from the Investment Activity in respect of the sale of goods or services, the third taxation year after the taxation year in which the income is first derived.
- Priority period: To be determined by the Financial Management Law, within the period of 3 years, according to the type of project and investment capital (For light industries: 0 year in case of investment capital of below US\$ 5 million, 1 year in case of investment capital between US\$5 million and 20 million, 2 years in case of investment capital over US\$ 20 million)
- An annual Certificate of Obligation Satisfaction (or “Certificate of Compliance”) has to be obtained by the QIP to be entitled “Profit Tax Exemption”.
- A QIP shall be subject to a profit tax rate after its tax exemption period as determined in the Law on Taxation

³ www.cambodiainvestment.gov.kh/investment-scheme/limitation-on-foreign-investment.html

- Special depreciation (Selective): 40% special depreciation allowance on the value of the new or used tangible properties used in the production or processing.
- Duty free import of production equipment, construction materials, etc. as shown in the following table.

1.5 Duty-Free Import for QIPs

Table 1.1 Duty-Free Imports for QIPs

Type of QIP	Commodities to be imported free of duty
Domestically oriented QIPs	Production equipment, construction materials and production input to be used in the production of exports goods
Export oriented QIPs (except those which elect or which have elected to use the Customs Manufacturing Bonded Warehouse mechanism)	Production equipment, construction materials, raw materials, intermediate goods and accessories
Supporting Industry QIPs	Production equipment, construction materials, raw materials, intermediate goods and production input accessories. In the case where the Supporting Industry QIP fails to supply 100% of its manufactured products to the export industry or directly export its products, the QIP shall pay the customs duties and taxes on production inputs for the quantity that has not been supplied to the export industry or directly exported

- A QIP located in a designated SPZ or EPZ: To be entitled to the same incentives and privileges as other QIP stipulated in the Amendment to the LOI.
- A QIP shall be entitled to 100% exemption of export tax, except for activities as stipulated in laws in effect.
- The rights, privileges and entitlements of a QIP can be transferred or assigned to a person who has acquired or merged a QIP subject to the approval of the CDC or PMIS.

1.6 Projects eligible for the incentives

Some of projects requirements are shown in the following table 2.2. Minimum Conditions Required for the Provision of Incentives

Table 1.2 Projects requirements

Fields of Investment	Requirement for Investment
Supporting industry, which has its entire production (100%) supplying export industry	US\$100,000- or more
Production of animal feed	US\$200,000- or more
Production of leather products and related products Production of all kinds of metal products Production of electrical and electronic appliances and office materials Production of toys and sporting goods Production of motor vehicles, parts and accessories Production of ceramic products	US\$300,000- or more
Production of food products and beverages Production of products for textile industry Production of garments, textiles, footwear and hats Production of furniture and fixtures that do not use natural wood Production of paper and paper products Production of rubber products and plastic product Clean water supplies Production of traditional medicines Freezing and processing of aquatic product for export Processing of any kind of cereals and crop products for export	US\$500,000- or more

Table 1.2 Projects requirements (continue)

Fields of Investment	Requirement for Investment
Production of chemicals, cement, agriculture fertilizer and petrochemicals Production of modern medicines	US\$1,000,000- or more
Construction of modern market or trade center	US\$2,000,000- or more More than 10,000 square meters Adequate space for car park
Training and educational institutes that provide training for skill development, technology or poly technology that serves industries, agriculture, tourism, infrastructure, environment, engineering, sciences and other services	US\$4,000,000- or more
International trade exhibition center and convention halls	US\$8,000,000- or more

1.7 Limitation on foreign investment

1. General principles

There is no sector closed only to foreign investment.

2. Restrictions on foreign citizenship

Some restrictions on foreign citizenship in terms of investment activities are described below.

1.8 Ownership and Use of Land

Ownership of land by investors for the purpose of carrying on a QIP shall be vested only in natural persons holding Cambodian citizenship or in Cambodian entities but the use of land shall be permitted to investor, including concessions, unlimited long-term leases and limited short-term leases that are renewable. The investor is also admitted to

have the right to own and pledge as security the real and personal property on the land (Article 16, “Amended Law on Investment”).

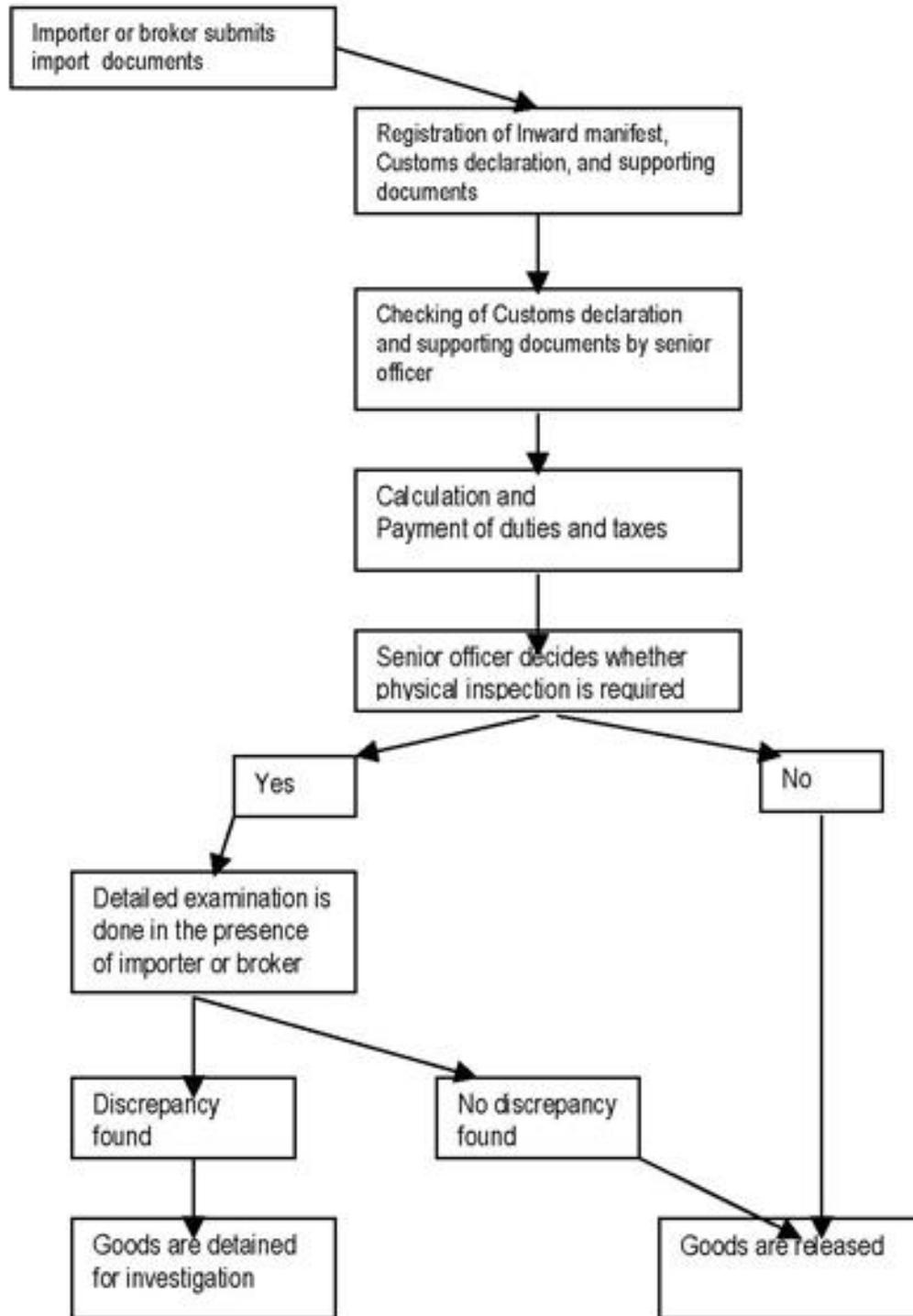
1.9 Employment of Foreigners

A QIP is entitled to obtain visas and work permits for the employment in Cambodia of foreign citizens as managers, technicians and skilled workers, if the qualification and expertise are not available in Cambodia (Article 18, “Amended Law on Investment”).

1.10 Cargo Import Procedure⁴

General Department of Customs and Excise of Cambodia (GDCE) operates 24 hours a day, 7 days a week, at the airport and seaport. Cross- border station work hours are correlated with those of the neighboring country. A Sub-Decree prescribes an 8-hour workday including public holidays that can be extended overnight if needed. The other agencies are covered by this but they are not present at all times. Banking services are also not always available. Nevertheless, the Prime Minister and Director-General issued directives that Customs service be provided to the private sector if and when such requests are made.

⁴ <http://www.customs.gov.kh>



Sihanoukville Port Procedures

At Sihanoukville seaport, there are 5 teams that handle reporting and control of cargo, declaration processing, transit operations, accounting and administration, i.e. the

Customs Formality, Active, Warehouse, Examination, and Entrance/Exit Teams. Import procedures are as follows (GDCE Annex 5, 2003):

1. Upon arrival of the vessel at the port, KAMSAB (the government-owned shipping agent for marine cargo) informs Customs, Camcontrol, and Immigration Police.
2. The Customs Chief assigns 2 officers to the boarding committee or Formality Team, which includes KAMSAB, Camcontrol, Port Authority, Immigration Police, and Quarantine. KAMSAB provides a total of 9 copies of the manifest and related documents to the Team members, which boards the vessel. The Team breaks up to carry out their respective functions in formal clearance of the vessel and crew. The ship captain provides the manifest and bills of lading to Customs, which stamps them received. Crew lists and declarations are examined by Customs and the vessel's stores are sealed.
3. After vessel formalities, Customs authorizes unloading of cargo. The Active Team that includes KAMSAB and Port Authority, monitors unloading, checks cargo against the manifest, and verifies the condition of seals.
4. Cargo is stored in the warehouse and received by the operator. While awaiting their importer they are under the responsibility of the warehouse operator and Warehouse Team, which also controls cargo in the yard. A computer register of all cargo is maintained by both the operator and Customs. Goods are allowed 45 days storage, beyond which a daily penalty of 1% of the value is exacted. Goods stored beyond 3 months are transferred to the Customs warehouse.
5. Importers lodge three copies of the declaration with supporting documents such as commercial invoice, packing list, bill of lading, Import license (if required), Report of Finding (ROF) if an import FOB value greater than USD 4,000.00 and other documents if any.
6. At the clearance point, the declaration is registered with a sequential number that is unique to an individual entry processing unit. 3 copies of the entry are submitted to the clearance point with invoice, bill of lading, packing list; one copy is kept at clearance point, one goes to audit team at headquarters, one to the importer. Declaration information is validated and scrutinized.
7. After assessment, importers pay duties in cash or bank guarantee either at the accounts section, or treasury in Phnom Penh which issues a receipt. Storage fees are also paid for.

8. The Customs Examination Team inspects the goods simultaneously with Camcontrol. Cargo is classified into 3 categories based on risk assessment: (a) Sealed PSI containers are not examined unless there is reason to suspect irregularities. On a selective basis, a maximum of 5% of containers is to be checked in detail. This was implemented since August 2002. (b) 100% of containers that bypass PSI are subject to detailed inspection. (c) 80% of investment company goods are inspected. In June 2002 a TC-Scan machine was installed to reduce physical inspection.
9. Goods are released. Containers are loaded on trucks for transport to Phnom Penh. Customs Entrance/Exit Team checks documents and receipts to verify payment, and matches container numbers against ship manifests.
 - Copies of the entry are dispatched to the headquarters Control Office which is responsible for post-entry audit.

Tomnop Rolork Port Procedures

Most of cargo arrive at the Tomnop Rolork Port are small cargo boats from Thailand and Viet Nam, so cargo manifest is not required. Normally, each vessel carries shipments for numerous importers. Main imported merchandises is sugar (most of which is for re-exporting to third countries). Shipments are all under the US\$ 4000,00 PSI threshold, thus SGS's ROF is not required. Approximately eighty percent of shipments subject to duty and tax payable of less than US\$ 300, therefore customs valuation is done at the local customs office and a brief-declaration is used.

- Importers inform customs the arrival of cargo and submit the required documents (declaration, invoice, packing list, and others if any).
- In the case that documents are not presented upon cargo arrival, goods will be unloaded and temporarily stored on the dock under the control of both warehouse operators and customs.
- After the document submission, chief of customs assigns an examination team to inspect the goods. 100% of all shipments are inspected by customs and camcontrol.
- Importers bring the examination results to accounting team where the customs tariff classification is determined and duty and taxes are calculated.

- Duty and tax payments are made at the customs branch office of Sihanoukville port.
- The accountants at Tomnop Rolork issue tax receipts to importers after they pay cash at Sihanoukville port's cashier. Importers are not allowed to pay duties at Tomnop Rolork.
- Goods are released.

Dryport Procedures

About 15% of cargos that arrive at Sihanoukville are cleared at Dryports as follows:

(1) Importer brings invoice for certification to GDCE headquarters, attaching the PSI-ROF, packing list, Bill of Lading, VAT registration, relevant license or exemption permit, and then to the Dryport Customs Chief for verification, upon which they are sent to any of the 3 Station Chiefs. Authorization is obtained by Dryport operator from GDCE headquarters to transport the cargo to the Dryport. Four copies of the approved transit declaration are sent to Sihanoukville Customs, which registers and seals it, specifies departure time and date, and returns 3 copies to Dryport operator.

(2) Upon arrival of cargo, carrier submits manifest and bill of lading to Customs and warehouse operator. Carrier or importer posts a surety/guarantee with Sihanoukville Customs, which may also escort the cargo or apply other controls depending on risk. It faxes information about the cargo to GDCE headquarters.

(3) Cargo is transported to the Dryport. Upon arrival, the Dryport operator submits the 3 copies of the transit declaration to Dryport Customs, which returns an endorsed copy to the carrier in order to cancel it at the entry checkpoint register. The 2 remaining copies automatically become the summary declaration.

(4) Entry declaration is registered; duties are assessed and collected at accounting.

(5) Cross-checking and physical inspection is done, after which goods are released if they match documents, or seized if not;

(6) Documents are compiled under a single registration and sent back to Dryport Chief. For seized goods, a report is written and sent to the Chief for decision.

Using risk assessment, generally only a random 10-15% of containers are physically inspected.

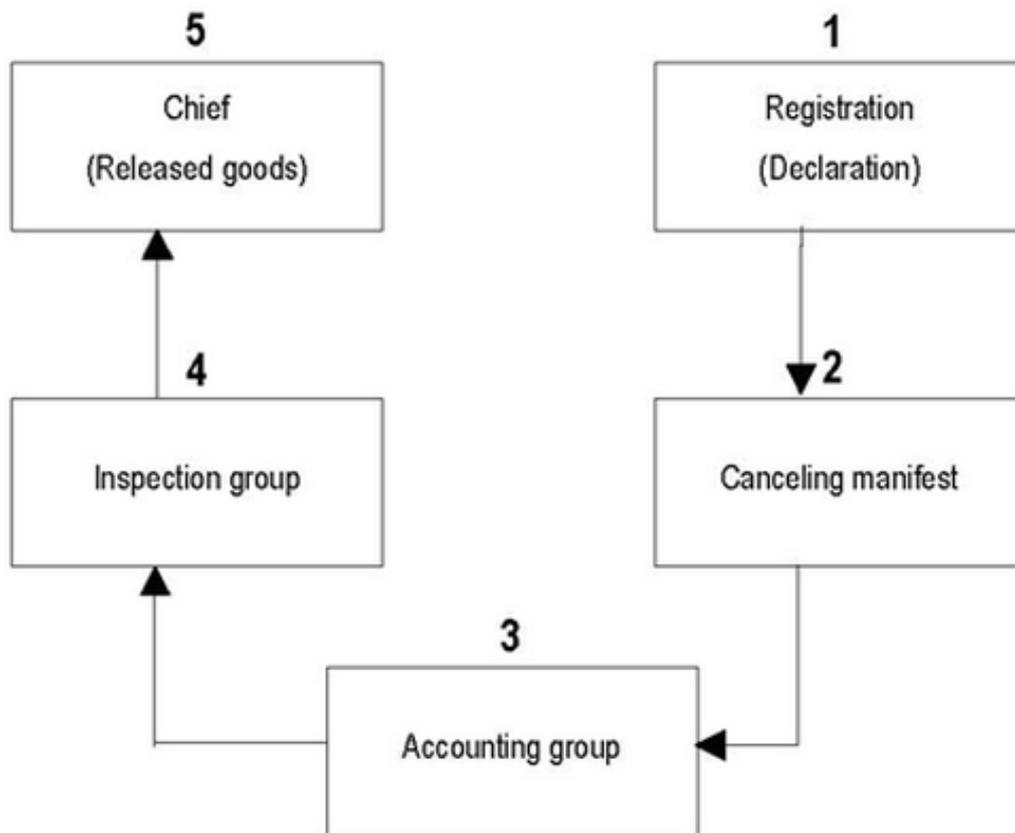


Figure 1.1 Dryport cargo clearance flowcharts

Airport Procedures

At the Phnom Penh International Airport, procedures are the reverse of those at the Dryport: (1) importer submits documents, (2) assessment and payment are done, (3) Customs verifies documents, (4) entry declaration is registered; (5) documents are given to Deputy Chief and Chief.

In order to facilitate the bona fide travelers and tourists, who come into Cambodia bringing along non-dutiable, non-prohibited and non-restricted goods, the Customs Administration established the Green Lane channel for them. By passing through the Customs counter on the Green Channel, the travelers' belongings will not be checked only if they declare to the Customs that there are no dutiable, prohibited and restricted goods

accompanied with them. The Green Channel can be noticed by having the panel with words "NOTHING TO DECLARE" on it.

Travelers or passengers who bring along dutiable goods have to go into the Red Channel and pay duties and tax applicable. The Red Channel is noticed by having the panel with words "GOODS TO DECLARE" on it.

Travelers or passengers bringing along dutiable, restricted and prohibited goods, and found using the Green Channel shall be imposed a penalty and/or a fine.

Travelers and tourists may bring personal belongings in reasonable quantity. Conditions under which travelers and tourists should enjoy concession are stated in Customs Passenger Forms which are available at entry checkpoints and/or air carriers.

1.11 Cambodia Import Tariff and Duty

Tariff and Duty Rates

Types of Duty:

- Import Duty

Import duties are levied on any imported goods before releasing them from the custody of Customs; except for goods receiving specific privilege that qualifies according to the laws and regulations, whereby their duties are exempted.

There are three types of duties and taxes that any importer has to pay before the imported goods are released from the custody of Customs:

- Customs Import Duties with an ad valorem rate;
- Excise Tax for specific category of goods;
- Value Added Tax 10 % (VAT)

- Export Duty

There are four items of exported goods that have to pay taxes:

- Natural rubber
- Uncut (unprocessed) precious stones
- processed wood
- Fish and crustaceans, molluses and other aquatic products

Rates of Duty:

There are five major duty rates (including 0% rate) for imported goods, excluding vehicles which have special rates. These duty rates are as follows:

- Duty rate is 0% for goods that government policy provides not to collect duties.
- Duty rate of 7% for primary products and raw materials.
- Duty rate of 15% for machinery and equipment.
- Duty rate of 35% for finished products and government protected goods.
- Duty rate of 50% for luxurious goods.

There are three rates of taxes to be paid for exported goods:

- Duty rate of 2%, 5% and 10% for natural rubber (Cambodia temporary uses cascade rates for this product).
- Duty rate of 5% and 10% for processed wood (depends on level and type of processing).
- Duty rate of 10% for fish and other aquatic products, and uncut precious stone.

Payment of Duties and taxes:

All duties are levied in accordance with the provisions of Cambodia Law on import and export (1989) and the Regulation on Customs Tariff Nomenclature adopted in 1993. Payment of duties shall be made to Customs Offices prior to the examination of the goods. Duties can be paid either by cash or certified cheque.

Where the importer requests clearance of goods subject to a dispute or specific circumstance, such goods can be released either by:

- Paying the maximum rate of duty and reserving the right to settle the dispute at a later time.
- Paying the amount of duty declared together with an additional amount covering the maximum payable duty as a deposit.

Valuing Your Products

In valuing any imported/exported goods for duty assessment, Cambodia Customs uses the 1993 amendment to the Law on Import and Export which calls for CIF imports, and FOB exports. If the consignments (for imports) exceed USD 5,000 in FOB value, the pre-shipment inspection is required. However, Customs will have the right to finally

determine whether the price stated in Clean Report of Findings corresponds within limits to the market price of the goods. If there is no correspondence, the extent to which the price varies or diverges from the market price has to be determined by Customs. The value used is the notional open market wholesale price of the identical or similar goods (excluding taxes and duties payable), which is akin to the Brussels definition of Value.

Lists of CIF values are compiled by Customs Department from SGS findings, and from catalogues and price lists obtained from abroad. The invoice price of goods below the value of USD 5,000 may be adjusted by Customs to accord with market value. In general, if the invoice of non-PSI goods is lower than the list price, the list price is used. Local Customs offices can accept values of goods which have customs duty and taxes payable up to USD 300, but higher values have to be checked by the Valuation Office at Customs Headquarter.

Clearing Imports

Importers or agents authorized by importers must comply with the law on import and export and other customs related regulations. Importers or agents must pay the full amount of duties and taxes or deposited cash security.

Import entry has to be made triplicate, accompanied with supporting documents as follows:

1. Invoice
2. Packing list
3. Bill of lading/airway bill
4. Import license (if required)
5. Report of Finding (ROF) if an import FOB value up from USD5,000.00
6. Other documents (if any)

Goods with Prohibitions, Controls and Restrictions

There are several Ministerial Regulations/Decisions, which involve the prohibitions and restrictions on importation and/or exportation of certain items. Import and export licenses are required for some goods from the Ministry of Commerce. Import and export permits are required from relevant government agencies. Goods with prohibitions,

restrictions and controlled include narcotic drugs, medicines, live animal, wood products, fire arm etc.

Temporary Admission

In general, certain articles can be temporarily imported and to be re-exported within certain period as specified by Customs from the date of importation. These articles will be granted exemption from payment of import duty and/or taxes, but the importers may be required to make a contract with Customs that such articles will be re-exported within the fixed period and a guarantee in certain form and amount may be required by Customs. The refund or release of such security given will be carried out after all the obligations under the contract or agreement have been fulfilled.

Temporary Admission for Inward Processing

Approval for duty exemption of materials for inward processing is granted by the Cambodia Investment Board which operates under the Council for the Development of Cambodia (CDC), and approved by the Ministry of Economy and Finance. The Ministry of Industry Mines and Energy issues a processing Certificate which shows an estimated usage rate for the materials. The materials are declared to Customs on arrival, and the finished products are declared on exportation. There is a joint Committee comprised of representatives of the Ministry of Economy and Finance, CDC, Customs and Tax Department to verify that all temporarily imported materials have been satisfactorily accounted for by manufacture into exported products.

In addition there is an Outward Processing Arrangement (OPA) which comprises of representatives of the CDC, Ministry of Economy and Finance, Ministry of Industry, Mines and Energy, Ministry of Commerce, Customs House, and chairman of Garment Manufacturing Association of Cambodia (GMAC), to ensure and monitor this matter.

Obtaining Refunds

Refund of Duty

If there is evidence of errors in duty calculation, importers or exporters may claim for refunds. They should submit written request to the Director of Customs and Excise Department asking for refund the duties and taxes paid in excess on account of

calculation errors. The decision to refund of duties is made by the Ministry of Economy and Finance.

Drawback

No drawback system is applicable in Cambodia.

Licensed/ Bonded Warehouse

A licensed/bonded warehouse is a place where imported goods are stored and examined before they are released from customs custody. The warehouse is established with approval by the Council of Minister and controlled by Cambodia Customs under the guidance of the Ministry of Economy and Finance. The owners of a bonded warehouse are required to conclude contracts/agreements with Customs and Excise Department. They are required to fulfill all technical obligations under which a warehouse can be operated, including making a deposit/guaranty in certain form and amount to Cambodia Customs in order to secure the payment of duties or other dues which may be claimed by Cambodia Customs under the contracts/agreements.

There is no manufacturing bonded warehouse established yet in Cambodia.

1.12 Import Duty for Machinery⁵

HS Version	HS code	Year	Description	(WTO) MFN Applied Tariff				
				Average of AV Duties*	Minimum AV Duty**	Maximum AV Duty***	Duty Free TL**** (%)	Number of Non-AV Duty*****
HS07	844316	2012	Flexographic printing machinery	15	15	15	0.0	0
HS07	844400	2012	Machines for extruding, drawing, texturing or cutting man-made textile materials	15	15	15	0.0	0
HS07	847710	2012	Injection-moulding machines for working rubber or plastics	15	15	15	0.0	0
HS07	847720	2012	Extruders for working rubber or plastics	15	15	15	0.0	0
HS07	847730	2012	Blow-moulding machines for working rubber or plastics	15	15	15	0.0	0
HS07	847740	2012	Vacuum-moulding machines and other thermoforming machines for working rubber or plastics	15	15	15	0.0	0
HS07	847751	2012	Machinery for moulding or retreading pneumatic tyres or for moulding or otherwise forming inner tubes of rubber or plastics	15	15	15	0.0	0

⁵ <http://tariffdata.wto.org/ReportersAndProducts.aspx>

HS Version	HS code	Year	Description	(WTO) MFN Applied Tariff				
				Average of AV Duties*	Minimum AV Duty**	Maximum AV Duty***	Duty Free TL**** (%)	Number of Non-AV Duty*****
HS07	847759	2012	Machinery for moulding or otherwise forming products from rubber or plastics (excl. injection-moulding machines, extruders, blow-moulding machines, vacuum-moulding and other thermoforming machines; machinery for moulding or retreading pneumatic tyres or for moulding or otherwise forming inner tubes)	15	15	15	0.0	0
HS07	847780	2012	Machinery for working rubber or plastics or for the manufacture of products from these materials, not specified or included elsewhere in this chapter	15	15	15	0.0	0
HS07	847790	2012	Parts of machinery for working rubber or plastics or for the manufacture of products from these materials, n.e.s.	12	0	15	20.0	0
HS07	848071	2012	Injection or compression-type moulds for rubber or plastics	15	15	15	0.0	0
HS07	848079	2012	Moulds for rubber or plastics (other than injection or compression types)	15	15	15	0.0	0

*Average of AV Duties : Average of all Ad valorem duties in the HS code. No Ad valorem equivalents for non-AV duties are included.

**Minimum AV Duty : Minimum Ad valorem duty in the HS code.

***Maximum AV Duty : Maximum Ad valorem duty in the HS code.

****Duty Free TL (%) : Percentage of applied duty free national tariff lines in the HS code.

*****Number of Non-AV Duty : Number of national tariff lines in the HS code with non- Ad valorem duty.

Chapter II

Plastics and Rubber Industry Overview

2.1 Cambodia Plastics Industry Overviews

Cambodia has seen rapid progress in the last decade. The main domestic activity is agriculture. Manufacturing output is varied but is not very extensive and is mostly conducted on a small-scale and informal basis. Cambodia has sustained high economic growth for the past decade (an average of 10.2% during the period 2007-2012)¹. Interestingly, Plastics industry has been relatively new to Cambodia. Cambodia has no the plastic-resin manufacturing but their country has only the plastics convertor who produce the main product such as plastic bottle, plastics bag, and household plastic products.

Although, Cambodia is a major polymer importer, by 2012, the total import plastic resin was about 66 million USD. Annual plastics resin (HS code 3901-3909) consumption in Cambodia is around 42 KTA per year². At distribution/conversion to product level, we have seen several players such as Kyowaseikan (Cambodia) Co., Ltd., Harta Packaging Industries (Cambodia) Limited, and Good Rich Industries Inc. The volume and value of plastics resin in Cambodia are shown in table 2.1 and table 2.2, respectively.

¹ World bank

² Global trade atlas, 2012

Table 2.1 Volume of plastics resin in Cambodia.

Unit: Ton

Commodity	Description	Year				
		2008	2009	2010	2011	2012
3901-3909	Plastic resins	23,499	23,914	30,293	34,515	41,527
3901	Polymers Of Ethylene, In Primary Forms	5,594	4,527	7,285	9,861	11,070
3902	Polymers Of Propylene Or Other Olefins, Prim Forms	2,755	1,964	2,536	4,097	5,588
3903	Polymers Of Styrene, In Primary Forms	2,573	2,902	3,419	3,438	3,558
3904	Polymers Of Vinyl Chloride Etc., In Primary Forms	4,420	6,713	8,055	9,099	10,761
3905	Polymers Of Vinyl Acetate & Other Vinyl Polymer, Pr Fm	244	242	155	163	161
3906	Acrylic Polymers In Primary Forms	1,178	607	343	310	2,080
3907	Polyethers, Epoxides & Polyesters, Primary Forms	6,415	6,700	7,897	6,994	7,277
3908	Polyamides In Primary Forms	13	-	2	25	7
3909	Amino-Resins, Phenolics & Polyurethanes, Prim Form	307	259	601	528	1,025

Source: Global trade atlas, Nov, 2013.

Table 2.2 Value of plastics resin in Cambodia.

Unit: USD

Commodity	Description	Year				
		2008	2009	2010	2011	2012
3901-3909	Plastic resins	36,783,316	27,409,531	43,695,566	60,443,091	65,723,079
3901	Polymers Of Ethylene, In Primary Forms	9,421,918	5,599,971	11,235,250	17,931,286	19,422,046
3902	Polymers Of Propylene Or Other Olefins, Prim Forms	4,171,416	2,532,944	3,648,235	6,613,854	8,164,676
3903	Polymers Of Styrene, In Primary Forms	4,668,448	4,161,974	6,597,810	7,064,672	6,419,633
3904	Polymers Of Vinyl Chloride Etc., In Primary Forms	5,091,201	5,340,228	8,978,323	13,489,313	15,971,980
3905	Polymers Of Vinyl Acetate & Oth Vinyl Polym, Pr Fm	436,435	574,496	447,083	706,578	781,026
3906	Acrylic Polymers In Primary Forms	1,883,160	917,743	619,269	782,483	1,920,489
3907	Polyethers, Epoxides & Polyesters, Primary Forms	10,309,364	7,900,902	11,246,802	12,780,221	11,297,869
3908	Polyamides In Primary Forms	186,623	-	2,175	95,704	20,164
3909	Amino-Resins, Phenolics & Polyurethanes, Prim Form	614,751	381,273	920,619	978,980	1,725,196

Source: Global trade atlas, Nov, 2013.

Cambodia's total plastic resin industry is 68 million USD with imports 100 percent. In 2012, main plastics resin (PE, PS/EPS, PP, ABS/SAN, PET) accounted around 57% of the overall plastics consumption in Cambodia shown in Table 2.3.

Table 2.3 The consumption of main plastics resin of Cambodia.

Unit: KTA

No.	Resins	2007	2008	2009	2010	2011	2012
1.	PE	4	5	4	7	10	11
2.	PS/EPS	1	1	1	1	2	2
3.	PP	3	3	2	2	4	6
4.	ABS/ SAN	0	0	1	1	1	1
5.	PET	3	3	4	6	5	4

2.2 Cambodia Rubber Industry Overview

In Cambodia, the natural rubber industry plays an important role in supporting socio-economic development such as income generation and job creation. The rubber and forestry sub-sector accounts for 9.0% of agriculture sector in terms of GDP and accounts for 1.0% of agriculture sector's employment in 2008.

The planting areas of natural rubber in Cambodia have increased steadily from 69,995 ha in 2006 to 107,901 ha in 2008. Annual production was 32,100 tons in 2006, 33,000 tons in 2007, and 37,100 tons in 2008. In 2008, the natural rubber production of the world was 9.9 million tons in total, while that of Cambodia was 37,100 tons. Cambodia's production accounts for only 0.4% of the world's production. There has been a sharp increase in the investments in to rubber sector since 2006. Between 2006 and 2008, among 30 approved investment projects in the agricultural sector, 33.3% of the investments are those in the natural rubber.

Natural Rubber (NR) production in Cambodia, 2011 was 51 KTA compared to 42 KTA in 2010 and recorded a growth of 21.6% compared to 22.7% attained in the previous year. The growth in production was attributed by favorable climate and attractive price.

Table 2.4 Natural rubber (NR) in Cambodia.

Unit: Ton

Natural Rubber	2005	2006	2007	2008	2009	2010	2011	2012*
Production	29,500	32,100	33,000	37,100	34,400	42,200	51,300	11,900
Consumption	2,000	2,000	2,400	2,800	2,800	2,400	2,400	600

*Data collection in Jan-Mar, 2012

Source: International Rubber Study Group (IRSG)

The total consumption of natural rubber (NR) in 2011 was 2.4 KTA which equal to 2010. The total export of natural rubber (HS code 4001) registered 31% and 23% growth, respectively during 2011-12 as show in table 3.16. Overall, Cambodia's natural rubber is exported to only a few market destinations, mainly Vietnam, Malaysia, China, Singapore and Republic of Korea, due to its currently limited processing capacity to meet rubber grade types. The Vietnamese market has long been the processing capability to meet rubber grade types. The Vietnamese market has long been the leading export destination for Cambodian natural rubber, as most Cambodian rubber estates are located close to the Cambodia-Viet Nam border. In addition, Vietnamese traders accept low-grade natural rubber from Cambodia for reprocessing and re-exporting.

Table 2.5 Volume of natural rubber (HS code 4001) export in Cambodia.

Unit: Ton

Commodity	Description	2008	2009	2010	2011	2012
4001	Natural Rubber, Balata, Chicle Etc, Prim Form Etc	8,522	10,238	22,326	29,216	35,845
400122	Technically Specified Natural Rubber (Tsnr)	6,937	9,997	20,610	26,580	32,712
400129	Natural Rubber In Primary Forms Etc. Nesoi	1,359	182	1,262	1,567	458
400121	Natural Rubber In Smoked Sheets	100	60	454	1,069	2,675
400110	Natural Rubber Latex, Whether Or Not Pre vulcanized	126	0	0	0	0

Source: Global trade atlas, Nov, 2013.

The total import of synthetic rubber registered 5.4% and 5.6% growth respectively during 2011-12. Styrene-butadiene rubber (SBR) is the highest imported at 547 tonnes, other synthetic rubber is 272 tonnes and Butadiene Rubber (Br) is 164 tonnes. The total Cambodia import volume of synthetics rubber is shown as the table 2.6.

Table 2.6 Volume of synthetic rubber import in Cambodia.

Unit: Ton

Commodity	Description	2008	2009	2010	2011	2012
Synthetics Rubber	Synthetics Rubber	618	682	1,122	1,183	1,249
400211	Latex of styrene-butadiene rubber (SBR)/ carboxylated Styrene-butadiene rubber (SBR)	34	47	60	136	117
400219	Styrene-butadiene rubber (SBR)	387	463	746	761	547
400220	Poly-butadiene rubber (BR)	0	0	4	35	164
400249	Chloroprene (chloro-butadiene) rubber (CR)	8	0	0	15	0
400259	Acrylo-nitrile rubber (NBR)	0	0	0	37	40
400270	Ethylene-propylene-nonconjugated diene rubber (EPDM)	0	0	0	0	25
400291	Other latex of synthetic rubber	32	38	47	74	58
400299	Other synthetic rubber	157	134	262	116	272
400510	Compounded rubber, un-vulcanised, in primary forms, or in plates, sheet and strip, with carbon-black or silica	0	0	2	9	27

Source: Global trade atlas, Nov, 2013.

The total export of synthetic rubber registered 825 tonnes in 2012. A mixture of natural rubber of 4-digit heading 4001 with synthetic-rubber of 4-digit heading 4002 is the highest contribution at 800 tonnes and Butadiene Rubber (Br) is 25 tonnes. The total Cambodia export of synthetics rubber is shown as the table 2.7.

Table 2.7 Volume of synthetic rubber export in Cambodia.

Unit: Ton

Commodity	Description	2008	2009	2010	2011	2012
Synthetics Rubber	Synthetics Rubber	0	58	0	0	825
400211	Latex of styrene-butadiene rubber (SBR)/ carboxylated Styrene-butadiene rubber (SBR)	0	58	0	0	0
400220	Poly-butadiene rubber (BR)	0	0	0	0	25
400280	Mixtures of natural rubber of 4-digit heading 4001 with synthetic-rubber of 4- digit heading 4002	0	0	0	0	800

Source: Global trade atlas, Nov, 2013.

The total import value of rubber product (HS code 4005-4017) registered 165 million USD in 2012. The import of rubber product (HS code 4005-4017) increased at 34% from 2011. New Pneumatic Tires (HS code 4011) is the highest contribution at 71%, Inner tubes for tires of rubber is 11% and articles nesoi of unhardened vulcanized rubber is 7.5%. The total Cambodia import rubber product (HS code 4005-4017) is shown as the table 2.8 and table 2.9.

Table 2.8 Value of rubber products (HS code 4005-4017) import in Cambodia.

Unit: USD

Commodity	Description	2008	2009	2010	2011	2012
Rubber	Rubber products	75,642,490	75,889,093	92,619,952	123,712,485	165,490,297
4005	Compounded Rubber, Unvulcanised, Primary Forms Etc	209,633	206,753	530,042	264,269	406,398
4006	Unvulc Rubber Forms Nesoi & Unvulc Rubber Articles	5,672	2,791	16,216	21,708	26,168
4007	Vulcanized Rubber Thread And Cord	311,442	256,825	643,979	858,419	790,757
4008	Plates, Sheets, Profile Shapes Etc, Soft Vulc Rubber	636,512	631,003	1,327,514	1,623,734	3,527,068
4009	Tubes, Pipes & Hoses Of Unharded Vulcanized Rubber	598,259	289,730	447,666	699,167	793,110
4010	Conveyor Or Transmiss Belts Of Vulcanized Rubber	2,899,289	2,264,254	2,103,661	3,192,288	4,413,714
4011	New Pneumatic Tires, Of Rubber	51,799,121	53,902,542	66,062,872	91,440,985	117,088,190
4012	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	3,944,432	2,554,388	3,607,843	4,920,078	5,195,664
4013	Inner Tubes For Tires, Of Rubber	7,893,327	10,642,231	11,744,452	13,488,574	18,020,648
4014	Hygienic Or Pharm Articles Of Unharded Vulcan Rubber	1,352,180	1,341,078	783,533	1,430,590	1,644,185
4015	Art Of Apparel & Access Of Unharded Vulcanized Rubber	890,957	958,356	1,054,946	952,208	912,808
4016	Articles Nesoi Of Unhardeded Vulcanized Rubber	4,675,651	2,696,482	4,084,645	4,677,453	12,426,196
4017	Hard Rubber In All Forms; Articles Of Hard Rubber	426,014	142,659	212,584	143,012	245,391

Source: Global trade atlas, Nov, 2013.

Table 2.9 Volume of rubber products (HS code 4005-4017) import in Cambodia.

Commodity	Unit	Description	2008	2009	2010	2011	2012
Rubber	n/a	Rubber products	n/a	n/a	n/a	n/a	n/a
4005	T	Compounded Rubber, Unvulcanised, Primary Forms Etc	69	70	145	105	149
4006	T	Unvulc Rubber Forms Nesoi & Unvulc Rubber Articles	33	0	6	1	5
4007	T	Vulcanized Rubber Thread And Cord	90	90	171	199	192
4008	T	Plates, Sheets, Profile Shapes Etc, Soft Vulc Rub	149	184	361	424	841
4009	T	Tubes, Pipes & Hoses Of Unharded Vulcanized Rubber	128	90	81	263	164
4009	M	Tubes, Pipes & Hoses Of Unharded Vulcanized Rubber	0	0	30	0	0
4010	NO	Conveyor Or Transmiss Belts Of Vulcanized Rubber	21330	552	255	8484	2268
4010	T	Conveyor Or Transmiss Belts Of Vulcanized Rubber	379	265	235	243	280
4010	M	Conveyor Or Transmiss Belts Of Vulcanized Rubber	0	2	195	0	124
4011	NO	New Pneumatic Tires, Of Rubber	3,380,113	3,208,290	7,246,298	6,028,193	5,233,635
4011	PCE	New Pneumatic Tires, Of Rubber	35,109	27,156	46,275	47,466	62,692
4011	T	New Pneumatic Tires, Of Rubber	0	1183	1190	1714	3821
4012	NO	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	161,823	126,090	196,117	350,540	231,001
4012	T	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	266	317	171	262	226
4012	PCE	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	0	0	4	40	0
4013	NO	Inner Tubes For Tires, Of Rubber	6,232,693	9,840,701	9,492,631	8,228,362	11,625,529
4013	PCE	Inner Tubes For Tires, Of Rubber	16,893	21,885	39,549	56,516	161,382

Table 2.9 Volume of rubber products (HS code 4005-4017) import in Cambodia (continue).

Commodity	Unit	Description	2008	2009	2010	2011	2012
4013	T	Inner Tubes For Tires, Of Rubber	0	66	45	119	245
4014	T	Hygienic Or Pharm Articles Of Unharded Vulcan Rubber	147	96	63	116	148
4014	NO	Hygienic Or Pharm Articles Of Unharded Vulcan Rubber	24,192	0	0	0	0
4015	PRS	Art Of Apparel & Access Of Unharded Vulcanized Rubber	13,122,110	14,344,225	7,826,082	5,232,483	9,613,174
4015	T	Art Of Apparel & Access Of Unharded Vulcanized Rubber	78	37	47	52	55
4015	DOZ	Art Of Apparel & Access Of Unharded Vulcanized Rubber	65	22,852	50	1	5
4015	DPR	Art Of Apparel & Access Of Unharded Vulcanized Rubber	0	50	0	0	0
4015	NO	Art Of Apparel & Access Of Unharded Vulcanized Rubber	0	2,000	700	0	0
4016	T	Articles Nesoi Of Unhardeded Vulcanized Rubber	1,003	492	638	687	2,110
4017	T	Hard Rubber In All Forms; Articles Of Hard Rubber	45	12	52	14	50

Source: Global trade atlas, Nov, 2013.

The total export value of rubber product (HS code 4005-4017) registered 18 million USD in 2012. The export of rubber product (HS code 4005-4017) increased at 400% from 2011. Compound rubber, unvulcanised, primary forms etc. (HS code 4005) is the highest contribution at 79%, art of apparel & access of unharded vulcanized rubber is 16% and new pneumatic tires, of rubber is 3% of total value export. The total Cambodia export rubber product (HS code 4005-4017) is shown as the table 2.10 and table 2.11.

Table 2.10 Value of rubber products (HS code 4005-4017) export in Cambodia.

Unit: USD

Commodity	Description	2008	2009	2010	2011	2012
Rubber	Rubber products	91,392	728,102	1,653,170	3,613,277	18,070,051
4005	Compounded Rubber, Unvulcanised, Primary Forms Etc	152	-	-	-	14,361,388
4006	Unvulc Rubber Forms Nesoi & Unvulc Rubber Articles	-	-	-	-	13,094
4007	Vulcanized Rubber Thread And Cord	-	-	400	-	-
4008	Plates, Sheets, Profile Shapes Etc, Soft Vulc Rubber	205	-	5,516	21,016	13,120
4009	Tubes, Pipes & Hoses Of Unharded Vulcanized Rubber	-	66	52	36	1,748
4010	Conveyor Or Transmiss Belts Of Vulcanized Rubber	-	-	44	44	152,655
4011	New Pneumatic Tires, Of Rubber	62	1,078	465,560	585,267	530,270
4012	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	56,085	209,136	-	373	-
4013	Inner Tubes For Tires, Of Rubber	-	-	7,308	-	-
4015	Art Of Apparel & Access Of Unharded Vulcanized Rubber	14,151	507,510	1,158,228	2,966,328	2,902,878
4016	Articles Nesoi Of Unhardeded Vulcanized Rubber	20,737	10,311	16,062	40,213	94,898

Source: Global trade atlas, Nov, 2013.

Table 2.11 Volume of rubber products (HS code 4005-4017) export in Cambodia.

Commodity	Unit	Description	2008	2009	2010	2011	2012
Rubber	n/a	Rubber products	n/a	n/a	n/a	n/a	n/a
4005	T	Compounded Rubber, Unvulcanised, Primary Forms Etc	0	0	0	0	4,891
4006	T	Unvulc Rubber Forms Nesoi & Unvulc Rubber Articles	0	0	0	0	1
4007	T	Vulcanized Rubber Thread And Cord	0	0	0	0	0
4008	T	Plates, Sheets, Profile Shapes Etc, Soft Vulc Rubber	0	0	0	11	1
4009	T	Tubes, Pipes & Hoses Of Unharded Vulcanized Rubber	0	0	0	0	3
4010	T	Conveyor Or Transmiss Belts Of Vulcanized Rubber	0	0	0	0	14
4011	NO	New Pneumatic Tires, Of Rubber	1	14	4,723	5,884	4,671
4011	PCE	New Pneumatic Tires, Of Rubber	0	0	76	6,621	0
4012	T	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	0	0	0	0	0
4012	PCE	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	0	0	0	24	0
4012	NO	Retread Or Used Pneu Tires, Solid Tires Etc, Rubber	715	2,392	0	0	0
4013	NO	Inner Tubes For Tires, Of Rubber	0	0	3,607	0	0
4015	PRS	Art Of Apparel & Access Of Unharded Vulcanized Rubber	0	3,664	5,244	13,978	17,779
4015	NO	Art Of Apparel & Access Of Unharded Vulcanized Rubber	0	160	5,562	3,147	3,856
4015	DPR	Art Of Apparel & Access Of Unharded Vulcanized Rubber	0	0	0	0	2,652
4015	T	Art Of Apparel & Access Of Unharded Vulcanized Rubber	0	19	57	69	62
4015	DOZ	Art Of Apparel & Access Of Unharded Vulcanized Rubber	0	18	18	4	0
4016	NO	Articles Nesoi Of Unhardeded Vulcanized Rubber	0	0	0	0	26
4016	T	Articles Nesoi Of Unhardeded Vulcanized Rubber	0	0	1	16	11

Source: Global trade atlas, Nov, 2013.

Chapter III

Machinery for Working Rubber or Plastics Statistic

3.1 Product Specification and Classification

HS code is a standardized multi-functional system to classify goods, universally applied by governments of all countries, international organizations and individuals in many other fields, such as domestic tax, trade policy, price control, quota control, budgeting, and economic research and analysis. Therefore HS Code becomes a universally recognized classification standard and economic language. Thai customs department classified the machinery in HS Code 8477 as shown in table 3.1.

Table 3.1 Description of HS code for machinery.

HS Code	Description
844316	Flexographic printing machinery
844400	Machines for extruding, drawing, texturing or cutting man-made textile materials.
848071	Molds for Rubber or Plastic, Injection/Compression Type
848079	Molds for Rubber or Plastics Except Inject or Compression
8477	Machinery for working rubber or plastics or for the manufacture of products from these materials not specified or included elsewhere in this Chapter.
847710	Injection-molding machines for working rubber or plastics
84771000	Parts: Injection-molding machines
84771010	Parts: Injection-molding machines for molding rubber
84771031	Injection-molding machines for Poly (vinyl chloride)
84771039	Parts: Injection-molding machines, other
847720	Extruders for working rubber or plastic
84772000	Parts: Extruders
84772010	Parts: Extruders for extruding rubber
84772020	Parts: Extruders for extruding plastics
847730	Blow molding machines for working rubber or plastics
84773000	Parts: Blow molding machines

Table 3.1 Description of HS code for machinery (continue).

HS Code	Description
847740	Vacuum molding machines & other thermoforming machines for working rubber or plastics
84774000	Parts: Vacuum molding machines and other thermoforming machines
84774010	Parts: Vacuum molding machines and other thermoforming machines for molding or forming rubber
84774020	Parts: Vacuum molding machines and other thermoforming machines for molding or forming plastics
847751	Machinery for molding or retreading pneumatic tyres or for molding or otherwise forming inner tubes
84775100	Other machinery for molding or otherwise forming: For molding or retreading pneumatic tyres or for molding or otherwise forming inner tubes
847759	Other machinery for molding or other forming, for working rubber or plastics
84775900	Other machinery for molding or otherwise forming: Other
84775910	Other machinery for molding or otherwise forming: For rubber
84775920	Other machinery for molding or otherwise forming: For plastics
847780	Other machinery for working rubber or plastics or for the manufacture of products from these materials
84778010	Other machinery: For working rubber or for the manufacture of products from rubber, electrically operated
84778020	Other machinery: For working rubber or for the manufacture of products from rubber, not electrically operated
84778031	Other machinery: For working rubber or for the manufacture of products from plastics, electrically operated: Lamination presses for the manufacture of printed circuit boards or printed wiring boards
84778039	Other machinery: For working rubber or for the manufacture of products from plastics, electrically operated: Other

Table 3.1 Description of HS code (continue).

HS Code	Description
84778040	Other machinery: For working rubber or for the manufacture of products from plastics, not electrically operated
84778090	Other machinery: Other
847790	Parts of machinery for working rubber or plastics or for the manufacture of products from these materials
84779000	Other machinery: Parts
84779010	Parts of electrically operated machines for working rubber or for the manufacture of products from rubber
84779020	Parts of non-electrically operated machines for working rubber or for the manufacture of products from rubber
84779032	Parts of lamination presses for the manufacture of printed circuit boards or printed wiring boards
84779039	Other
84779040	Parts of non-electrically operated machines for working plastics or for the manufacture of products from plastic materials

Source: Thai Custom Department

3.2 Cambodia’s Total Market for Plastics and Rubber Machinery

Figure 3.1 shows Import value of machinery for working rubber & plastics of Cambodia during the period 2007-2012. Overall, as the import value, in 2012, Cambodia imported the machinery for working rubber & plastics with the highest value at 10.45 million USD which mainly imported from China followed by Hong Kong and Italy about 63%, 9%, and 9% respectively.

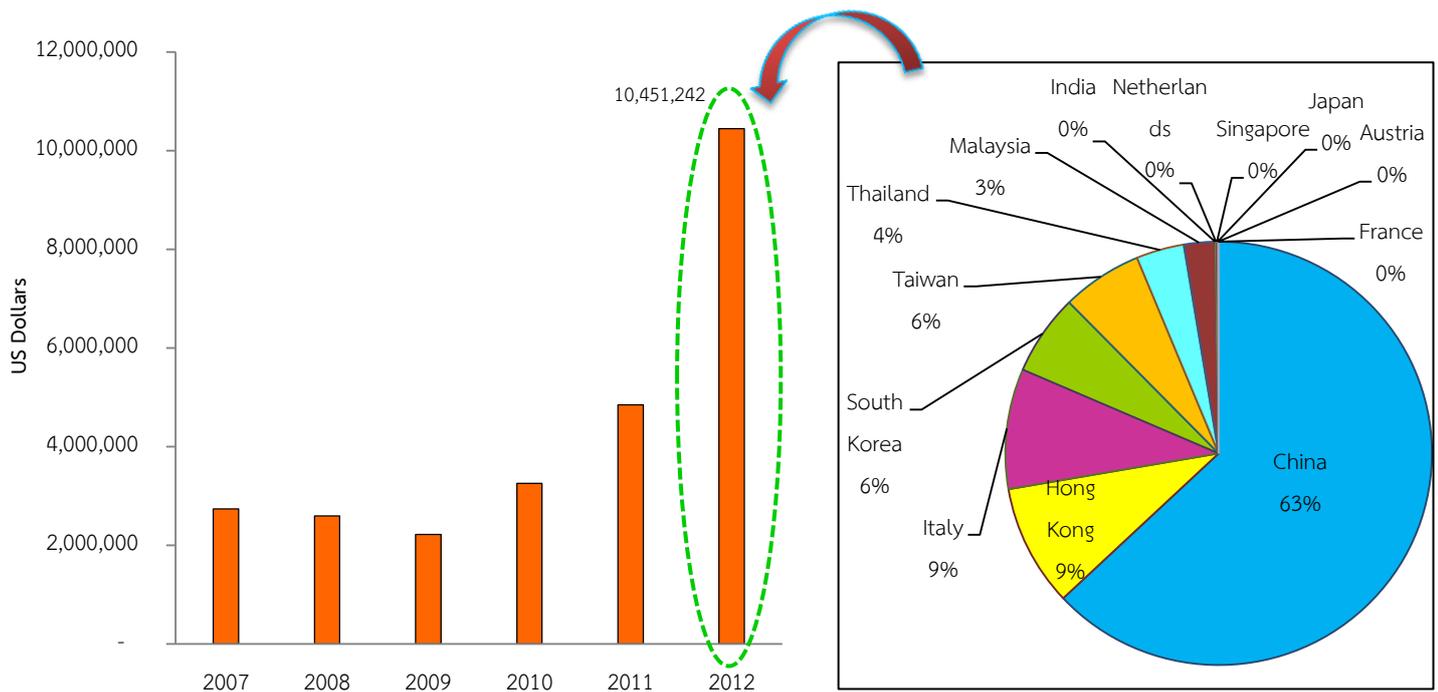


Figure 3.1 Import value of machinery for plastics and rubber of Cambodia.

Table 3.2 Import value of machinery for plastics and rubber or the manufacture of products from these materials of Cambodia from overseas.

Reporting Country	United States Dollars											
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total	506,317	718,973	672,496	1,691,405	1,536,911	1,068,181	2,739,756	2,599,850	2,222,852	3,258,868	4,851,869	10,451,242
China	75,272	296,602	59,108	45,783	682,963	228,477	545,776	712,364	542,866	910,937	2,542,094	6,584,460
Hong Kong	23,172	92,350	159,805	134,423	128,597	161,941	214,795	352,149	477,995	148,163	622,776	970,643
Italy	1,483	831	58,515	-	-	-	2,375	2,256	-	28,724	-	959,669
South Korea	-	3,214	12,748	-	738	61,443	205,000	102,267	235,762	378,422	318,779	644,333
Taiwan	345,179	226,817	234,452	500,801	180,832	463,294	129,945	176,262	616,989	1,380,223	832,357	638,804
Thailand	10,482	16,624	22,676	733,506	394,287	58,900	245,160	634,325	70,311	89,905	53,481	379,472
Malaysia	42,029	29,812	25,765	50,805	11,258	25,981	1,211,909	383,815	188,609	25,718	387,575	240,920
India	-	-	289	-	-	71	8,288	2,468	-	-	-	8,897
Netherlands	-	-	-	-	5,919	-	-	-	-	-	76,585	7,575
Singapore	-	40	43,919	217,758	93,029	18,172	23,566	9,504	10,745	51,370	2,509	7,417
Japan	-	-	-	4,329	-	-	-	7,717	69,422	24,045	3,868	4,022
Austria	-	-	-	-	-	-	-	-	6,185	1,612	1,268	3,492
France	-	-	7,647	-	-	17,115	1,510	170,188	-	-	-	1,538
Germany	-	35,383	-	-	-	4,703	-	-	3,968	37,220	-	-
Hungary	-	-	-	-	-	-	44,318	-	-	-	-	-
Canada	-	-	-	-	-	-	-	2,254	-	-	3,947	-
Croatia	-	-	-	-	-	1,652	-	-	-	-	-	-
El Salvador	-	-	-	-	250	-	-	-	-	-	-	-
Indonesia	-	6,100	-	-	31,038	-	-	-	-	-	-	-

Table 3.2 Import value of machinery for plastics and rubber or the manufacture of products from these materials of Cambodia from oversea (continue).

Reporting Country	United States Dollars											
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Philippines	-	11,200	1,500	4,000	-	1,050	-	-	-	-	-	-
Russia	8,700	-	-	-	-	-	-	-	-	-	-	-
Mexico	-	-	-	-	-	-	-	40,000	-	-	-	-
United Kingdom	-	-	5,836	-	-	10,566	-	-	-	-	6,630	-
United States	-	-	40,236	-	8,000	-	103,500	-	-	182,529	-	-
Spain	-	-	-	-	-	12,952	-	-	-	-	-	-
Sri Lanka	-	-	-	-	-	-	3,614	-	-	-	-	-
Sweden	-	-	-	-	-	1,864	-	-	-	-	-	-
Switzerland	-	-	-	-	-	-	-	4,281	-	-	-	-

Source: Global trade atlas, Nov, 2013.

Figure 3.2 shows import value of machinery for plastics and rubber of Cambodia between 2008 and 2012. Overall, as the import value, in 2012, blow moulding (HS code 847730) was imported with the highest value totally about 4.7 million USD followed by injection moulding (HS code 847710) and others machinery (HS code 847780) about 1.7 million USD and 1.5 million USD respectively.

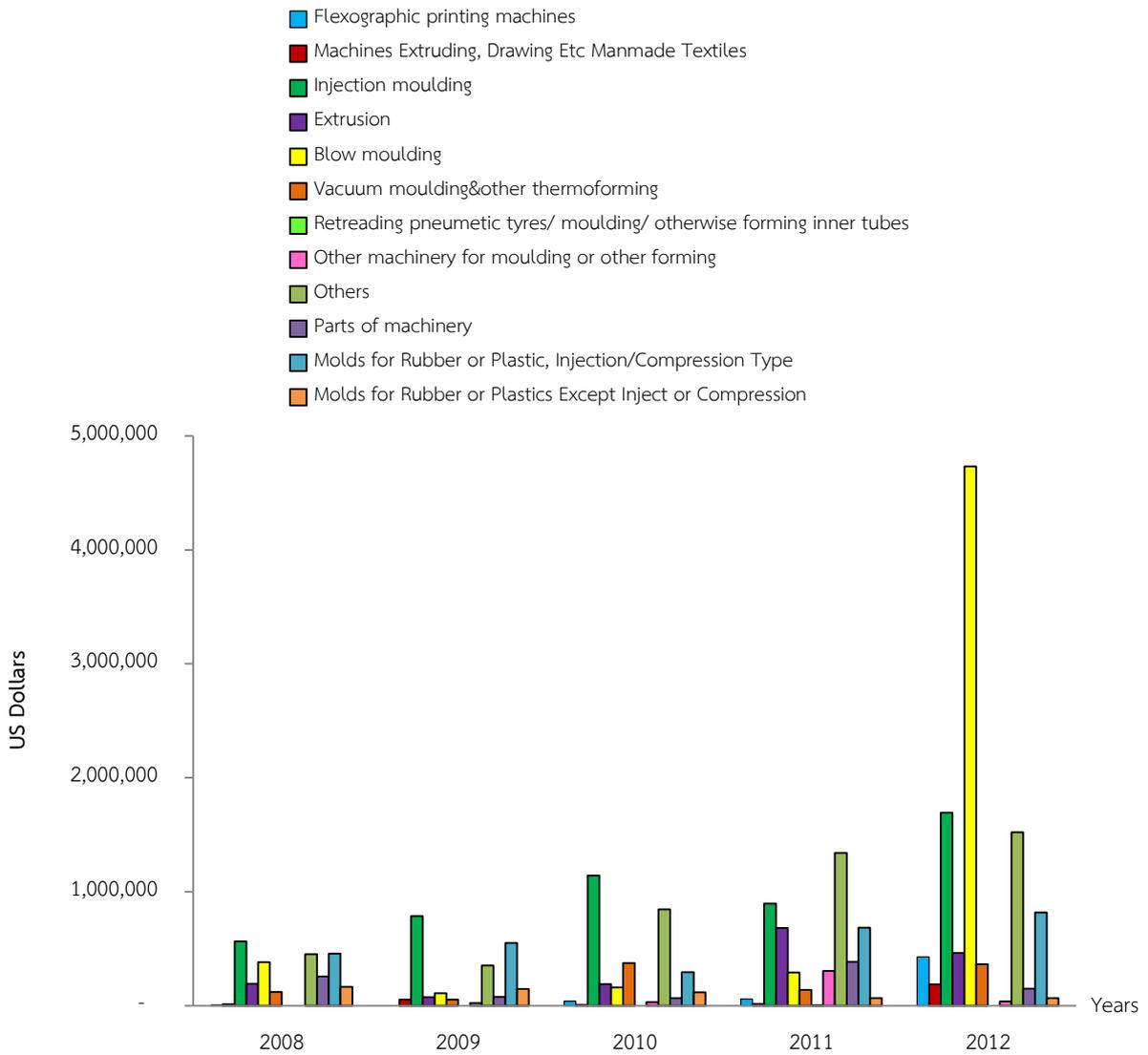


Figure 3.2 Machinery for plastics and rubber industry was imported by Cambodia in period of 2008-2012.

Chapter IV

Survey Results Summary

4.1 Survey Target and Scope

4.1.1 Survey Target

The main targets of the market analysis to be carried out are:

- Point out the opportunities and suggestions for Italian plastics and rubber machinery manufacturers, estimate the demand investigation and attractiveness for Italian plastics and rubber machinery manufacturers in the short/middle period in the various sectors of the Cambodia processing industry.
- Provide an overview on other possible end-user sectors for Italian plastics and rubber machinery manufacturers.
- Support the activities on site of Italian plastics and rubber machinery manufacturers through operative information (such as shipping procedures, opening a branch office, custom duties, financial instruments available etc.).

4.1.2 Survey Scope

Survey on the top processing companies operating in different sectors of the markets (injection molding, film extrusion, pipe extrusion etc.), to collect information about their structure, installed machinery fleet, investment plans, according to the following data-sheet:

4.2 Plastics Product Industry Survey

4.2.1 Sector of Plastics Product Converter

From the survey results, 94.4% of the surveyed converter operate in packaging sector, which plastics packaging sector is the biggest market share in Cambodia's plastics industry.

Table 4.1 Sector of plastics product converter by number of companies.

No.	Sector	No. of Companies	Share (%)
1	Construction	1	5.5%
2	Packaging	17	94.4%
Total		18	100.0%

Table 4.2 Names of interviewed company.

Cambodian Packaging Enterprise
Cambox Private Limited
KPT
Good Rich Industries Inc.
Harta Packaging Industries (Cambodia) Limited
Karong Khmer Factory
Kyowaseikan (Cambodia) Co., Ltd.
PCT Co., Ltd
Carton Boxes Factory Co., Ltd.*
CKP*
ES Packaging Co., Ltd.*
Good2Pack*
Hua Feng Cartons*
Ji Xiang Co., Ltd.*
Lih Woei Carton Works Co., Ltd.*
Singapore Cartons (Cambodia) Ltd.*
Yeung Shi Group*
Yi Xiang Co., Ltd.*

***Note:** We interview 18 companies but 10 companies of interview did not inform the In-depth information with us.

4.2.2 Size of Plastics Product Converter

In term of size of company, the number of employee is used for classified the size of company followed as: the employees less than 50 peoples is small company (S), 50-200 peoples is medium company (M) and more than 200 people is large company (L). The total of companies are interviewed, 1 company is the large size company followed by 3 medium size companies, 3 small size companies and not available are 11 companies.

4.2.3 Main Oversea Suppliers of the Plastics Processing Machinery

From the survey result shows that Cambodia's converter use the machinery from China and Taiwan. The China machinery brand is Karong brand with printing machine which device for evenly printing ink onto a print medium (substrate) such as rice bag.

The main foreign supplier of the plastics processing machinery of the surveyed are from China is 82% of total, followed by Taiwan is 2%. 16% of total machineries are surveyed that not available.

4.2.4 Plastics Processing Technologies

Overall, as the plastics processing, Cambodia's plastics converter 8 companies, inform the In-depth information, use the most of film/ sheet extrusion, hold a share of 65% followed by injection molding stretch blow molding and extrusion about 10%, and 8% respectively.

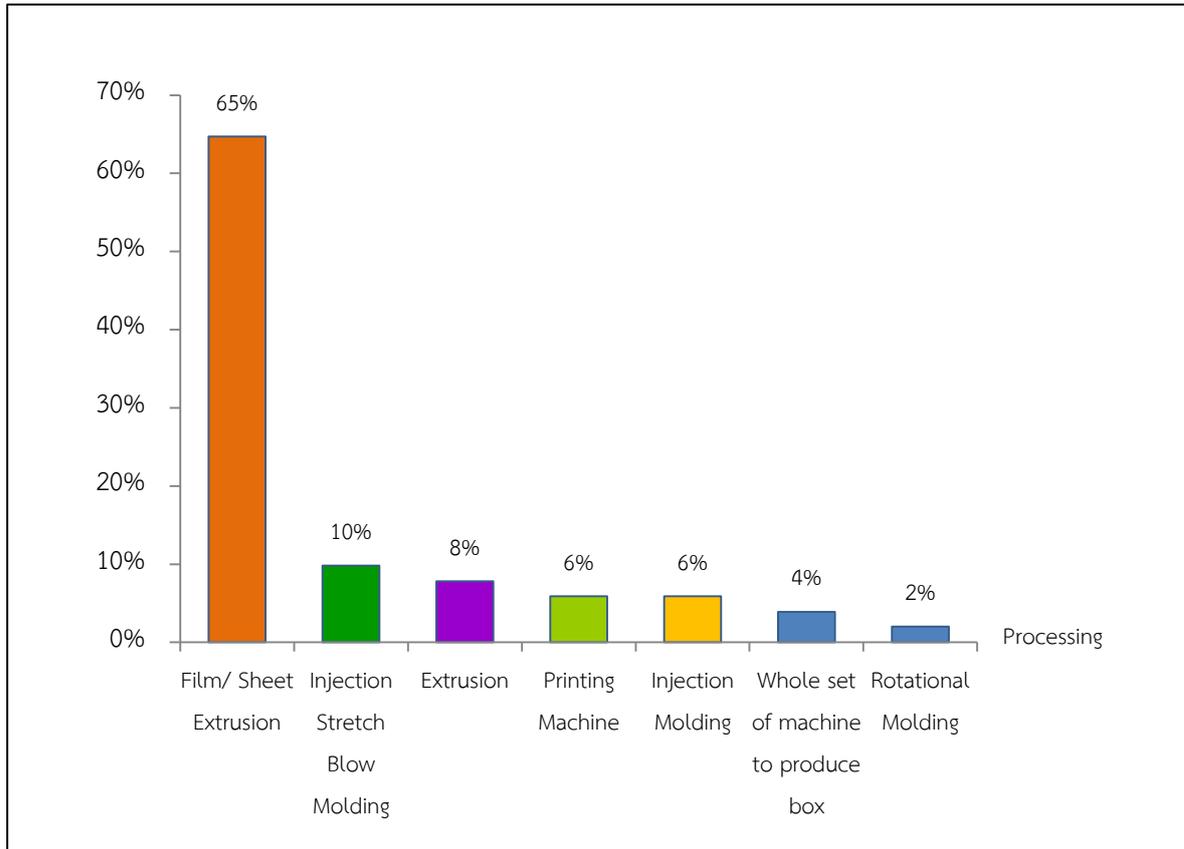


Figure 4.1 Plastics processing technology

4.2.5 Age of Plastics Processing Machinery

Most of plastics’s machinery are used from 10-20 years old or 49% of total. 27.5% of the plastics converter possessed the machines that are from 5-10 years old and 23.5% had machines below 5 years old.

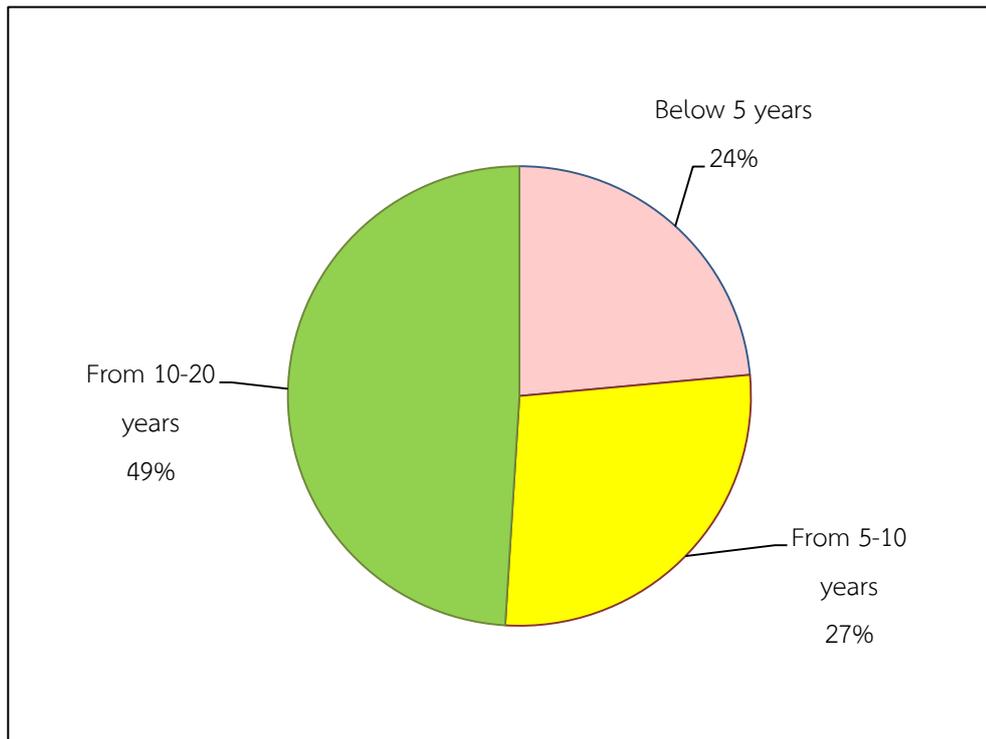


Figure 4.2 Age of Plastics Processing Machinery

4.3 Market Trend in Plastics Industry

The size of plastics industry markets in Cambodia is still small, when compared with the demand of domestic consumption. Plastics production in the country is not enough for consumer because of high import value of plastics products with totally 153.9 million USD in 2012 and due to the lack of basic factors such as raw material, infrastructure, financial and production technology.

The list of plastics manufacturing companies was gathered from Ministry of Industry, Mines and Energy (General Department of Industry) and Yellow Pages of Cambodia. Total list of all type of companies is 159; finally we found that manufacturing of plastics companies in Cambodia is only 65 companies (Annex II) and 18 companies were interviewed but only 8 companies were available. We know that all available was the key player such as Harta Packaging Industries (Cambodia) Limited. The most of plastics companies which the survey results are the packaging sector (94.4%). It is possible that packaging, plastics in agriculture industry and plastics in construction industry have trend to grow up because trend of plastics packaging was increased by increasing of food and agriculture industry.

Food, beverages & tobacco industries in Cambodia have increased shortly between 2002 and 2007, which accounts for 9.4% of total manufacturing. However, the contributing ratio of the industries to the total GDP is merely 1.9% in 2007.

According to the Ministry of Industry, Mines and Energy (MIME), 23 factories are registered in the field of food processing with the Ministry as of May 2009. Animal feed and flour are the majorities among products, and foreign enterprises account for around 40% of the total number of enterprises. The average number of workers is around 230, with the range between 20 and 1,546. It is merely two factories which employ more than 500 workers. This indicates that the food processing industry in Cambodia is under the initial stage. In fact, there exist 42 large establishments with more than 50 employment and/or actual investment of more than US\$ 1million, while there are 26,379 small and medium establishments in 2007¹.

Moreover, agriculture of Cambodia has been developed gradually as a backbone industry of Cambodian economy employing around 60% of the total workforce and contributing to 34.4% of the GDP in 2008. From 1995 to 2007, Cambodian agriculture has achieved significant progress in terms of both area of cultivation and production volume, in particular, rice, maize, cassava, and vegetables. The rice production in 2007 doubled from that in 1995 with cultivated area increasing by around 24% in the same period. Cassava production has risen sharply by 6.7 times from 2003 to 2007¹.

4.4 Market Trend in Rubber Industry

In Cambodia, the natural rubber industry plays a little bit important role in supporting economic development because rubber plantation is not famous for the farmers. The quality of Cambodian products is viewed as poorer in the international market, and partly because it is a difficulty for Cambodians to provide a large volume of products for foreign customers. The issues for Cambodian natural rubber industry are thought to be the low productivity, high cost for processing and poor infrastructure. So, at present, there is no opportunity for rubber machinery in Cambodia but in the next 5 years, market survey will need to monitor opportunity again.

¹ www.jica.go.jp

Chapter V

Preliminary analysis

5.1 Plastics Machinery Analysis

Table 5.1 Survey results of Plastics Machinery in Cambodia

Rubber Products	Size of Company	Kind of machine	Country of Origin	Manufacturer's name (Brand)	Number of Units
Construction	-	Rotational Molding	-	-	1
Packaging	L	Whole set of machine to produce box	China	-	2
	M	Film/ Sheet Extrusion	China	-	32
			-	-	7
	S	Film/ Sheet Extrusion	Taiwan	-	1
		Printing Machine	China	Karong	3
Injection Stretch Blow Molding		China	-	5	
Total					51

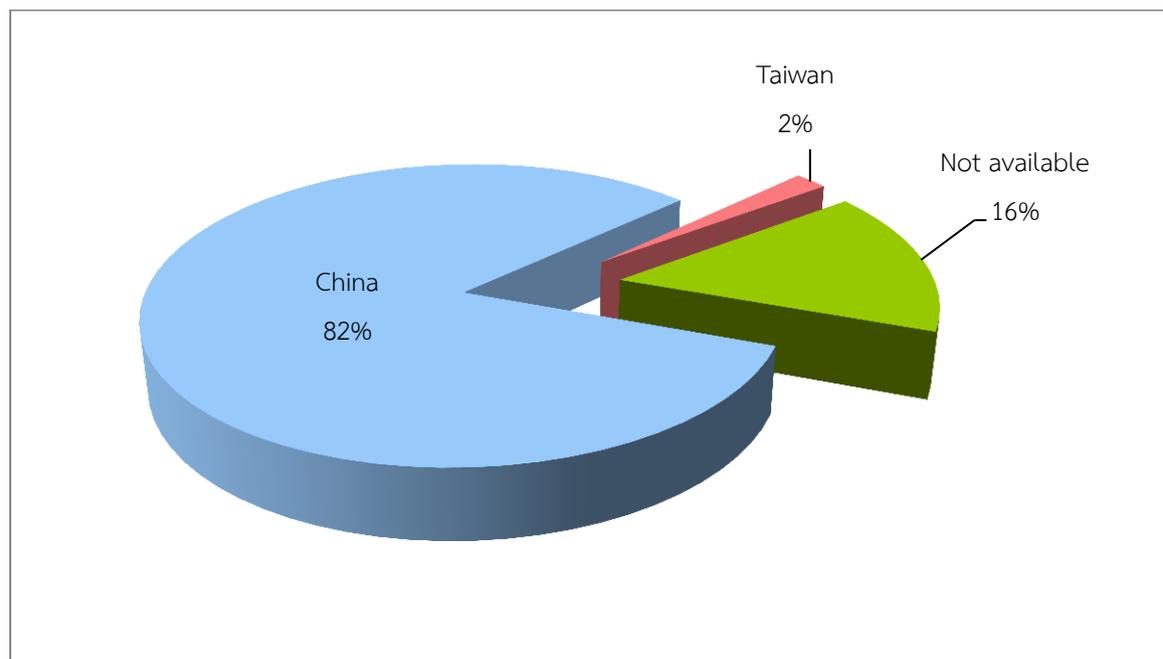


Figure 5.1 Market Share by Country Brand of Plastics Machinery in Cambodia.

From survey results, China brand are mostly dominated in total picture and if look in detail Chinese machine are dominated in extrusion and blow molding machine for packaging sector.

Refer to machinery import data of Cambodia in 2012; there were only 8.9 million USD (0.7% when compared to Thailand) of importing machinery when compared with Thailand which was totally 1,298 million USD. Import values of machines of Cambodia is much lower than Thailand, thus it can be seen that the size of market in plastics and rubber industry in Cambodia is still small. However, when compared with the demand of domestic consumption of Cambodia, plastics production in the country is not enough for consumer because of high import value of plastics products with totally 153.9 million USD in 2012. The plastics product with highest import value is the other plastics products made from raw material in HS code 3901- 3914 such as apparel article & clothing accessories, office or school supplier, statuettes and other ornamental articles and fittings for furniture, coachwork or the like etc. with 53 million USD, followed by container (boxes, bags etc.) with 31.6 million USD, and tubes, pipes and hoses, and fittings therefor (for example, joints, elbows, flanges), of plastics with 23.9 million USD. Cambodia mainly imported plastics products from Thailand up to 57.9 million USD, followed by Hong Kong, China, and Taiwan with 32.2, and 30.3, and 10.8 million USD respectively.

According to this fact, it is possible that Cambodia needs to increase in the supply of plastics products to meet country's demand. However, because of the lack of basic supporting factors for plastic industry such as raw material, usable infrastructure, production technology and skilled workman the market of plastics product industry in Cambodia is not big enough for Italian machinery to do the marketing. Nevertheless, it is estimated that plastics and rubber industries in Cambodia will grow continuously and demand of machinery will increase to be feasible for future investment in the next five years. Thus, to do business in plastics and rubber industry market in this region, the represent office should be settled in Thailand to transfer technology and to be the hub for the goods distribution due to the appropriateness in many aspects such as promptness of specialists in raw material, production technology, and also the high potential of plastics industry in Thailand.

Table 5.2 SWOT Analysis from Market Survey.

Main Country of Origin	Strength	Weakness	Opportunity	Threat
Japan	<ul style="list-style-type: none"> ● Quickly technology development ● Very good after sales Services with quickly (In some case, can supply pare part within one week) ● Have more agency in Thailand and work with aggressive 	<ul style="list-style-type: none"> ● Performance and precision of machinery lower than European machinery 	<ul style="list-style-type: none"> ● Vast base of Japanese customer especially Injection Molding Machine in Automotive Sector ● Can service and supply in mass that have low cost of operation 	<ul style="list-style-type: none"> ● Due to many brand in same type of machine, price competition is problem for Japanese machinery i.e. Nissei, Toshiba, Sumitomo, Mitsubishi, JSW, Fanuc and Hitashi ● Face to price war from Taiwan and China machinery
China & Taiwan	<ul style="list-style-type: none"> ● Cheap price ● Many agency in Thailand because of their cheap price, easy 	<ul style="list-style-type: none"> ● Performance and Precision are lower than European and Japanese machinery 	<ul style="list-style-type: none"> ● Wide spread in Packaging Sector that is the biggest sector in region, some application such as extrusion and blow film 	<ul style="list-style-type: none"> ● In perception of Cambodian users, lack of confident to use China and Taiwan machinery because very low

Main Country of Origin	Strength	Weakness	Opportunity	Threat
	<p>to sell</p> <ul style="list-style-type: none"> • A lot of promotion and show in Machinery Exhibition 	<ul style="list-style-type: none"> • Lower life time than European and Japanese machinery and need more frequency for maintenance 	<p>no need high precision machinery</p>	<p>performance and need frequency maintenance (i.e. German Sheet Extrusion Machine life time is more than 10 year but Taiwan and China is lower than 5 year)</p>
Germany	<ul style="list-style-type: none"> • Very high Performance and Precision • Good After Sales Services with acceptable cost and time • Have wide customer base, with good reference because doing business in long 	<ul style="list-style-type: none"> • High price • Less agency in Thailand (when compare to Japanese) some time will be late spare parts supply. 	<ul style="list-style-type: none"> • Very high confident from market (Brand Loyalty) because of their very good performance and after Sales Service • Success in high technology in Packaging Sector that is biggest sector 	<ul style="list-style-type: none"> • Price war from Taiwan and China (higher more than 2-4 times)

Main Country of Origin	Strength	Weakness	Opportunity	Threat
	time and easy to repeat order			
Italy	<ul style="list-style-type: none"> ● Good Performance and Precision (Especially Extrusion machine for Plastic Products and Calendaring Machine for Rubber Products) 	<ul style="list-style-type: none"> ● High price (When compare to Taiwan, China and Japanese machine) ● Bad after sales service, very late of spare part supply, that all reason is hard for repeat order ● Less agency in Thailand that why after sell service and spare parts supply have a problem of late and cover all need 	<ul style="list-style-type: none"> ● High confident in performance and precision from Thai users when compare to Japanese machine users 	<ul style="list-style-type: none"> ● Price war from China, Taiwanese and Japanese machine ● Language and communication with Cambodian and Japanese users is the barrier

Main Country of Origin	Strength	Weakness	Opportunity	Threat
		<ul style="list-style-type: none"> Less promotion by Exhibition and Demonstration 		
Thailand	<ul style="list-style-type: none"> The price is lower than European and Japanese machinery Easy to demonstration because of their factory in local 	<ul style="list-style-type: none"> Performance and Precision are lower than European and Japanese machinery but higher than China machinery Lower life time than European and Japanese machinery and need more frequency for maintenance 	<ul style="list-style-type: none"> Wide spread in Packaging Sector that is the biggest sector in region, some application such as extrusion blow molding and blow film no need high precision machinery 	<ul style="list-style-type: none"> In perception of Cambodian users, lack of confident to use Thai machinery because low performance and need frequency maintenance

Table 5.3 TOWS Analysis from Market Survey.

<p>Guideline of Strategy</p>	<p>Strong</p> <ul style="list-style-type: none"> ● Good Performance and Precision (Especially Extrusion machine for Plastic Products and Calendaring Machine for Rubber Products) 	<p>Weakness</p> <ul style="list-style-type: none"> ● High price (When compare to Taiwan, China and Japanese machine) ● Bad after sales service, very late of spare part supply, that all reason is hard for repeat order ● Less agency in Cambodia that why after sell service and spare parts supply have a problem of late and cover all need ● Less promotion by Exhibition and Demonstration
<p>Opportunity</p> <ul style="list-style-type: none"> ● High confident in performance and precision from Cambodian users when compare to Japanese machine users 	<p>S-O</p> <ul style="list-style-type: none"> ● Use high confidential in performance and precision of customer to boost 	<p>W-O</p> <ul style="list-style-type: none"> ● Improve after sell service to boost customer confidential ● Set up strong agency in the Region ● More exhibit in popular Exhibition with real machinery and show off high

		technology
Threat <ul style="list-style-type: none"> ● Price war from China, Taiwanese and Japanese machine ● Language and communication with Cambodian and Japanese users is the barrier 	S-T <ul style="list-style-type: none"> ● Avoid price war sector such as blow film, thermoforming for plastics and pressing and extrude for rubber ● English or native speaker technician be necessary 	W-T <ul style="list-style-type: none"> ● Don't enter to sector of low price and high competitive such as low cost packaging, plastics, general parts of rubber

5.2 Suggested Strategy for Italian Machinery to Cambodia

1. Boost up sell force by using high confidentiality of customer in performance and precision of Italian Machinery in sector by;
 - a. Exhibit in Exhibition with real demonstration of high technology machinery.
 - b. Technical training program in Italy.
2. Set up good agency that can provide quickly technical support and spare parts supply.
3. Focus on Extrusion and/or Stretching Machinery (film, pipe), Hi-speed Injection Machine (i.e. PET preform and cap) in packaging and construction sector for plastics industry.
4. Focus on Mixing and Calendering Machinery (compounding, coating, and sheet) in Tire Autoparts and Mechanical parts for rubber industry.
5. Avoid enter to with injection machinery for auto parts and electronic/electrical parts because Japanese Machinery is very strong in this sector.
6. Avoid blow film extrusion, sheet extrusion machinery because of very high price competitive with Taiwan/Chinese machinery.

Annex I

Business Guide of Cambodia

1. Relevant Investment Legislation

Cambodia has approved the Law on the Amendment to the Law on Investment of the Kingdom of Cambodia on 24 March 2003, which governs all Qualified Investment Projects (QIP) and defines procedures by which any person could establish a Qualified Investment Project. Its Sub-Decree to implement the Law on the Amendment to the Law on Investment was promulgated on 27 September 2005 followed by the Sub-Decree on the Establishment and Management of the Special Economic Zones on 29 December 2005, Law on Concession dated 19 October 2007 and its relevant laws and regulation that provide a conducive legal framework for investment.

The Royal Government has ensured the reduction of business transaction costs, expanded market access, reduced transportation costs and improved travel safety by improving physical infrastructure, thus ensuring the integration of rural and urban economies. The Royal Government has developed the necessary legal framework for private sector development and strengthened the “Government Private Sector Forum” to function as an effective dialogue and dispute settlement mechanism.

Reduced requirements for documents have facilitated trade and businesses, particularly through the implementation of the “Single Administrative Document (SAD)” system and the “Single Window” service. The Royal Government will continue to: strengthen the supportive legal framework for the private sector including laws and regulations, and administrative procedures and improve productivity through training for employees, technicians, and skilled labour; ensure fair competition; promote trade facilitation; enforce the labour law; and, strengthen the dispute settlement mechanism. As an important part of the policy for diversifying the economic base, the Royal Government will promote a favorable climate for developing the agro-processing industry, and assembling industry including electronic and machinery assembly. In addition, the Royal Government will continue enhancing necessary legal framework, especially creating the law for the efficient operations of Special Economic Zones. The Royal Government will

continue promoting the public and private sector partnership for investment especially for physical infrastructure projects.

The Royal Government has reduced minimum requirements for the registration of small and medium enterprises and the company registration fee. Accounting systems and the financial reporting mechanisms have been simplified. Loans provided by financial institutions to small and medium enterprises have increased considerably. The Royal Government will continue to improve the business climate for small and medium enterprise development focusing on four main aspects: (1) legal and regulatory framework-facilitating registration particularly via internet system, defining procedures and principles for inspection and certificate of origin for import and export, and adoption of a sub-decree on trade facilitation through risk management; (2) financing-creation of financial leasing companies, and strengthening governance and financial reports; (3) supportive actions for small and medium enterprises-promoting innovation and technology as well as financing for small and medium enterprises, and strengthening and widening other supportive services, (4) integrating small and medium enterprises into a global value chain and preventing all kinds of smuggling. In addition, the Royal Government will promote the implementation of new measures including: establishing the National Productivity Center in order to improve productivity and reduce production costs; establishing a National Standards Institute to ensure product quality conforming with regional and international standards; establishing national testing laboratories for physics, chemistry, micro-biology, and mechanics in order to evaluate quality and set prerequisite criteria for products; strengthening industrial property rights protection mechanism in order to promote innovation, adoption of new techniques and new technology; imparting training to improve skills; and strengthening the relevant legal framework.

The Royal Government continues to promote the “one province-one product” movement by encouraging inventions, entrepreneurship, and self-confidence in rural areas. This movement provides a comprehensive network linking production to the market, helps maintain regional identity, and encourages new initiatives for product diversification. The Royal Government will promote technical training for special products within some regions in the context of strengthening quality and expanding markets which are critical for further support to and participation in this movement.

The Royal Government has approved the establishment of a number of Special Economic Zones (SEZs) along the borders with Thailand and Vietnam including those in Koh Kong, Poipet, Phnom Den, Bavet the surrounding areas of Phnom Penh and Preah Sihanouk province with the aim of attracting more investments into Cambodia. In addition to geographical advantages, the Royal Government has implemented the “Single Window” mechanism at each SEZ in order to facilitate import-export procedures and to save time. Moreover, the SEZs offer investors superior and complete infrastructures and facilities, such as road network, factory buildings, electricity supply, clean water, water treatment plant, skill training, banking services, postal services and telecommunication, etc.

Furthermore, strengthening tourism sector infrastructure and ensuring the linkages between tourism and agriculture is an important endeavor for the improvement of the livelihood of people. Indeed, a key component of the Royal Government’s strategy is to establish a green belt zone or a agricultural development zone surrounding the tourist sites in order to achieve a pro-poor tourism development.

In this context, in order to facilitate and attract private investments, the Royal Government has paid great attention towards improving key tourism infrastructures such as road network and airports in Phnom Penh, Siem Reap, Sihanoukville, Koh Kong and other provinces. The Royal Government has channeled more funds to build agricultural infrastructure network and provide facilities to the development of green zones surrounding key tourist sites.

1.1 Investment Act

- *Law on Investment of the Kingdom of Cambodia No. 03/NS (4 August 1994)*
- *The Amendment to the Law on Investment of the Kingdom of Cambodia (24 March 2003) (Khmer/English)*
- *Sub-Decree No 111 ANK/BK on the Implementation of the Amendment to the Law on Investment of the Kingdom of Cambodia (2005)*
- *Sub-Decree No 34 ANK/BK on the Amendment of the section 1 in the Annex I of the Sub-Decree No 111 ANK/BK on the Implementation of the Law on the Amendment to the Law on Investment of the Kingdom of Cambodia (2007)*

- *Sub-Decree No 149 ANK/BK on the Organization and Functioning of the Council for the Development of Cambodia (2008)*
- *Sub-Decree No 148 ANK/BK on the Establishment and Management of the Special Economic Zone (2005)*
- *Sub-Decree No 28 ANK/BK on the Amendment of Article 4 Point (4.1) of Sub-Decree on the Establishment and Management of the Special Economic Zone (2006)*
- *Sub-Decree No 18 ANK/BK on Amendment on Article 4 Point 4.1 and Point 4.3 of the Sub-Decree on the Establishment and Management of the Special Economic Zone*
- *Sub-Decree No 17 ANK/BK on the Establishment of the Sub-Committee on Investment of the Provinces-Municipalities of the Kingdom of Cambodia (2005)*
- *Sub-Decree No 146 ANK/BK on Economic Land Concession (2005)*
- *Sub-Decree No 114 ANK/BK on the Mortgage and Transfer of the Rights over a Long-Term Lease or an Economic Land Concession (2007)*
- *Law on Concessions (2007)*
- *Sub-Decree No 126 (RGC) on Management and Use of Co-owned Buildings (2009)*

Details of the above laws and regulations can be found in the official

Website: <http://www.cambodiainvestment.gov.kh>

1.2 Companies Act

Businesses operating in Cambodia may take on a variety of forms. In a Sole Proprietorship, the sole proprietor provides all the start-up capital and does not have a separate legal entity from the Proprietorship. The sole proprietor thus has unlimited liability for the debts and liabilities of the business.

Under Cambodian law, general partnerships can be formed without legal documentation since the partnership contract may be verbal or in writing (*Law on*

Concession-LoCE, Jun 2005, Art. 9), but the partners also share unlimited liability for the debts and liabilities of the partnership. The partnership has no legal entity distinct from its members. Limited partnerships can also be formed through filing a certificate with the Business Registration Bureau at the Ministry of Commerce. Under a limited partnership, the general partners have unlimited liability for the debts of the companies, while limited partners are liable only for their contributed capital. Both sole proprietorships and partnerships are terminated upon the death or withdrawal of a general partner.

Limited Liability Companies (LLC) can be formed by filing Articles of Incorporation with the Ministry of Commerce, as well as submitting the required paperwork and fee to the Registrar of Companies and Businesses at the Commercial Registration Department. The LLC must issue a minimum of 1,000 shares with a par value of not less than KHR 4,000 per share, and the company must have a registered office address within the Kingdom of Cambodia. Directors may be of any nationality, domicile, and residence, and all profits generated in Cambodia are subject to corporate tax rates. Private Limited Companies (PLC) may have no more than thirty (30) shareholders and may not offer shares or other securities to the public. PLC with only one shareholder must register as a Single Member Private Limited Company, but it may change its legal form to a PLC upon request. There are no restrictions on the number of shareholders or transfer of shares for Public Limited Companies. *For more information on LLCs, please see LoCE Art. 88-89.*

Both foreign and domestic companies may establish branches in Cambodia in compliance with the *Law on Commercial Rules and the Commercial Register* as well as the LoCE. Branches must be registered with the Registrar. A branch of a foreign company is subject to the same legal and tax consequences as companies incorporated in Cambodia, and they are legally required to file returns and accounts on an ongoing basis. Parent companies, both foreign and domestic, are responsible for all debts and liabilities of the branch. Legal regulation regarding branches is outlined in LoCE Art. 281-285.

Companies incorporated outside of Cambodia may establish a Representative Office in order to coordinate administration and marketing within the country. Establishing a Representative Office is a good way for foreign companies to analyse the Cambodian market before making a larger investment, and such offices can be established provided they are used solely for marketing and administration. These offices are prohibited from

engaging in any business in Cambodia, but they can perform promotional and liaison work. For further information, please see LoCE Art. 277-280.

1.3 Relevant Legislation

Investment

- *Sub-Decree No 126 (RGC) on Management and Use of Co-owned Buildings (2009)*
- *Sub-Decree No 149 ANK/BK on the Organization and Functioning of the Council for the Development of Cambodia (2008)*
- *Agreement between Japan and the Kingdom of Cambodia for the Liberalization, Promotion and Protection of Investment (2008)*
- *Law on Concessions (October 19, 2007)*
- *Sub Decree on the Mortgage-Transfer of the Rights over a Long-Term Lease or an Economic Land Concession (August 29, 2007)*
- *Sub-Decree No 34 ANK/BK on the Amendment of Section 1 in the Annex I of the Sub-Decree No 111 ANK/BK on the Implementation of the Law on the Amendment to the Law on Investment of the Kingdom of Cambodia (2007)*
- *Memorandum of Understanding on Investment Cooperation between the Kingdom of Cambodia and the Government of Australia (2006)*
- *Sub-Decree No 28 ANK/BK on the Amendment of Article 4 Point (4.1) of Sub-Decree on the Establishment and Management of the Special Economic Zone (2006)*
- *Sub-Decree No.111 on the Implementation of the Amendment to the Law on Investment (2005)*
- *Sub-Decree No 148 ANK/BK on the Establishment and Management of the Special Economic Zone (2005)*
- *Sub-Decree No.17 on the Establishment of the Sub-committee on Investment of the Provinces-Municipalities (2005)*
- *Sub-Decree No. 146 ANK/BK on Economic Land Concession (2005)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Kingdom of Netherlands on the Promotion and Protection of Investments (2005)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Socialist Republic of Vietnam on the Promotion and Protection of Investments (2005)*

- *Law on the Amendment to the Law on Investment (2003)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Republic of Cuba on the Promotion and Protection of Investments (2002)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and The Republic of Croatia on the Promotion and Protection of Investments (2002)*
- *Sub-Decree No.33 on Creation of Development Zones (2001)*
- *Law on the Adoption of the Convention on the Settlement of Investment Disputes between States and Nationals of other States (2001)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the OPEC and Fund International Development on the Promotion and Protection of Investments (2001)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Republic of the Philippines on the Promotion and Protection of Investments (2001)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and France Republic on the Promotion and Protection of Investments (2001)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and F.R. Germany on the Promotion and Protection of Investments (2001)*
- *Sub-Decree on the Development of Sihanoukville Autonomous Port (2000)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Republics of Indonesia on the Promotion and Protection of Investments (2000)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Republic of Korea on the Promotion and Protection of Investments (2000)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Republics of Singapore on the Promotion and Protection of Investments (1999)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Swiss Confederation) (1999)*

- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the People's Republic of China on the Promotion and Protection of Investments (1999)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and the Kingdom of Thailand on the Promotion and Protection of Investments (1997)*
- *Law on the Adoption of the Agreement between the Government of the Kingdom of Cambodia and Malaysia on the Promotion and Protection of Investments (1996)*
- *Memorandum of Understanding on Economic and Technical Cooperation between the Kingdom of Cambodia and the Republic of India (1996)*
- *Sub-Decree on the Establishment of the Sihanoukville Industrial Zone (1995)*
- *Investment Incentive Agreement between the Royal Cambodian Government and the Government of the United States of America (1995)*
- *Law on the Investment in the Kingdom of Cambodia (1994)*

Business and Industry

- *Law on Establishing Commercial Court (In preparation)*
- *Law on Anti-dumping, Countervailing Duty and Safeguard (In preparation)*
- *Regulations on Sanitary and Phyto-sanitary Measures (SPS) (In preparation)*
- *Law on Business Association, Cooperatives (In preparation)*
- *Law on Commercial Contract (Draft)*
- *Law on Personal Property Leasing (Draft)*
- *Law on Commercial Agency (Draft)*
- *Sub-Decree No 124 (RGC) on Organization and Functioning of National Center of Commercial Arbitration (2009)*
- *Ministerial Order No 518 (MIME) on the Organization and Functioning of the National Standards Council (2009)*
- *Law on Insolvency (Bankruptcy) (2007)*
- *Law on Secured Transaction (2007)*
- *Sub-Decree No 07 (RGC) on the Organization and Functioning of Chambers of Commerce of Cambodia (2007)*
- *Law on Standards (2007)*
- *Law on Management of Factories and Handicrafts (June 2006)*
- *Law on Commercial Arbitration (May 2006)*

- *Law on Commercial Enterprises (2005)*
- *Law on Negotiable Instruments and Payment Transactions (2005)*
- *Ministerial Order on Liability of Directors, Managers or Owners of an Enterprise for Tax Due, Additional Tax and Interest (2005)*
- *Ministerial Order on Determination of the Cost of Company Registration at the Ministry of Commerce (2004)*
- *Ministerial Order on Arbitration Council (2004)*
- *Sub-Decree on the Establishment of the Provincial Chamber of Commerce (2004)*
- *Law on the Adoption and Implementation of United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (2001)*
- *Ministerial Order on Cambodian Industrial Standards (2001)*
- *Law on the Management of Quality and Safety of Products and Services (2000)*
- *Ministerial Order on Trading Activities of Commercial Companies (2000)*
- *Law on the Amendments of the Law on the Commercial Regulations and Commercial Register (1999)*
- *Ministerial Order on Measures Against Food Products Devoid of Appropriate Packing Labels (1999)*
- *Sub-Decree on the Material Standard (1998)*
- *General Statute on Public Company (1996)*
- *Law on the Chamber of Commerce (1995)*
- *Sub-Decree on the Establishment of the Phnom Penh's Chamber of Commerce (1995)*
- *Law Bearing on the Commercial Regulations and Commercial Register (1995)*
- *Circular No.63 on the Adoption of the Market Economy (1994)*
- *Declaration No. 38 referring to Contract and Other Liabilities (1988)*

Taxation and Accounting

- *Ministerial Order No 599 (MEF) on Expense of Enterprises which are Authorized to Deduct Tax in relation to the Withholding Tax (2009)*
- *Ministerial Order No 1481 (MEF) on Tax Year (2007)*
- *Ministerial Order No 643 (MEF) on Obligation to Submit Financial Statements to be Audited Corporate Account (2007)*
- *Notice No 002 (MEF) on Obligation of Patent Tax Payment (2007)*

- *Ministerial Order No 1245 (MEF) on Establishment of Secretariat of the National Accounting Council (2006)*
- *Law on Amendment to the Law on Audit of the Kingdom of Cambodia (2006)*
- *Ministerial Order on Implementation of VAT for Supplying Industries or Contractor for serving Garment, Textile and Footwear (2005)*
- *Ministerial Order on the Organization and Functioning of Tax Department (2005)*
- *Ministerial Order on Liability of Directors, Managers or Owners of an Enterprise for Tax Due, Additional Tax and Interest to be paid (2005)*
- *Ministerial Order on the Tax on Profit (Amended) (2003)*
- *Ministerial Order on the Implementation of Cambodian Accounting Standards (CAS) (2003)*
- *Ministerial Order on the Tax on Profit (2003)*
- *Law on the Amendment to the Law on Taxation (2003)*
- *Sub-Decree on the Kampuchea Institute of Certified Public Accountants and Auditors (2003)*
- *Sub-Decree on the functioning of the National Accounting Council (2003)*
- *Ministerial Order on Salary Tax (2003)*
- *Law on Corporate Accounting, Audit and Accounting Profession (2002)*
- *Law on Audit of Government Entities (2002)*
- *Sub-Decree on Value Added Tax (1999.)*
- *Ministerial Order on Turnover Tax (N.A.)*
- *Law on Taxation (1997)*
- *Circular No.635 on the Certification of the Business Accounts (1994)*
- *Ministerial Order No.18 on the Identification of Business subject to Profit and Income Tax (1994)*
- *Law on Accounting (1992)*

Banking and Finance

- *Law on Financial Lease (2009)*
- *Sub-Decree No 54 (RGC) on the Implementation of the Law on Publishing and Trading of Non-Government Securities (2009)*
- *Ministerial Order No 7.09-075(NBC) on the Maintenance of Minimum Reserve Requirement in Banking and Financial Institutions (2009)*

- Ministerial Order No 7-09-013 (NBC) on Overdraft Facilities Made Available by the NBC to Banks and Financial Institutions Facing Temporary Liquidity Shortages (2009)
- Sub-Decree No.97 ANKR/BK on the Conduct and Organization of the Securities and Exchange Commission of Cambodia (2008)
- Law on Issuance and Trading of Non-Government Securities (2007)
- Law on Combating Money Laundering and Terrorist Financing (2007)
- Law on State Securities/Bonds (2007)
- Ministerial Order No 7-06-207 (NBC) on Amendment to Ministerial Order on Granting License to Commercial Banks (2006)
- Law on Negotiable Instruments and Payments Transaction (2005)
- Law on Insurance (2000)
- Ministerial Order on the Licensing of Banks (2000)
- Ministerial Order restructuring the Foreign Trade Bank of Cambodia (FTRC) (1999)
- Law on Banking and Financial Institutions (1999)
- Law on Foreign Exchange (1997)
- Law on the Organization and Functioning of the National Bank of Cambodia (1996)

Trade

- Law on Rules of Origin (In preparation)
- Ministerial Order No 734 (MEF) on Special Customs Procedures for Implementing in Special Economic Zones (2008)
- Ministerial Order No 116 on Customs Bonded Warehouse (2008)
- Law on Customs (2007)
- Instructional Circular #007 (MEF) on the Implementation of Policy of the Facilitation of Trade through Risk Management (2007)
- Sub-Decree No 20 (RGC) on Creation of Inter-Ministerial Coordinating Committee for Implementing Obligations and Commitment of Cambodia in the World Trade Organization (WTO) (2007)
- Ministerial Order No 001 (MEF) on Adjustments of the Tariff Rates and Specific Tax Rate on Import Commodities (2007)
- Ministerial Order No 176 (MOC) on a Certain Necessary Measures for Export Management under Trade Preferences System (2006)
- Ministerial Order No 607 (MEF) on Establishment and Putting into Operation the Office of Risk Management and Audit of Customs and Excise (Aug 2006)

- *Sub-Decree No 21 on Risk Management (Mar 2006)*
- *Sub-Decree No 131 (RGC) on the Specification of forest products and sub-products permitted to be exported and imported (2006)*
- *Prime Minister Order on SAD, Single Window, Risk Management (2005)*
- *Memo of the Ministry of Industry, Mines and Energy to GMAC (Elimination of Certificate of Processing) (2005)*
- *Law on WTO Accession (2004)*
- *Ministerial Order on Trading Activities of Commercial Companies (2000)*
- *Ministerial Order Amending and Supplementing the Issuance of the Certificate of Origin, Commercial Invoice and Expo (1999)*
- *Ministerial Order on the Issuance of the Certificate of Origin, Commercial Invoice and Export License for Garments (1999)*
- *Decision No.112 on the Creation of an Inter-Ministerial Commission for the Preparation and Organization of Import and Export Procedures and Regulations (1994)*
- *Law regulating the Duties on the Imported and Exported Goods (1989)*

Labour

- *Ministerial Order No 133 (MLVT) on Payment of the Occupational Risk Contribution by the Garment and Shoe Enterprises and Establishments for the Year 2009-2010 (2009)*
- *Sub-Decree No 67 (RGC) on Creation and Putting into Operation of the National Agency for Occupations and Labor (2009)*
- *Circular #185 (MOLVC) on Wages of Night Work (2007)*
- *Law on Amendment to Articles 139 and 144 of the Labor Law (2007)*
- *Sub-Decree No 16 (RGC) on Creation of National Social Security Fund (2007)*
- *Law on Social Security (2002)*
- *Law on Amendment to the Law on Labor (Draft)*
- *Law on Labor (Amendment) (1997)*
- *Sub-Decree on the Export of Khmer Labor to Work Overseas (1995)*
- *Law on Labor (1993)*

Intellectual Property Rights

- *Law on the Protection of Layout Design of IC (In preparation)*
- *Law on Undisclosed Information (In preparation)*
- *Sub-Decree No. 64 (RGC) on the Implementation of the Law Concerning*

- *Marks, Trade Names and Acts of Unfair Competition (July 2006)*
- *Ministerial Order No 707 (MIME) on Procedures for Registration of Industrial Designs (2006)*
- *Law on the Copyright and Related Rights (2003)*
- *Law on the Patents, Utility Model Certificates and Industrial Design (2003)*
- *Law on Marks, Trade Names and Acts of Unfair Competition (2002)*
- *Ministerial Order on Procedures of the Intellectual Property Department (1997)*

1.4 Minimum Investment Level

In order to be eligible for investment incentives under the Qualified Investment Project (QIP) status, investment capital should be in excess of the amount as set in the Annex I, Section II of the Sub-decree on the Implementation of the *Law on the Amendment to the Law on Investment of the Kingdom of Cambodia*, dated 27 September 2005.

1.5 Other Related Investment Legislation

- *Civil Code (2007)*
- *Law on Criminal Procedure (2007)*
- *Law on Civil Procedure (2006)*
- *Sub-Decree on Management of Forest Concession (2000)*
- *Sub-Decree on Requirements for Permission of Non-Immigrant*
- *Foreigners to Enter, Stay, and Exit the Kingdom of Cambodia (1999)*
- *Charter Law on Amendment of the Constitution (1999)*
- *Law on Immigration (August 26, 1994)*
- *Law on Nationality (August 20, 1996)*
- *Sub-decree on Environmental Impacts Assessment (EIA) (Source at Ministry of Environment)*
- *Sub-decree on Water Pollution Control (Source at Ministry of Environment)*
- *Law on Amendment to the law on taxation dated 24 April 2003 (Khmer/English) (Source at Ministry of Economy and Finance)*
- *Law on Land Management (August 30, 2001)*
- *Law on Pattern (December 6, 2002)*

Details of these laws and regulations can be found in the official

website:<http://www.cambodiainvestment.gov.kh>

2. Sector-Specific Laws and Policies

Special Economic Zone/Industrial Land

- *Sub-Decree No.57 on the Establishment of Poipet “O Neang” Special Economic Zone (Jun 2006)*
- *Sub-Decree No.148 on the Establishment and Management of the Special Economic Zone (2005)*
- *Sub-Decree No.147 on the Organization and Functioning of the CDC (2005)*
- *Sub-Decree No.10 on the Creation of the Nearing Kok Industrial Zone, Koh Kong Province (2002)*
- *Sub-Decree No.33 on Creation of Development Zone (2001)*
- *Sub-Decree on the Establishment of the Sihanoukville Industrial Zone (1995)*

Banking and Finance

- *Law on Government Securities (In preparation)*
- *Law on Securities and Exchange (In preparation)*
- *Law on Insurance (2000)*
- *Ministerial Order on the Licensing of Banks (2000)*
- *Ministerial Order restructuring the Foreign Trade Bank of Cambodia (FTRC) (1999)*
- *Law on Banking and Financial Institutions (1999)*
- *Law on the Organization and Functioning of the National Bank of Cambodia (1996)*

Infrastructure, Transport and Land

- *Law on Merchant Shipping (In preparation)*
- *Law on Water Supply (In preparation)*
- *Law on Geographical Indication (In preparation)*
- *Sub-Decree on Implementation of the Law on Concessions (Draft)*
- *Law on the Telecommunications (Draft)*
- *Sub-Decree No 106 (RGC) on Establishment of the National Airline Company (2009)*
- *Sub-Decree No 01 (RGC) on the Establishment of Phnom Penh Port Business Center (2009)*
- *Law on the Civil Aviation (2008)*

- *Decision No 01 (RGC) on Creation of Commission for Preparing Legal*
- *Standards and Procedures on Land Use in Provinces-Municipalities and Urban Areas of the Kingdom of Cambodia (2008)*
- *Law on Concessions (2007)*
- *Sub-Decree No 124 (RGC) on Granting Concession of Cambodian Royal Railway (2007)*
- *Ministerial Order No 830 (MEF) on Creation of Working Group for Managing Oil Revenue of the Ministry of Economy and Finance (2007)*
- *Sub-Decree #114 (RGC) on the Mortgage and Transfer of the Rights over a Long -Term Lease or an Economic Land Concession (2007)*
- *Law on the Water Resources Management (2007)*
- *Highway Code*
- *Sub-Decree No 129 (RGC) on Rules and Procedures of Reclassification of Public Properties of the State and of Public Legal Persons (2006)*
- *Sub-Decree No.146 on Economic Land Concessions (2005)*
- *Sub-Decree on the State Land Management (2005)*
- *Instruction on Hearing Procedure of the National Cadastral Commission (2005)*
- *Sub-Decree No 19 on Social Land Concessions (2003)*
- *Ministerial Order on the Guidelines and Procedures of the Cadastral Commission (2002)*
- *Sub-Decree No.48 on Sporadic Land Registration (2002)*
- *Sub-Decree No.47 on Organization and Functioning of the Cadastral Commission (2002)*
- *Sub-Decree No.46 on Procedures of Establishing Cadastral Index Map and Land register (2002)*
- *Sub-Decree No.131 on the Determination of Maximum License Fee for Electric Power Service Providers in Cambodia (2001)*
- *Law on Land (2001)*
- *Law on Electricity (2001)*
- *Sub-Decree on Management of Forest Concession (2000)*
- *Circular on Management of Means of Water Transport (2000)*
- *Sub-Decree No.11 on Build-Operate-Transfer (BOT) Contract (1998)*
- *Law on Land Use Planning, Urbanization and Construction (1994)*
- *Decision No.34 on the Creation of a National Committee for Land Planning and Urbanization of Areas surrounding Phnom Penh, Towns and Provinces (1993)*

Tourism

- *Law on Tourism (2009)*
- *Ministerial Order No 105 (RGC) on Classification of Hotels (2009)*
- *Law on the Suppression of Gambling (1996)*
- *Law on the Protection of Cultural Heritage (1996)*

Agriculture and Environment

- *Law on the Amendment to the Law on Forest (Draft)*
- *Law on Fisheries (Draft)*
- *Sub-Decree No 123 (RGC) on Determination of Category/Type of Products and Endangered Fishery Products/Resources (2009)*
- *Ministerial Order No 402 (MAFF) on Forms of Registers, Certificates and Permits to be used for the Cambodian Specified Rubber Label and Official Letter of Recognition (2008)*
- *Ministerial Order on Control/Inspection of Food Safety of Agricultural Products (2007)*
- *Ministerial Order No 002 (MAFF) on List of Maximum Residue Limits of Pesticide in Fruit and Vegetables (2007)*
- *Sub-Decree # 131 (RGC) on the Specification of Forest Products and Sub-products Permitted to be Exported and Imported (2006)*
- *Law on Forestry (2002)*
- *Sub-Decree on The Control of Air Pollution and Noise Disturbance (2000)*
- *Sub-Decree on the Water Pollution Control (1999)*
- *Sub-Decree on Management of Solid Waste (1999)*
- *Law on Environment Protection and Natural Resource Management (LEPNRM) (1997)*
- *Sub-Decree on Conferring the Right to Sell and Export Rubber Products to the Ministry of Agriculture, forestry and Fisheries (1994)*
- *Sub-Decree on the Creation of a National Permanent Commission for Coordinating the Privatization and the Promotion of Rubber Plantations (1994)*
- *Decision No.65 on the Annulment of the Existing Procedure for Timber Export (1994)*
- *Royal Decree on the Protection of Natural Areas (1993)*

3. Investment Applications

3.1 Agency Involved in Administering Investment Applications and Granting of Incentives

- *Council for the Development of Cambodia (Cambodian Investment Board)*

The Council for the Development of Cambodia (CDC) is the sole and One-Stop Service organization responsible for the rehabilitation, development and the oversight of private investment activities. The CDC is the Royal Government's "Etat-Major" responsible for the evaluation and the decision-making on all rehabilitation, development and private investment project activities, processing applications for investment projects, providing investment advice, and administering investment activities.

The role and functions of the Council for the Development of Cambodia "Cambodian Investment Board and Cambodian Special Economic Zones Board" are specified as set forth in the sub-decree No. 149 ANKR dated 3 October 2008, on the organization and functioning of the Council for the Development of Cambodia.

3.2 Conditions Including Timetable for Processing of Applications

Within three (3) working days of the receipt of the Investment Proposal, the CDC shall issue to the Applicant a Conditional Registration Certificate or a Letter of Non-Compliance.

The CDC shall issue the Conditional Registration Certificate if the Investment Proposal contains all the information required under the Sub-Decree, and if the proposed activity is not in the Negative List set out in the Sub-Decree. However, if the Investment Proposal does not satisfy the above conditions, the CDC shall issue a Letter of Non-Compliance to the Applicant.

The Conditional Registration Certificate shall specify the approvals, authorisations, clearances, licenses, permits or registrations required for the QIP to operate, as well as the government entities responsible for the issue of such approvals, clearances, licenses, permits or registrations. The Conditional Registration Certificate shall also confirm the

incentives that the QIP is entitled to under new Article 14 of this Law and recognize the statutes if the legal entity which will undertake the QIP.

If the CDC fails to issue a Conditional Registration Certificate of Letter of Non-Compliance within three working days, the Conditional Registration shall be considered to be automatically approved.

All government entities responsible for issuing an authorization, clearance, license, permit or registration listed on the Conditional Registration Certificate shall issue such a document no later than the 28th working day from the date of the Conditional Registration Certificate.

The CDC shall issue a Final Registration Certificate within 28 working days of its issuance of the Conditional Registration Certificate. Issuance of the Final Registration Certificate does not release the QIP from obtaining any other approvals specified by competent ministries-entities. Even upon the lapse of the 28 working days deadline as stipulated in the paragraph 6 above, all competent entities shall issue approvals as prescribed by laws and regulations. The date of issuing the Final Registration Certificate shall be the date of QIP commencement.

All Letters of Non-Compliance shall clearly state the reasons why the Investment Proposal was not acceptable as well as the additional information required to enable the Council to issue a conditional Registration Certificate.

3.3 Special Services for Expediting Applications

The CDC offers a one-stop service for investment in Cambodia.

Through its executive arm, the Cambodian Investment Board (CIB), CDC is responsible for the processing of applications for investment projects. As such, the government is fully committed to the speeding-up of new investment-project approvals by making the CDC a truly effective and well-disposed one-stop service.

3.4 Procedures for Investment Applications

Party to Take	Action	Process Condition/Remarks
Applicant	Submission of an Investment Proposal to the CDC or PMIS	Use a completed Application Form Payment of Application Fee of 7,000,000 Riels
The CDC or PMIS	1) Issuance of “Conditional Registration Certificate”(C RC) • if the Investment Proposal contains all the information required, and	To be issued within 3 working days after submission of the Investment Proposal The CRC specifies the approvals, authorisations, clearances, licenses, permits or registrations required for the QIP to operate, as well as the government entities responsible to issue such approvals, etc.
The CDC or PMIS	• if the proposed activity is not in the Negative List or not related to national interest/environmental sensitivity	The CRC confirms the incentives to which the QIP is entitled and recognises the status of the legal entity. Letter of Non-Compliance shall clearly state the reasons why the Investment Proposal was not acceptable and the additional information required for enabling the CDC or PMIS to issue a CRC.
	2) Issuance of	

Party to Take	Action	Process Condition/Remarks
	<p>“Letter of Noncompliance”</p> <ul style="list-style-type: none"> •If the Investment Proposal does not satisfy the above condition 	
	<p>3) If a CRC or Letter of Noncompliance is not issued within 3 working days, the CRC shall be considered automatically approved</p>	
<p>The CDC or PMIS</p>	<p>Obtains all of the licenses from relevant ministries-entities listed in the CRC on behalf of the Applicant.</p>	<p>All government entities responsible for issuing an authorization, clearance, license, permit or registration listed on the CRC shall issue those no later than the 28 working day from the date of the CRC.</p> <p>Any government official who, without proper reason, fails to respond to an Applicant’s request by this deadline shall be punished by law.</p>
<p>The CDC or PMIS</p>	<p>Issuance of a “Final Registration Certificate” (FRC)</p>	<p>To be issued within 28 working days of the issuance of the CRC.</p> <p>The date of issuance of the FRC shall be the date of the QIP commencement</p>

4. Investment Protection

4.1 Conversion, Remittance and the Foreign Exchange Regime

• *Currency*

The U.S. Dollar is widely and commonly use in Cambodia for investment. The exchange rate of the U.S. Dollar has been stable at around 4,000 Riel since the 1998 devaluation. Checks or credit cards and other financial forms are widely used and accepted for commercial purposes.

• *Remittance*

Article 11 of the *Amended Law on Investment of 2003*: In accordance with the relevant laws and regulations issued and published to the public by the National Bank of Cambodia, the Royal Government shall permit investors with investments in Cambodia to purchase foreign currencies through the banking system and to remit abroad these currencies for the discharge of financial obligations incurred in connection with their investments. This concerns the following payments:

- Payment for imports and repayment of principal and interest on international loans;
- Payment of royalties and management fees; - remittance of profits; and
- Repatriation of invested capital in compliance with Chapter 8.

• *Foreign Exchange Regime*

The “*Law on the Foreign Exchange*” of September 1997 stipulates that “there shall be no restriction on foreign exchange operations...” through authorized banks (Article 5) but the authorized banks shall report to the National Bank of Cambodia the amount of each transfer equaling or exceeding 10,000 US dollars (Article 17). Residents are allowed to hold foreign currencies freely (Article 7).

The import or export of raw gold, uncut precious stones or other raw precious metals shall be free but subject to prior declaration to the National Bank of Cambodia,

and the import or export of the means of payment equaling or exceeding 10,000 US dollars in foreign currencies or the equivalent amount in domestic currency by a traveler shall be declared to customs officers (Article 12 & 13).

Loans and borrowings, including trade credits, may be freely contracted between residents and nonresidents as long as the loans disbursement and repayments are made through authorized banks (Article 18).

4.2 Expropriation and Compensation

As set forth in the Article 61 & Article 62 of the *Land Law* (30 August 2001), in the case of withdrawal of a concession, for whatever reason, the concessionaire is not entitled to claim any compensation for any damage.

4.3 Investment Guarantee Agreements

The *Law on Investment* guarantees the investment as follows (Article 8 to Article 11 of the “*Law on Investment*”):

- A foreign investor shall not be treated in any discriminatory way by reason only of the investor being a foreign investor, except in respect of ownership of land as set forth in the *Land Law*.

- The Royal Government shall not undertake any nationalisation policy that would adversely affect private properties of investors in the Kingdom of Cambodia.

- The Royal Government shall not fix the price or fee of the products or services of a QIP.

- The Cambodian Government shall permit investors to purchase foreign currencies through the banking system and to remit abroad these currencies for discharge of financial obligations in connection with their investment.

This concerns the following payment:

- Payment for imports and repayment of principal and interest on international loans;
- Payment of royalties and management fees;

- Remittance of profits; and
- Repatriation of invested capital in compliance with chapter 8.

4.4 Intellectual Property Rights (IPR)

Intellectual Property (IP) generally refers to the product of creativity and intellectual effort. IP can be an invention or innovation, special names and images used in a trade, original designs or expression of an idea.

Cambodia has comprehensive laws for the protection of IP, which conform to all the major international IP conventions. The framework is intended to encourage creativity and ensure that creators receive the financial and other benefits of their innovations.

IP being territorial in nature would need registration in countries in which protection is desired. The laws of the foreign country would apply if an application for IP rights is sought in that country. To obtain protection outside Cambodia, it is necessary to file separate applications in the countries concerned. In order to get protection in these countries you may either file applications in those countries directly or, for certain IP, through existing international systems.

Cambodia's key laws protecting IP are in full compliance with the standards laid down in *Trade Related Aspects of Intellectual Property Rights* ("TRIPS").

The Intellectual Property Department at the Ministry of Commerce investigates complaints against infringements and has extensive powers of search and seizure.

There are a number of options affording protection, depending on the item to be protected:

- i) Marks and Trade Names
- ii) Patents, Utility Model Certificates and Industrial Designs
- iii) Copyright and Related Rights

i) Marks and Trade Names

Marks or logos that are capable of distinguishing goods (trademark) or services (service mark) may be registered as marks. Certain marks will be refused if they are misleading or deceptive, or closely resemble existing marks. Marks can be

one of the most powerful marketing tools you have, as they help customers recognize your business. Registering a mark allows you to protect the goods and services which carry it, and gives you an IP asset to stop other people or organizations from copying them.

A trade name is the name and/or designation identifying and distinguishing an enterprise.

The owner of the mark has an exclusive right to use the mark on his/her goods or services, and can take legal action against anyone using the mark without the owner's consent.

A mark can be letters, words, names, signatures, numerals, devices, brands, labels, tickets, shapes, sound, colors, aspect of packaging or any combination of these. Anyone fraudulently using a mark, including selling and importing goods bearing a forged mark, or possessing or using equipment for the purpose of making or applying a forged mark to goods, commits a criminal offence in Cambodia.

The natural or legal person can apply or may engage advisers to help with this process. The documents for mark registration required by the Intellectual Property Department of Ministry of Commerce are as follows:

- Application for registration of the mark (1 set)
- Specimens of the mark (15 sets) (Listed under the applicable class or classes of the International classification)
- The official fee for this registration is KHR200,000.

ii) Patents, Utility Model Certificates and Industrial Designs

Patents in Cambodia are protected by the *Law on Patents, Utility Model Certificates and Industrial Designs* (22 Jan 2003).

Patents

A patent is the title granted to protect an “invention”. An invention is the idea of an inventor which permits in practice the solution to a specific problem in the field of technology. An invention may relate to a product or a process.

An invention is patentable if it is: i) new; ii) involves an inventive step; and iii) is industrially applicable. There are a number of types of inventions that are not patentable such as methods of doing business. Once registered, a patent may be freely assigned or licensed. The right to a patent belongs to the inventor. However, where an invention is made during the course of an employment contract, the right to the patent shall belong to the employer, unless there is a contract to the contrary.

A patent is a monopoly right over an invention given by the law to the patentee for a maximum of 20 years. It serves to encourage new inventions, as it allows the patentee to benefit from the commercial exploitation of the invention. In return, the patentee provides full disclosure of the invention so that the public may avail themselves of the disclosure of the information and benefit from such disclosures.

Utility Model Certificate

A protectable utility model certificate is a certificate granted for the protection of a utility model, which is any invention which is new and industrially applicable, and may be, or relate to, a product or a process. There is no inventive step as required for a patent.

Application for a Patent or Utility Model Certificate

Application for registration of a patent or utility model certificate is made at the Department of Industrial Property at the Ministry of Industry, Mines and Energy.

The following is required for application as set out in parkas:

- Request for the grant of Patents and Utility Model Certificates shall be made on Form No. 1 P/UM.

- The request shall indicate each applicant's name, address, nationality and residence and shall be signed by each applicant.

- Where the applicant is the inventor, the request shall contain a statement to that effect, and, where he is not, it shall indicate each inventor's name and address and be accompanied by the statement justifying the applicant's right to the Patents and Utility Model Certificates.

- If the applicant is represented by an agent, the request shall so indicate and state the agent's name and address.

- The title of the invention shall be short and precise.

Industrial Designs

A protectable industrial design is any composition of lines or colours or any three-dimensional form, or any material, whether or not associated with lines or colours. This is provided that such composition, form or material gives a special appearance to a product of industry or handicraft, and appeals to and is judged by the eye.

Application for the Registration of an Industrial Design

Application for registration of an industrial design is made at the Department of Industrial Property at the Ministry of Industry, Mines and Energy.

The following is required for application as set out in parkas:

- Application for registration of an industrial design containing a request, drawing, photographs or other adequate graphic representations of the article embodying the industrial design and an indication of the kind of products for which the industrial design is to be used shall be made to the Department for Industrial Property.

- Request for the registration of an Industrial Design shall be made on Form No. 1 ID

- The request shall indicate each applicant's name, address, nationality and residence and shall be signed by each applicant.

- Where the applicant is the creator, the request shall contain a statement to that effect, and, where he is not, it shall indicate each creator's name and address and be accompanied by the statement justifying the applicant's right to the registration of the industrial design.

- If the applicant is represented by an agent, the request shall so indicate and state the agent's name and address.

- A request by the applicant for deferral of publication of the industrial design or designs included in the application shall be made in writing and shall indicate the period of deferment requested.

iii) Copyright

Copyright protects works like novels, software programs, plays, sheet music and paintings. Generally, the author of a copyright work has the right to reproduce, publish, perform, communicate and adapt his work. These rights enable him or her to control the commercial exploitation of the work.

iv) Licenses and Licensing

It is very difficult for a new business to know what licenses are required. There are, indeed, over 75 licenses that may apply to SMEs in Cambodia and these are issued across a large number of ministries. To find out which licenses apply to your business, you may visit the SME Sub-Committee's SME web portal accessed from www.mime.gov.kh where all the licenses issued to the SMEs in Cambodia should be listed. This website has a table which sets out who needs each of the different licenses together with samples of the application form and where to apply.

4.5 Dispute Settlement

The *Law of Investment of 2003* stipulates the dispute settlement procedures in Article 20 as follows:

- Except for land-related disputes, any dispute relating to a QIP concerning its right and obligations set forth in the law shall be settled amicably as far as possible between the Council for the Development of Cambodia, the investors and any other party involved in the dispute.

- If the parties fail to reach an amicable settlement within two months from the date of the first written request to enter such consultations, the dispute shall be brought by either party for:

- Conciliation before the Council which shall provide its opinion; or
- Arbitration in or outside of Cambodia as agreed by both parties; or
- Trial by the tribunals of the Kingdom of Cambodia.

5. Performance Requirements

5.1 Local Content

Currently, there is no local content requirement in Cambodia, or in other words, there is no restriction on the use of important materials, parts and components unless they are harmful to the health, environment or society. However, exporters in Cambodia should take into account the rules of origin requirements (ROO) for the GSP including the EBA (Everything-ButArms Initiative) scheme for exports to the EU market. The EBA provides special arrangements for least developed countries, including Cambodia. Practically all products (excepting arms and ammunition) covered by the EBA are granted duty free access to the EU market if they fulfill the ROO requirements.

Under the GSP, exported products have to originate in the beneficiary country. For products manufactured with materials from other countries, final products can be considered as originating in the beneficiary country if the materials have undergone sufficient working or processing. The requirements for ROO refer to the technical criteria, the added value or other economic criteria.

Under the EBA, the ROO requires that at least 40% of the contents of exported products have to originate in the country. One exception, however, is that under the special waivers, certain textile products from Cambodia are allowed to have cumulative origin with ASEAN countries of the EU. The ROO lay down that all products have to be accompanied by a certificate of origin Form A (issued by competent authorities in the

country of export, namely the Ministry of Commerce in Cambodia) or an invoice declaration in order to prove the origin or the imported materials in the beneficiary country, and that they have to be shipped direct to the countries of import.

For exports from Cambodia to the USA under the GSP, the ROO requirement is a minimum 35% and the qualifying member countries of ASEAN, namely, Cambodia, Thailand, Indonesia and the Philippines, are treated as one country for the GSP rule-of-origin requirements.

5.2 Employment

• *Article 17 to Article 18 of the “Law on Investment”*

Investors in the Kingdom of Cambodia shall be free to hire Cambodian nationals and foreign nationals of their choosing in compliance with labor and immigration laws.

Investors shall be allowed to hire foreign employees provided that:

- The qualification and expertise are not available in the Kingdom of Cambodia among the Cambodian populace. In the event of such hiring, appropriate documentation including photocopies of the employee’s passport, certificate and/or degree and curriculum vitae shall be submitted to the Council for the Development of Cambodia.

- A letter asserting the need for hiring foreign employees shall be required. Investors shall obtain approval and a permit from the Ministry of Labour.

- Before working for investors, the foreign employee shall obtain a permit for work in the Kingdom of Cambodia, issued by the Ministry of Labour.

Investors shall perform the following obligations:

- Provide adequate and consistent training to Cambodian staff.

- Promotion of Cambodian staff to senior positions will be made over time.

The Ministry of Labour has established a labour book and work permit mechanism and employers are required to submit various documents needed to have the Ministry of Interior issue long-term visas to foreign workers. There are no limitations on

appointing foreign workers to higher-level positions. However, a ceiling of 10% foreigners of an employers' total workforce is enforced, with exceptions being made upon a demonstration of need to the Ministry of Labour.

5.3 Export Orientation

Under the *Amended Law on Investment*, Export QIPs can import production equipment, construction materials and production materials free from customs duty, unless Export QIPs operate under the customs bonded warehouse mechanism. By being approved as Export QIPs, they are also granted a tax holiday or special depreciation scheme. For exports, VAT is also refunded or credited as to the materials for exported products.

6. Foreign Equity Policies

Equity Regulations

A foreign investor shall not be treated in any discriminatory way by reason only of the investor being a foreign investor, except in respect of ownership of land as set forth in the Land Law. (Article 8, *Law on Investment*)

VII. Investment Incentives

6.1 Corporate Income Tax/Income Tax Allowance

• *Incentives (Subject to New Amended Law on Investment - 2003)*

Article 13: Incentives and privileges shall include the exemption, in whole or in part, of custom duties and taxes. Incentives provided for in Article 13 shall include as follows:

i) A Qualified Investment Project (QIP) shall be entitled to exemption from the tax on profit imposed under the Law on Taxation by obtaining a profit tax exemption period.

The tax exemption period is composed of a Trigger Period + 3 years + Priority Period. The Priority Period shall be determined under the Financial Management Law.

The maximum Trigger Period is to be the first year of profit or three years after the QIP earns its first revenue, whichever is sooner.

ii) The entitlement of a QIP under the paragraph 1 above shall be subject to the QIP obtaining from the Council an annual certificate of obligation satisfaction before the State, which shall be specified by the Sub-Decree.

iii) A QIP shall be subject to a profit tax rate after its tax exemption period as determined in the Law on Taxation

iv) A QIP, which uses the entitlement under the paragraph 1 above, shall not be entitled to claim any special depreciation under the Law on Taxation.

v) A domestically oriented QIP shall be entitled to import production equipment and production input construction materials, exempt of duty, which shall be specified by the Sub-Decree.

vi) Export QIPs other than an Export QIP, which elects or which has elected to use the Customs Manufacturing Bonded Warehouse mechanism shall be entitled to import production equipment, construction materials, raw materials, intermediate goods, and production input accessories, exempt of duty, which shall be specified by the Sub-Decree.

vii) A “Supporting Industry” QIP shall be entitled to import production equipment, construction materials, raw materials, intermediate goods and production input accessories, exempt of duty, which shall be specified by the Sub-Decree.

viii) A person which has acquired, or merged with, an investor, may on application to the Council for the Development of Cambodia inherit all, and any, guarantees, rights, privileges and obligations from the investor’s QIP, subject to the merger or acquisition procedures which shall be specified by the Sub-Decree.

ix) A QIP which is located in a designated SPZ or EPZ listed in a development priority list issued by the Council shall be entitled to the same incentives and privileges as other QIPs stipulated in this law.

x) A QIP shall be entitled to 100% exemption of export tax, except for activities as stipulated under laws that are in effect.

xi) A QIP is entitled to obtain visas and work permits for the employment in the Kingdom of foreign citizens as managers, technicians and skilled workers, and residency visas for the spouses and dependents of those foreign nationals as authorized by the Council for the Development of Cambodia and in compliance with the Immigration and Labor Laws.

6.2 Exemption from or Reduction of Taxes on Imported Capital Goods

• *Exemption for Production Equipment and Construction Materials Domestic QIP*

In accordance with Article 14.5 of the *Law on Investment*, production equipment and construction materials imported by a domestic QIP are exempt from Customs Duty. In the case where a QIP has a capability to directly export any portion of its manufactured products or has supplied for export, the quantity of production inputs that were taxed at the time of import, and later used to produce goods that are, directly or indirectly, exported shall be entitled to duty exemption after a review of the quarterly report.

• *Customs Duty Exemptions for Production Equipment, Construction Materials, and Production Inputs-Export QIP*

In accordance with Article 14.6 of the *Law on Investment*, production equipment, construction materials and production inputs imported by the Export QIP are exempt from Customs Duty. However, for the Export QIP which operates under the custom bonded warehouse mechanism, the customs duty exemption shall be in compliance with the Customs laws and regulations in force applicable to the mechanism. The processed

Production Inputs that have not been exported shall be subject to the payment of customs duties and taxes applicable at the time of import after review of the quarterly report.

• *Customs Duty Exemptions for Production Equipment, Construction Materials, and Production Inputs-Supporting Industry QIP*

In accordance with Article 14.7 of the *Law on Investment*, production equipment, construction materials and production inputs imported by a Supporting Industry QIP are

exempt from Customs Duty. However, in the case where the Supporting Industry QIP failed to supply 100% of its manufactured products to the export industry or directly export its products, then the QIP shall pay the customs duties and taxes on Production Inputs for the quantity that has not been supplied to the export industry or directly exported after review of the quarterly report.

• ***Procedures for Customs Duty Exemption***

The Council must:

i) Establish an inter-institution mechanism comprising members from the Council, and the Ministry of Economy and Finance to review the grant of incentives on the import and use of Production Equipment, Construction Materials and Production Inputs by a QIP for each investment purpose.

ii) Prepare a detailed Guideline on procedures for a QIP to be entitled to Customs Duty exemption.

• ***Transfer or Sale of Production Equipment, Construction Materials, and Production Inputs***

If any production equipment, construction materials, or production inputs in respect of which Customs Duty taxes were exempted on their importation are sold or used in a way unrelated to the QIP purpose, the investor shall immediately:

i) Pay Customs Duty taxes within 28 (twenty eight) working days in the amount calculated under the Customs Law and Regulations in force if the transfer or sale is done with a prior authorization from the Council.

ii) Pay Customs Duty, taxes, and penalties within 28 (twenty eight) working days in the amount calculated under the Customs Law and Regulations in force if the transfer or sale is done without prior authorization from the Council.

iii) Be subject to a temporary suspension of import authorization, and an examination of the Customs Duty exemption application submitted under the *Law on Investment*, including other Customs penalties in the case of omission or delay in payment of Customs

Duty, Taxes, penalties as defined in paragraphs i) and ii) of this

Article 16.5.

An Investor or his/her representative may apply in writing to the Council for approval on the transfer or sale by a QIP of Production Equipment Construction Materials, or Production Inputs which were imported with Customs Duty exemption, to another Investor to be used in a QIP.

6.3 List of Investment Sectors to which Incentives shall apply

i) Crop Production

- Paddy farming greater than 1,000 ha.
- All types of cash crops greater than 500 ha.
- Vegetables greater than 50 ha.

ii) Livestock Production

- Livestock more than 1,000 heads
- Dairy farming more than 100 heads
- Poultry and eggs for 10,000 heads

iii) Fisheries

- Hatcheries more than 2 ha.
- Shrimp farming and other aqua-culture production greater than 10 ha.

iv) Manufacture and Processing of Food & Related Products

- Investment Capital greater than 500,000 USD
- Beverages
- Fats & oils
- Sugar confectionery
- Meat products
- Dairy products
- Preserved fruits and vegetables
- Grain mill products
- Bakery products

- Animal feed products

v) Manufacture of Textile Mill Products

- Investment Capital greater than 1,000,000 USD
- Weaving mill cotton, wool and man-made material
- Narrow fabric mills
- Floor covering mills
- Knitting mills

vi) Manufacture of Apparel and Other Textiles Investment Capital greater than 500,000 USD

vii) Manufacture of Furniture & Fixtures

- Investment Capital greater than 500,000 USD
- Household furniture
- Office furniture
- Building partitions and fixtures

viii) Manufacture of Paper & Allied Products

- Investment Capital greater than 1,000,000 USD
- Tree plantations for paper and pulp mills
- Paper production
- Paperboard mills
- Paperboard containers

ix) Manufacture of Chemicals & Allied Products

- Investment Capital greater than 500,000 USD
- All types of chemicals including agricultural chemicals
- Plastics and other synthetics
- Drugs
- Cleaning products
- Paint & allied products

x) Manufacture of Rubber & Miscellaneous Plastics

- Investment Capital greater than 500,000 USD

xi) Manufacture of Leather & Other Products

- Investment Capital greater than 500,000 USD

xii) Manufacture of Fabricated Metal Products

- Investment Capital greater than 500,000 USD

xiii) Manufacture of Electrical & Electronic Equipment

- Investment Capital greater than 500,000 USD

xiv) Manufacture of Transportation Equipment

- Automobiles and spare parts
- Aircraft and spare parts
- Constructions and means of water transport
- Equipment's and means of rail transport
- Bicycles and motorcycles

xv) Highway and Bridge Construction

xvi) Exploitation of Minerals, Ores, Coal, Oil and Natural Gas

xvii) Production of Machinery and Industrial Equipment

- Investment Capital greater Than 1,000,000 USD

xviii) Production of Consumption Goods

xix) Hotel Construction

- Three stars classification or higher

xx) Medical Complex of International Standard, Educational Facilities of International Standard, Vocational Training Centers.

xxi) Physical Infrastructure Facilities to support the Tourism and Cultural Sectors.

xxii) Production and Exploitation Activities to protect the Environment.

6.4 List of Investment Sectors to which Incentives shall not Apply

i) All Types of Trading Activities

ii) All Forms of Transportation Services

iii) Duty-free Shops

iv) Restaurant, Karaoke, Bars and Massage Parlors; outside the premises of international standard hotels

v) Shopping Mall

vi) News and Media-related Activities (Radio, TV, Newspapers)

vii) Retail and Wholesale

viii) Professional Services

Note: the above list is subject to change when the new sub-decree of the new Amended Law on Investment takes place and is ratified. All the above investment sectors would be applicable to receive incentives and be treated the same.

6.5 Other Incentives

VAT Refund

An investment enterprise approved by the CDC is eligible for a refund of VAT paid on the import of materials before the enterprise begins operation in Cambodia.

Under the special registration procedure available to investment enterprises, the investment enterprise can only remain registered for 2 years as a VAT investment enterprise and must repay all VAT refunds received within that period if taxable supplies (sales) have not been made by the expiration of that period. During this 2-year VAT refund period, the investment enterprise can only reclaim input tax that is attributable to the intended taxable supplies to be produced by that enterprise. The refund eligibility automatically expires when the enterprise makes its first VAT sale. Investment enterprises that will make only non-taxable supplies are not eligible for this type of VAT refund.

7. Promoted Areas/Sectors for Foreign Investment

7.1 Priority/ Promoted Sectors

Sectors in which investment is strongly encouraged:

- Agriculture and agro-industry
- Transport and telecommunications infrastructure
- Energy and electricity sectors
- Labor-intensive industries and export-oriented processing and manufacturing
- Tourism-related industries
- Human resource development
- Mining

Source: The Sub-decree No.111 ANK/BK date 27 September 2005 on the Implementation of the Law on the Amendment to the Law on Investment of the Kingdom of Cambodia. Negative List (Article 6.1)

7.2 Exported Products

- Garments, rubber, other agricultural commodities, and footwear.

7.3 Prospective Products

- Rubber-based products.

7.4 Restrictions

Investment Activities Prohibited by the Relevant Law and Sub-Decrees:

- Production/processing of psychotropic substances and narcotic substances.
- Production of poisonous chemicals, agriculture pesticide/insecticide and other goods by using chemical substances, prohibited by international regulations or the World Health Organization, that affects the public health and environment.
- Processing and production of electricity power by using any waste imported from a foreign country.
- Forestry exploitation business prohibited by *Forestry Law*.

Source: The Sub-decree No.111 ANK/BK date 27 September 2005 on the Implementation of the Law on the Amendment to the Law on Investment of the Kingdom of Cambodia. Negative List (Article 6.1)

8. Taxation

• *Article 14 of the Law on Investment: General Principles*

14.1 Liability for taxes: Investors are liable to, and must comply with the provisions of the *Financial Management Law*, the *Law on Taxation*, and the *Law on Investment* and related regulations.

14.2 Natural resources: The tax rate of the Tax on Profit, which is profit derived from a contract sharing of oil and natural gas exploitation or from natural resources related activities including, but not limited to, timber, ores, golds and precious stones, shall be determined in accordance with Article 20.2 of the *Law on Amendment to Law on Taxation*.

14.3 Limitations: A full or partial exemption from taxes and customs duties shall only apply to the payment of any liability for the Tax on Profits and the payment of Customs Duty as provided in this Sub-Decree.

These exemptions do not include the following:

- (a) Tax on salary and withholding tax as stated in Articles 25 (New) and 26 (New) of the *Law on Taxation*, and Additional Profit Tax on the distribution of dividend, and

(b) Value Added Tax, specific tax on certain merchandise and services, duties and taxes to be paid at the time of import, and any other taxes as specified in the laws in force.

• **Article 15 of the Law on Investment: Tax on Profit**

15.1 Period of exemption from the Tax on Profit: In accordance with Article 14.1 of the *Law on Investment*, the profit tax exemption period, which is the Trigger Period plus the 3-year Period plus the Priority Period, shall be determined in accordance with this Article.

15.2 Trigger Period: For Article 14.1 of the *Law on Investment*, the trigger period of the profit tax exemption period is the period commencing on the issuance of the Final Registration Certificate and ending on the last day of the taxation year immediately preceding the earlier of:

(a) if the QIP derives a profit, the taxation year that the profit is first derived; and

(b) if the QIP derives income from the Investment Activity in respect of the sale of goods or services, the third taxation year after the taxation year in which the income is first derived.

For the purpose of this Sub-Article and Article 14.1 of the *Law on Investment*, profit refers to the taxable profit calculated under the provisions of the *Law on Taxation* regardless of the provisions of carry forward of losses under Article 17 of the *Law on Taxation*.

15.3 Three Years: This immediately commences from the taxation year immediately following the Trigger Period and the 2 immediate succeeding years.

15.4 Priority Period: The Priority Period determined under the *Financial Management Law* commences immediately after the third taxation year of the three-year period provided under Sub-Article 15.3

15.5 Prepayment of the Tax on Profit for QIPs registered after the promulgation of *Law on the Amendment to Law on Investment*: The prepayment of the Tax on Profit does

not apply to a QIP granted an exemption from the Tax on Profit as provided in Article 14.1 of the *Law on Investment*.

15.6 Prepayment of the Tax on Profit for QIPs approved before the promulgation of *Law on the Amendment to the Law on Investment*: A QIP which is subject to Article 24 (2) (New) of the *Law on Investment* shall make monthly prepayments of Tax on Profit at the rate of 1% of turnover inclusive of all taxes, except Value Added Tax derived in the previous month, in accordance with Article 28 (New) of the *Law on Taxation*. The QIP's turnover realized during the exemption period determined by the *Law on the Amendment to the Law on Investment* of the Kingdom of Cambodia shall be exempt from prepayment of the Tax on Profit.

15.7 In accordance with Article 24 *New of the Law on Taxation*, a QIP shall not be subject to the minimum tax.

8.1 Corporate Tax

- *Corporate Income Tax*

Corporate Income Tax is 20%.

- *Tax on Profit*

A profit tax is levied on all businesses and is calculated on the basis of either actual profit or estimated profit, depending on the tax regime applicable to the taxpayer. Companies are all classified under the real regime of taxation and are subject to a flat profit tax rate of 30% (for natural resource exploitation), 20%, 9% or 0%. The standard corporate rate is 20%. A 9% rate may be awarded to certain investments promoted by the Cambodian Investment Board. The Investment Board may also grant a tax holiday to certain projects for a maximum of 8 years, thus reducing the investor's effective profit tax rate to 0% for that period.

The following are the applicable profit tax rates as of January 1999:

Profit Realized From:	Rate
Activities of business enterprises 20%	20%
Oil or natural gas production sharing contracts or exploitation of natural resources	30%
Activities of business enterprises granted profit tax investment incentives by the CDC	9%
Activities of business enterprises granted tax holiday by the CDC (the tax holiday cannot be for more than 8 years)	0%
Activities of sole proprietorships, based on graduated scale	0-20%
Gross premiums for insurance companies insuring Cambodian risk	5%

Cambodian residents are taxable on worldwide income/profits, while non-residents are taxable only on Cambodian-sourced income/profits. Residents earning foreign-sourced income/profits are entitled to receive credits for foreign taxes incurred. Cambodian residents include companies that are “organized and managed” in Cambodia or that have their “principal place of business” in Cambodia.

8.2 Value Added/ Sales Tax

There are 2 rates of VAT:

- 0%: applies only to goods exported to Cambodia and services “consumed” outside Cambodia, and
- 10%: this standard rate is of the “taxable value” of the goods or services.

All corporations, importers, exporters and investment enterprises must register for VAT at the time of commencing business. All other taxpayers must register if their taxable turnover for goods exceeds 125 million Riels (approximately US\$33,000) or taxable turnover for services exceeds 60 million Riels (approximately US\$16,000) for the preceding 3 consecutive months. At the time of registration, the Tax Department will issue a certificate of registration, which includes a Tax Identification Number for use in all future tax filings.

Investment enterprises approved by the CDC may apply for VAT registration prior to making taxable supplies. This allows the enterprise to claim a refund of the VAT it has been charged prior to making taxable supplies.

Non-taxable supplies for which VAT is not charged include the following:

- Public postal service
- Medical and dental services and goods sold incidental to those services
- Passenger transport by a wholly state-owned public transportation system
- Insurance services
- Primary financial services
- Imported articles for personal use that is exempt from customs duties
- Non-profit activities on the public interest that have been recognized as such by the Ministry of Economy and Finance.

8.3 Withholding Tax

No withholding tax on dividend.

• Local Payments

Withholding taxes from local transactions made by a resident enterprise or a resident individual (when the payment by such individual is made in the course of carrying on a business in Cambodia) to a resident person include:

- 15% on payment made to individuals for services provided (management, consulting, etc.)
- 15% on payment of royalties for intangibles, oil, gas, minerals and interest (except interest paid to domestic banks or savings institutions)
- 10% on payment for rental of movable or immovable property
- 5% on interest paid by local bank to resident individual with non-fixed term account.

No withholding is levied on payments to tax exempt entities such as charitable associations.

• Foreign Payments

A flat rate of 15% must be withheld from any payment of Cambodia source income to non-residents, whether overseas or within Cambodia.

For payments to entities that are not registered in Cambodia, i.e. the entity is not “carrying on a business” or does not have a permanent establishment in Cambodia; the 15% withholding requirement is applicable.

This withholding tax does not apply to dividends, which are taxed separately.

8.4 Personal Income Tax

- *Tax on Profit*

Resident individuals are taxed at progressive rates up to a ceiling of 20%. In terms of individuals, a non-Cambodian national will be considered a resident by having a “domicile” or making his or her “principal place of abode” in Cambodia, or by being present in Cambodia for more than 182 days in a calendar year.

The following are the applicable salary tax rates:

<i>Monthly</i>	<i>salary</i>
500,000 (\$132) – 1,250,000 (\$329)	5%
1,250,001 (\$329) – 8,500,000 Riel (\$2,237)	10%
8,500,001 (\$2,237) – 12,500,000 (\$3,289)	15%
Above 12,500,000 (\$3,289)	20%

Cambodian residents are taxable on both Cambodian source salary and foreign source salary. Non-residents are taxable only on Cambodian source salary. Except for fringe benefits, which are based taxed at the rate of 20%, employees must withhold 15% of the taxable salary of non-resident taxpayers.

8.5 Land/Property Tax

- *Tax on House and Land Rent*

Businesses (other than real-regime) renting out land, buildings, certain equipment, storage facilities etc. are liable to tax on House and Land Rent, which is levied at 10% of the relevant rental fee.

This tax is not imposed where tax on Profit has been withheld from the rental payment.

- ***Tax on Unused Land***

Land in towns and other specified areas, without construction, or with unused construction, and certain developed land, is subject to tax on Unused Land, which is calculated by the Commission for the Evaluation of Unused Land, on every 30 June of every year.

A tax of 2% of the assessed market price of the remaining land is charged, of which becomes the responsibility of the registered owner to pay before 30 September of the relevant year.

8.6 Real Property Gains Tax

A 4% registration tax is levied on the registration of ownership of real property or other immovable assets, either as a result of direct transfer or a contribution of share capital to an enterprise.

8.7 Estate Duty

All real estate companies are subject to pay estate duty as set by the Ministry of Economy and Finance, through its parkas (ministerial decree) and sub-decree.

8.8 Fiscal Stamp Tax

Fiscal Stamp Tax is paid on certain official documents and, perhaps more importantly for foreign investors, certain advertising postings and signage, illumination and the language used (foreign or Cambodian).

8.9 Import Duty

Import duties are, however, imposed on all goods imported in-to Cambodia. Import duties are collected regardless of the point of entry on all goods crossing the border, except those specifically exempted from import duties by law or by the relevant authorities including:

- Goods temporarily imported into Cambodia
- Articles for personal use
- Goods exempted from duties by international treaty
- Humanitarian aid and some donations
- Goods related to international relations
- Goods imported for a wedding or funeral

Import duties are set by the annual Custom Tariff Schedules. Rates vary from 0% to 35%.

For further information, please refer to:

General Department of Customs and Excise of Cambodia

6, Norodom Blvd, Phnom Penh, Cambodia

Fax : (855) 23 214 065

E-mail : customs@camnet.com.kh

Website : <http://www.customs.gov.kh>

8.1. Other Taxes

• *Turnover Tax*

Since 1 January 1999, the turnover tax has been levied at the flat rate of 2%. Until 31 December 1998, the turnover tax applied to all persons or entities (whether local or foreign, company or individual) deriving revenue in Cambodia. With the introduction of VAT on 1 January 1999, the turnover tax is no longer applied to real regime (large and/or incorporated) taxpayers.

• *Patent Tax (Business Registration Tax)*

All business enterprises must register annually with the tax authorities and pay a patent tax of US\$300 per year. Business registration must be made within 15 days of the company's registration as a legal entity and by 31 March of the applicable ensuing fiscal year.

The patent tax rates for the trade and industrial sector vary between 15,000 Riels and a maximum of 0.1% of turnover for companies with more than 100 million Riels

turnover. The rates for service sector vary between 15,000 Riels and a maximum of 0.25% of turnover for companies having in excess of 40 million Riels turnover.

- **Registration Tax (or Transfer Tax)**

Certain documents relating to the establishment, dissolution or merger of a business or the transfer of title in certain assets (such as land vehicles) are subject to registration tax. The tax is generally levied at 4% of the transfer value.

- **Tax on Means of Transportation**

The tax imposes a number of statutory fees on the registration of certain transportation vehicles, including trucks, buses, motor vehicles and ships.

- **The 1999 Finance Law**

The 1999 Finance Law specifies taxes levied on the distribution of certain petroleum, cigarette and alcohol products.

- **Specific Tax on Certain Merchandise and Services**

Rates vary from 2%, 10%, 20% or 30%, depending on the item of merchandise and services.

9. Financial Regulations

9.1 Borrowing Regulations

An investment enterprise cannot borrow more than 3 times its equity with limited exceptions.

9.2 Foreign Exchange Regulations

According to The *Law on Foreign Exchange* dated 22 August 1997, as well as the regulations issued by the National Bank of Cambodia, foreign currencies can be freely purchased through the banking system. The Law specifically states that there are no restrictions on foreign exchange operations, specifically including the purchase and sale of

foreign exchange, and transfers and all other types of international settlements. However, the Law requires that authorized intermediaries only perform these transactions.

These intermediaries are legally recognized banks in Cambodia, which are required to report to the National Bank of Cambodia transactions in excess of US\$10,000.

9.3 Repatriation of Capital/Profits

The repatriation of funds overseas shall comply with the Royal Decree regarding the management of Foreign Exchange No. Chs/RKM/0897/03 dated 22 August 1997 and all provisions set and announced by the National Bank of Cambodia. The repatriation includes:

- Payment for imports and overseas transfer of the principal and interest on loans
- Payment of royalties and management service fees
- Remittance of profit after payment of all financial obligations, taxes, and related expenses
- Remittance of investment capital overseas according to the company's installment payment plan
- Money appropriately saved or remaining after salary expenditures.

10. Approval for the Employment of Foreign Workers

10.1 Conditions for the Approval of Foreign Employees (Managerial, Supervisor, Unskilled)

The *1997 Labor Law* sets out the following regulations for foreign employees:

- No foreigner can work unless he possesses a work permit and an employment card issued by the Ministry in charge of Labour. These foreigners must also meet the following conditions:
 - have a legal work permit to work in the Kingdom of Cambodia
 - have legally entered the Kingdom of Cambodia
 - possess a valid passport
 - possess a valid residency permit

- be fit for their job and have no contagious diseases. These conditions must be determined by a Prakas (Ministerial Order) from the Ministry of Health with the approval of the Ministry in charge of Labour.

- The work permit is valid for one year and may be extended as long as the validity of extension does not exceed the fixed period in the residency permit of the person in question (Article 261).

- The Ministry in charge of Labour shall issue a Prakas (Ministerial Order) for the issuance of work permits and employment cards to foreign workers (Article 262).

- The maximum percentage of foreigners who can be employed in each of the enterprises shall be determined by a Prakas of the Minister in charge of Labour based on each of the categories of personnel as follows (Article 264):

- Office personnel
- Specialized personnel
- Non-specialized personnel

10.2 Work Permit Processing and Requirements (Managerial, Supervisor, Unskilled)

Employment of foreigners requires a written contract, which cannot be more than 2 years or it becomes a contract of unlimited duration.

A Qualified Investment Project (QIP) is entitled to obtain visas and work permits for the employment in the Kingdom of foreign citizens as managers, technicians and skilled workers, and residency visas for the spouses and dependents of those foreign nationals as authorized by the Council for the Development of Cambodia and in compliance with the Immigration and Labor Laws.

Investors in the Kingdom of Cambodia shall be free to hire Cambodian nationals and foreign nationals of their choosing in compliance with the labour and immigration laws.

The investors shall be allowed to hire foreign employees provided that:

- The qualification and expertise are not available In the Kingdom of Cambodia among the Cambodian population. In the event of such hiring, appropriate documentation including photocopies of the employee’s passport, certificate and/or degree and a curriculum vitae shall be submitted to the Council;

- Investors shall have the obligation to provide adequate and consistent training to Cambodian staff;

- Promotion of Cambodian staff to senior positions will be made over time.

Foreign employees shall be allowed to remit abroad their wages and salaries earned in the Kingdom, after payment of appropriate tax, in foreign currencies obtained through the banking system.

11. Land and Building Ownership

11.1 Regulations on Acquisition of Land and Buildings

Ownership of land by investors for the purpose of carrying on a QIP shall be vested in natural persons holding Cambodian citizenship or in Cambodian Entities.

Use of land shall be permitted to investors, including concessions, unlimited long-term leases and limited short-term leases which are renewable, in compliance with the provisions of the *Land Law*.

Investors shall have the right to own and pledge as security and transfer the real and personal property situated upon the land and land which the QIP uses, for a period no longer than the period determined in a land concession contract or land lease agreement as permitted by Law.

Investors cannot transfer or pledge any longer the land concession, which has not been in operation.

11.2 Restrictions

Foreign ownership of land is illegal. Non-Cambodian legal entities are expressly prohibited from land ownership under Article 44 of the *1993 Constitution* and Article 16 of the *1994 Investment Law*.

However, a foreign investor may secure control over land through a long term lease. Foreign individuals and legal entities may lease land for up to 99 years, according to the *Investment Law* and current practice. The *Investment Law* would also permit foreign ownership of buildings located on land lease by the foreign entity for 70 years.

12. Investment Promotion Agency

Council for the Development of Cambodia (CDC)

Cambodian Investment Board (CIB)

Government Place, Sisowath Quay, Wat Phnom

Phnom Penh

Cambodia

Tel : (855) 23 981 154

Fax : (855) 23 428 426

E-Mail : CDC.CIB@online.com.kh

Website : www.cambodiainvestment.gov.kh

Annex II

Plastics Converter Directory

List of Plastics Converter in Cambodia

These lists of Plastics Converter in Cambodia are the key player from Yellow Page in Cambodia.

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
1	Cambodian Packaging Enterprise	No. 2Eo, St. 10, 12106 Phnom Penh	089 686 663 016 768 898		cpe168@yahoo.com		Box Supplies & Manufacturing Food Products, Processing & Suppliers
2	Cambodian Packaging Enterprise	No. 2Eo, St. 10, 12106 Phnom Penh	089 686 663 016 768 898		cpe168@yahoo.com		Box Supplies & Manufacturing Food Products, Processing & Suppliers
3	Cambox Private Limited	National Road No 4, Phnom Penh Special Economic Zone, Boeung Thom District, Khan Posenchey, Phnom Penh	023 430 461 015 989 700		ivan@cambox.biz	www.cambox.biz	Plastic Products

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
4	Carton Boxes Factory Co., Ltd.	No. 159, Dekcho Damdin (St. 154), 12209 Phnom Penh	024 399 922 016 769 792				Packaging, Box Supplies & Manufacturing
5	Carton Boxes Factory Co., Ltd.	No. 159, Dekcho Damdin (St. 154), 12209 Phnom Penh	024 399 922 016 769 792				Packaging, Box Supplies & Manufacturing
6	Chinh Far Plastic Co., Ltd	No. 23CD, St. 318, 12308 Phnom Penh	012 666 644 011 217 269 012 828 365 011 973 818 092 488 848	023 217 269			Plastic Products
7	Chou Cheng	No. 287A, Mao Tse Toung (St. 245), 12160 Phnom Penh	012 286 059 012 330 144 011 200 008				Plastic chair, tables, tanks, cabinet etc.
8	City Long Cambodia	No. 178Eo, Mao Tse Toung (St. 245), 12306 Phnom Penh	088 8789 778		sales@citylong.com	www.citylongcambodia.com	Storage boxes, Chairs & Stools Cabinet & Stockers
9	CKP	Konthouk Kangcheung Village, Konthouk Commune, Kandal	017 666 548 099 666 549				Packaging, Box Supplies & Manufacturing

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
10	CKP	Konthouk Kangcheung Village, Konthouk Commune, Kandal	017 666 548 099 666 549				Packaging, Box Supplies & Manufacturing
11	Dai Dong Tien Corporation	No. 55, Oknha Tep Phan (St. 182), 12255 Phnom Penh	097 9836 379		cambodia.rep@daidongtien.com	www.daidongtien.com.vn	Plastic Products
12	Dat Hoa Trading (Cambodia) Co., Ltd	No. 426, Yothapol Khemarak Phoumin (St. 271), Sangkat Tumnup Teuk, 12306 Phnom Penh	023 219 646 097 7305 559 097 7806 675		info@dathoatc.com.kh		Plastic Products Pipes & Fittings
13	Duy Malavy	No. 81, Mao Tse Toung (St. 245), 12304 Phnom Penh	023 216 242 012 994 945	023 210 342			Plastic Products
14	ES Packaging Co., Ltd.	Lum (St.), Block A, Klang K4, Phum Teuk Thla, Sangkat Teuk Thla, Khan Sen Sok, 12102 Phnom Penh	023 6333 485 012 333 480 012 877 889		espackaging@easterns-group.com		Packaging, Box Supplies & Manufacturing
15	ES Packaging Co., Ltd.	Lum (St.), Block A, Klang K4, Phum Teuk Thla, Sangkat Teuk Thla, Khan Sen Sok, 12102 Phnom Penh	023 6333 485 012 333 480 012 877 889		espackaging@easterns-group.com		Packaging, Box Supplies & Manufacturing

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
16	Golden Ware Plastic Industries Co., Ltd.	No. 888, Camko City (St.), Toul Kork Village, 12105 Phnom Penh	012 806 948 011 913 598 099 913 598 089 999 988		easeuchhav@yahoo.com		Bags- Plastic & Transparent
17	Good Rich Industries Inc.	National Road No 4, Chong Bangkol Village, Bekchan Commune, Angsnuol District, Kandal	012 910 267 016 603 824 011 851 650 012 593 600		goodrich33588@gmail.com		Plastic Products
18	Good2Pack	No. 4, St. 257, 12156 Phnom Penh	017 666 720		customerservice@good2pack.com	www.good2pack.com	Packaging, Box Supplies & Manufacturing
19	Good2Pack	No. 4, St. 257, 12156 Phnom Penh	017 666 720		customerservice@good2pack.com	www.good2pack.com	Packaging, Box Supplies & Manufacturing
20	Harta Packaging Industries (Cambodia) Limited	National Road No 4, Ang Village, Sangkat Chom Chao, Khan Por Senchey, Phnom Penh	024 399 933 024 399 955 088 8889 196 088 8889 255		keith_teh@hartapack.net sales@hartapack.net	www.hartapack.com	Box Supplies & Manufacturing
21	Harta Packaging Industries (Cambodia)	National Road No 4, Ang Village, Sangkat Chom Chao, Khan Por Senchey, Phnom Penh	024 399 933 024 399 955 088 8889 196		keith_teh@hartapack.net sales@hartapack.net	www.hartapack.com	Box Supplies & Manufacturing

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
	Limited		088 8889 255				
22	Heng Heng Meanchey	No. 18A, Monireth (St. 217), 12352 Phnom Penh	012 869 418 010 869 418 088 9956 479				Plastic Products
23	Heng Piv	No. 125BEo, St. 143, 12304 Phnom Penh	088 8979 468 097 7609 468		hengpiv@yahoo.com		Plastic Products
24	Hua Feng Cartons	No. 4F, Tonle Sap (Rd.), 12110 Phnom Penh	012 846 378 011 525 680		huafeng_cartons@yahoo.com		Packaging, Box Supplies & Manufacturing
25	Hua Feng Cartons	No. 4F, Tonle Sap (Rd.), 12110 Phnom Penh	012 846 378 011 525 680		huafeng_cartons@yahoo.com		Packaging, Box Supplies & Manufacturing
26	Ji Xiang Co., Ltd	No. 10-13, National Road No 4, PPSEZ, Sangkat Kantork, Kandal	023 729 368	023 729 358	jydi@neocomisp.com		Packaging, Box Supplies & Manufacturing
27	Ji Xiang Co., Ltd	No. 10-13, National Road No 4, PPSEZ, Sangkat Kantork, Kandal	023 729 368	023 729 358	jydi@neocomisp.com		Packaging, Box Supplies & Manufacturing

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
28	Kang Hua (Cambodia) Bottled Corp	No. 516, Kampuchea Krom (St. 128), 12252 Phnom Penh	099 629 629 011 313 932 099 639 682 099 884 121		hqy629629@sina.com.cn		Bottles-Wholesales & Manufactures
29	Karong Khmer Factory	No. 462, Preah Monivong (St. 93), 12301 Phnom Penh	017 820 216 099 601 092		karongkhmer@gmail.com	www.karongkhmer.com	Packaging, Box Supplies & Manufacturing
30	Karong Khmer Factory	No. 462, Preah Monivong (St. 93), 12301 Phnom Penh	017 820 216 099 601 092		karongkhmer@gmail.com	www.karongkhmer.com	Packaging, Box Supplies & Manufacturing
31	Keptop Sporting Goods (Cambodia) Co., Ltd.	No. 7, National Road No 4, Special Economic Zone, Bat Trang Commune, Prey Nop District, Preah Sihanouk	034 6419 292 097 7262 010		jennifer@keptop001.com	www.keptop001.com	Gloves, can cooler & bottle cooler, masks & socks surfing suits & diving suits, sport supporter pet products & saddlery, swimming product, laptop cases, mobile phone cases,

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
							sandbags & weightbags OEM Screen printing, neoprene, EVA, foam Laminate, high frequency heat
32	Kim Teng Orusseï	No. 50-52Eo, Oknha Tep Phan (St. 182), 12255 Phnom Penh	011 853 390 092 220 641				Plastic Products
33	Korex Plastic Co., Ltd	Ang Proum (St. 68), 12105 Phnom Penh	023 992 270 012 300 842		korex@everyday.com.kh		Pipes & Fittings
34	Kyowaseikan (Cambodia) Co., Ltd.	National Road No 4, Phnom Penh Special Economic Zone, P1-052, 12401 Phnom Penh	023 968 197 023 968 198 092 356 308	023 068 199	vibolsothy@kyowaseikan.com.kh	www.kyowaseikan.com.kh	Packaging, Box Supplies & Manufacturing
35	Kyowaseikan (Cambodia) Co., Ltd.	National Road No 4, Phnom Penh Special Economic Zone, P1-052, 12401 Phnom Penh	023 968 197 023 968 198 092 356 308	023 068 199	vibolsothy@kyowaseikan.com.kh	www.kyowaseikan.com.kh	Packaging, Box Supplies & Manufacturing
36	Lih Woei Carton Works Co., Ltd.	Path (Rd.), Group 2, Bonla Saeut Village, 12103 Phnom Penh	023 6776 888 012 678 982		lihwoei@ezecom.com.kh		Packaging, Box Supplies & Manufacturing

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
37	Lih Woei Carton Works Co., Ltd.	Path (Rd.), Group 2, Bonla Saeut Village, 12103 Phnom Penh	023 6776 888 012 678 982		lihwoei@ezecom.com.kh		Packaging, Box Supplies & Manufacturing
38	Lim Chhun Hak Tires & Plastic Tubes	No. 68B Eo, Mao Tse Toung (St. 245), 12305 Phnom Penh	012 579 880 012 858 763				Plastic Products Pipes & Fitting Tyre/ Tire Dealers
39	Lim Sophal	No. 72B, Confederation de la Russie (St. 110), 12406 Phnom Penh	012 964 941 077 716 617				Plastic Products
40	Lin Chenda Co., Ltd	No. 318D, Oknha Tep Phan (St. 182), 12158 Phnom Penh	081 657 967 017 333 341 013 777 741		la_chenda@yahoo.com		Plastic Products
41	Meng Hour Plastic Products	No. 38Eo, St. 166, 12254 Phnom Penh	011 832 676 012 832 676				Plastic Products
42	Mey Mey	No. 289AEo, Mao Tse Toung (St. 245), 12159 Phnom Penh	012 824 520 076 8665 660 011 366 172				Plastic Products
43	Modern Plastic & Packaging (Cambodia) Co., Ltd	No. 746, National Road No 2, Sangkat Chak Angre Krom, Khan Meanchey, 12353 Phnom Penh	023 723 751 023 725 851 023 426 577 012 664 322	023 427 059	mppsale@gmail.com		Packaging, Box Supplies & Manufacturing

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
44	Morofuji (Cambodia) Co., Ltd	National Road No 1, Manhattan Special Economic Zone, Tapov Village, Sangkat Bavet, Svay Rieng	093 945 907 044 946 988		rssievjo@yahoo.com		Plastic Products
45	NA Plastic Solution Co., Ltd	No. 66, Preah Norodom (St. 41), SSN Center, 4th Floor, 12206 Phnom Penh	097 6630 666		saingdy@naplasticsolutions.com		Plastic Products
46	Nan Ya Plastic (Cambodia) Co., Ltd.	No. 3HB, National Road No 6, 12110 Phnom Penh	012 844 014 023 982 856 012 406 282	023 432 216	nanya.kh@hotmail.com		Leather Goods Plastic Products
47	Natalia Marketing (Cambodia) Corporation Co., Ltd	Group 5, Sangkat 4, Sihanoukville, Preah Sihanouk	034 934 832 088 5502 313 078 333 551		mgpalais@aol.com		Plastic Products
48	PCT Co., Ltd	No. 12-14, St. 336, Sangkat Phsar Doeumkor, Khan Toul Kork, 12159 Phnom Penh	023 884 894 012 838 050 011 622 765	023 880 024	sale@cambodiaplasic.com	www.cambodiaplasic.com	Selling Pure Drinking Bottles Blowing Machines and Make Plastic
49	Phea Nak	No. 267AEo, Mao Tse Toung (St. 245), 12159 Phnom Penh	017 779 291 077 985 592 010 368 050				Plastic Products

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
50	Phnom Penh Plastic	No. 6, St. 516, 12152 Phnom Penh	012 856 668 070 802 626				Selling Plastic bottle 500ml & Transparency bottle 20 ml, all kind of plastics
51	Phsar Orussey Plastic Handicraft	No. 7Eo, St. 168, 12254 Phnom Penh	012 488 742 012 941 294		saveth_oum@yahoo.com		Plastic Products
52	Raksmeay Mean Chey	No. 11, Monireth (St. 217), 12352 Phnom Penh	012 729 755 012 891 155				Water Tanks
53	Samudra Plastic & Packaging (Cambodia) Ltd.	No. 228, Trapang Thleng Village, Sangkat Chom Chao, Khan Dang Kor, 12405 Phnom Penh	023 995 585 012 322 278	023 985 682	plastic@samudra.com.kh		Poly bag production
54	Seng Hong Plastic	No. 62-64, St. 528, 12151 Phnom Penh	011 722 036 011 763 073 012 533 220				Plastic Products
55	Sin Fu Food Products Group Co., Ltd	No. 246B, St. 13D, Khan Dangkor, 12401 Phnom Penh	023 995 551 023 6769 988 088 9988 388 012 988 388	023 995 553	sinfu@online.com.kh		Manufacturer of RO Pure Drinking Water

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
56	Singapore Cartons (Cambodia) Ltd	Chungruk Village, Sangkat Trapeang Krasaing, Khan Dangkor, 12402 Phnom Penh	089 888 198 017 616 588 089 888 199		singaporecartons@yahoo.com	www.singaporecartons.com.sg	Box Supplies & Manufacturing
57	Singapore Cartons (Cambodia) Ltd	Chungruk Village, Sangkat Trapeang Krasaing, Khan Dangkor, 12402 Phnom Penh	089 888 198 017 616 588 089 888 199		singaporecartons@yahoo.com	www.singaporecartons.com.sg	Box Supplies & Manufacturing
58	SM Electrical Home Appliance Co.,Ltd.	No. 167Eo, Sihanouk (St. 274), 12253 Phnom Penh	012 511 766	023 218 271	leng_nora@yahoo.com		Plastic Products Cookers & Kitchen Equipment Electric Household Appliances
59	Sreng Vouch Im	No. 89B, Rue de l'union Européenne (St. 143), 12312 Phnom Penh	011 222 281 012 222 281 015 222 281	023 221 991	vouch_im@yahoo.com		Plastic cup Plastic plat Plastic cam
60	Thin Nary Plastic	Oknha Tep Phan (St. 182), Orussey Market, Store 21-22-08- 09, 12254 Phnom Penh	012 912 747 088 8828 834				Plastic Products
61	Uy Heng Plastic Product	No. 456, Bandita Mong Reththy (St. 1928), 12101 Phnom Penh	012 825 715 085 585 995 099 959 973				Plastic Products

No.	Company	Address	Tel.	Fax.	E-mail	Website	Products
62	Viet Dung Imex Co., Ltd.	No. 493, St. 369, 12358 Phnom Penh	023 6337 379 092 197 487		vietchung195516@yahoo.com.vn		
63	Yeung Shi Group	No. 167CDEo, Mao Tse Toung (St. 245), 12308 Phnom Penh	023 986 612 011 848 135			www.yeungshigroup.com	Packaging, Box Supplies & Manufacturing
64	Yeung Shi Group	No. 167CDEo, Mao Tse Toung (St. 245), 12308 Phnom Penh	023 986 612 011 848 135			www.yeungshigroup.com	Packaging, Box Supplies & Manufacturing
65	Yi Xiang Co., Ltd.	PPSEZ, Kantouk Commune, Kandal, Angsnuol District	023 729 366 012 252 577	023 729 365	knnini@yahoo.com.tw		

Data Source: Yellow Page (<http://yp.com.kh/categories/kh12136-plastic-products/listings>) and others

Annex III

Survey Questionnaire

Plastics survey results in Cambodia

- Small size plastic converter

1. General information:

Name of company:	Cambodian Packaging Enterprise		
Complete address:	No. 2Eo, St. 10, 12106 Phnom Penh		
Tel.:	089 686 663	Fax.:	-
	016 768 898		
E-mail.:	cpe168@yahoo.com	Website.:	-
Year of establishment:	2010		
Number of employees:	42 persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Small package of sugar, Imported Coffee cup from Thailand		
Volume of consumed raw materials by plastics resin	PP, PE	-	Tons/month
Processing technology			
Injection molding	<input type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input checked="" type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input type="checkbox"/>

Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Film/ Sheet Extrusion	-	Taiwan	1	1			

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

-

Interviewed person (name and position)

Mr. Kean Somphors

Data entry / Suggestion

-

2. **General information:** Karong Khmer Factory was found in early of 2012 as a Cambodian factory produced Khmer-made bag called Karong in Khmer word in order to support the use of packing and stuffing.

Name of company:	Karong Khmer Factory		
Complete address:	No. 462, Preah Monivong (St. 93), 12301 Phnom Penh		
Tel.:	017 820 216	Fax.:	-
	099 601 092		
E-mail.:	karongkhmer@gm ail.com	Website.:	www.karongkhmer.com
Year of establishment:	2012		
Number of employees:	21 persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Manufacturing (Rice Bags)		
Volume of consumed raw materials by plastics resin	-	-	Tons/ month
Processing technology			
Injection molding	<input type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input checked="" type="checkbox"/> Printing Machine

Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Printing Machine	-	Karong, China	3	3			

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

-

Interviewed person (name and position)

-

Karong Khmer Factory has service of help made and printing on all kinds of Karong according to the customers' order.

Data entry / Suggestion

3. General information: Our company PCT Co.,Ltd is based in Phnom Penh, Cambodia.

We are leading producer of industrial gas (Oxygen, Argon, Nitrogen, Acetylene) and Plastic bottle preform and blown bottle. We also accept custom-made bottle would and provide the service of blown for your need.

Name of company:	PCT Co., Ltd		
Complete address:	No. 12-14, St. 336, Sangkat Phsar Doeumkor, Khan Toul Kork, 12159 Phnom Penh		
Tel.:	023 884 894	Fax.:	023 880 024
	012 838 050		
	011 622 765		
E-mail.:	sale@cambodiapla	Website.:	www.cambodiaplastic.com
	stic.com		
Year of establishment:	2009		
Number of employees:	25 persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Pure Drinking Bottles Blowing Machines and Make Plastic		
Volume of consumed raw materials by plastics resin	PET,PE	-	Tons/ month
Processing technology			
Injection molding	<input type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input checked="" type="checkbox"/> Injection Stretch <input type="checkbox"/> Blow Molding

Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Blow Molding/ Injection Stretch Blow Molding	-	China	5		5		

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

-

Interviewed person (name and position)

Mr. Hour

Data entry / Suggestion

Producer of industrial gas(Oxygen, Argon, Nitrogen, Acetylene) and Plastic bottle preform and blown bottle. And supply in Local.

- Medium size plastics converter

4. General information:

Name of company:	KPT		
Complete address:	Konthouk Kangcheung Village, Konthouk Commune, Kandal		
Tel.:	017 666 548	Fax.:	-
	099 666 549		
E-mail.:	-	Website.:	-
Year of establishment:	2012		
Number of employees:	65 persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Flexible Packaging and Box Manufacturing		
Volume of consumed raw materials by plastics resin	PP,PE	-	Tons/month
Processing technology			
Injection molding	<input checked="" type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input checked="" type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input type="checkbox"/>

Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Extrusion	-	China and Own Machine	4	4			
Injection Molding	-	China and Own Machine	3	3			

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

-

Interviewed person (name and position)

Ms. Phany

Data entry / Suggestion

Buy materials from VN and in Local to re-produce.

5. General information:

Name of company:	Good Rich Industries Inc.		
Complete address:	National Road No 4, Chong Bangkol Village, Bekchan Commune, Angsnuol District, Kandal		
Tel.:	012 910 267	Fax.:	-
	016 603 824		
E-mail.:	goodrich33588@g mail.com	Website.:	-
Year of establishment:	2001		
Number of employees:	100 persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Flexible Packaging		
Volume of consumed raw materials by plastics resin	PP,PE	-	Tons/ month
Processing technology			
Injection molding	<input type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input checked="" type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input type="checkbox"/>

Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Film/ Sheet Extrusion	-	China	25			25	

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

No plan yet

Interviewed person (name and position)

Mr. Gnoun

Imported raw material from SG, VN, and China to produce Sack Plastic. And supply in Local.

Data entry / Suggestion

6. **General information:** HPI was incorporated as Harta Ngiak in 1987, and subsequently in 1990, changed its name to Harta Packaging Industries Sdn Bhd to reflect the change in its core business of manufacturing corrugated boards, and corrugated cartons, die-cut containers and paper pallets in strategic regions in Northern, Central and Southern parts of Malaysia. Subsequently, a plastic packaging division was included as a mainstream business.

Name of company:	Harta Packaging Industries (Cambodia) Limited		
Complete address:	National Road No 4, Ang Village, Sangkat Chom Chao, Khan Por Senchey, Phnom Penh		
Tel.:	024 399 933	Fax.:	-
	024 399 955		
E-mail.:	keith_teh@hartapa ck.net	Website.:	www.hartapack.com
Year of establishment:	2006		
Number of employees:	50 persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Flexible Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	PP,PE	-	Tons/ month
Processing technology			
Injection molding	<input type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input checked="" type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input type="checkbox"/>

Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Film/ Sheet Extrusion	-	-	7		7		

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

No plan yet.

Interviewed person (name and position)

Mr. Vichea

Data entry / Suggestion

-

- Large size plastics converter

7. General information:

Name of company:	Kyowaseikan (Cambodia) Co., Ltd.		
Complete address:	National Road No 4, Phnom Penh Special Economic Zone, P1-052, 12401 Phnom Penh		
Tel.:	023 968 197 023 968 198	Fax.:	023 068 199
E-mail.:	vibolsothy@kyowa seikan.com.kh	Website.:	www.kyowaseikan.co.jp
Year of establishment:	2011		
Number of employees:	230 persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/ month
Processing technology			
Injection molding	<input type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input checked="" type="checkbox"/> Whole set of machine to produce box

Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Whole set of machines to produce box	-	China	2		2		

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

No plan yet.

Interviewed person (name and position)

Mr. Sothy

Data entry / Suggestion

Produce Watch box and other souvenir box and export to Japan. Raw materials imported from China, Taiwan and Japan.

8. General information: CamBox, located in the Phnom Penh Special Economic Zone, is a manufacturer and supplier of plastic products. It was formed in 2009 using custom-built machinery and control software to assist in the development and manufacture of technically challenging roto-molded products. The Company established itself as one of the leading manufacturers of roto-molded parts in Cambodia.

Name of company:	Cambox Private Limited		
Complete address:	National Road No 4, Phnom Penh Special Economic Zone, Boeung Thom District, Khan Posenchey, Phnom Penh		
Tel.:	023 430 461	Fax.:	-
	015 989 700		
E-mail.:	ivan@cambox.biz	Website.:	www.cambox.biz
Year of establishment:	2009		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Plastic Products: Water Tanks & Septic Tanks, waste bins, Ice-box, Road Safety Products (Barriers & Barricades), Plastic Pallets		
Volume of consumed raw materials by plastics resin	PE	-	Tons/month
Processing technology			
Injection molding	<input type="checkbox"/>	Thermoforming	<input type="checkbox"/>
Blow molding	<input type="checkbox"/>	Foaming	<input type="checkbox"/>
Compounding	<input type="checkbox"/>	Post-use waste recycling	<input type="checkbox"/>
Film/sheet extrusion	<input type="checkbox"/>	Welding	<input type="checkbox"/>
Pipe/profile extrusion	<input type="checkbox"/>	Others	<input checked="" type="checkbox"/> Rotational Molding

 Information on the machinery fleet

Kind of machine	Manufactured product	Manufacturer's name and country of origin	Number of units	Age of the machine			
				< 5 years	5-10 years	10-20 years	>20 years
Rotational Molding	-	-	1	1			

Investment plans (interest in buying new or second-hand machines/equipment: what kind?)

-

Interviewed person (name and position)

 Cannot inform

Custom-built machinery and control software to assist in the development and manufacture of technically challenging roto-molded products. Is a manufacturer and supplier of plastic products.

Data entry / Suggestion

- Furthermore, we interviewed several of plastic companies but some of interviewed didn't inform the In-depth information with us.

9. General information:

Name of company:	Carton Boxes Factory Co., Ltd.		
Complete address:	No. 159, Dekcho Damdin (St. 154), 12209 Phnom Penh		
Tel.:	024 399 922	Fax.:	-
	016 769 792		
E-mail.:	-	Website.:	-
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification			
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/month

10. General information:

Name of company:	CKP		
Complete address:	Konthouk Kangcheung Village, Konthouk Commune, Kandal		
Tel.:	017 666 548	Fax.:	-
	099 666 549		
E-mail.:	-	Website.:	-
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification			
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/month

11. General information:

Name of company:	ES Packaging Co., Ltd.		
Complete address:	Lum (St.), Block A, Klang K4, Phum Teuk Thla, Sangkat Teuk Thla, Khan Sen Sok, 12102 Phnom Penh.		
Tel.:	023 6333 485	Fax.:	-
	012 333 480		
E-mail.:	espackaging@easterns-group.com	Website.:	-
Year of establishment:			
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification			
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/month

12. General information:

Name of company:	Good2Pack		
Complete address:	No. 4, St. 257, 12156 Phnom Penh.		
Tel.:	017 666 720	Fax.:	-
E-mail.:	customerservice@ good2pack.com	Website.:	www.good2pack.com
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification			
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/ month

13. General information:

Name of company:	Hua Feng Cartons		
Complete address:	No. 4F, Tonle Sap (Rd.), 12110 Phnom Penh.		
Tel.:	012 846 378	Fax.:	-
	011 525 680		
E-mail.:	huafeng_cartons@	Website.:	-
	yahoo.com		
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years'	2010	2011	2012
turnover (Million Baht)	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/month

14. General information:

Name of company:	Ji Xiang Co., Ltd		
Complete address:	No. 10-13, National Road No 4, PPSEZ, Sangkat Kantork, Kandal		
Tel.:	023 729 368	Fax.:	023 729 358
E-mail.:	jydi@neocomisp. com	Website.:	-
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/ month

15. General information:

Name of company:	Lih Woei Carton Works Co., Ltd.		
Complete address:	Path (Rd.), Group 2, Bonla Saeut Village, 12103 Phnom Penh		
Tel.:	023 6776 888	Fax.:	-
	012 678 982		
E-mail.:	lihwoei@ezecom.	Website.:	-
	com.kh		
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/month

16. General information:

Name of company:	Singapore Cartons (Cambodia) Ltd		
Complete address:	Chunruk Village, Sangkat Trapeang Krasaing, Khan Dangkor, 12402 Phnom Penh.		
Tel.:	089 888 198, 017 616 588	Fax.:	-
E-mail.:	singaporecartons@ yahoo.com	Website.:	www.singaporecartons.com.sg
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/ month

17. General information:

Name of company:	Yeung Shi Group		
Complete address:	No. 167CDEo, Mao Tse Toung (St. 245), 12308 Phnom Penh.		
Tel.:	023 986 612, 011 848 135	Fax.:	-
E-mail.:	-	Website.:	www.yeungshigroup.com
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/ month

18. General information:

Name of company:	Yi Xiang Co., Ltd.		
Complete address:	PPSEZ, Kantouk Commune, Kandal, Angsnuol District		
Tel.:	023 729 366, 012 252 577	Fax.:	023 729 365
E-mail.:	knnini@yahoo.co m.tw	Website.:	-
Year of establishment:	-		
Number of employees:	- persons		
	Private <input checked="" type="checkbox"/>	Public	<input type="checkbox"/>
Certification	-		
Last three years' turnover (Million Baht)	2010	2011	2012
	-	-	-
Manufactured products:	Packaging, Box Supplies & Manufacturing		
Volume of consumed raw materials by plastics resin	-	-	Tons/ month

Annex IV

General Information

1. Electrical

The standard voltage in Cambodia is between 220V - 240V (as in the UK, Europe, Australia and most of Asia and Africa). Manufacturers take these small deviations into account. If the standard voltage in your country is in the range of 100V - 127V (as in the US, Canada and most South American countries), you need a power converter. To be sure, check the label on the appliance. If it states 'INPUT: 100-240V, 50/60 Hz', it can be used in all countries of the world (like chargers for tablets/laptops, photo cameras, cell phones, toothbrushes).

If the frequency in Cambodia (50 Hz) differs from the one in your country, it is not advised to use your appliances. But at your own risk, you can try. Be extra careful with moving, rotating and time related appliances like clocks and electric fan heaters.

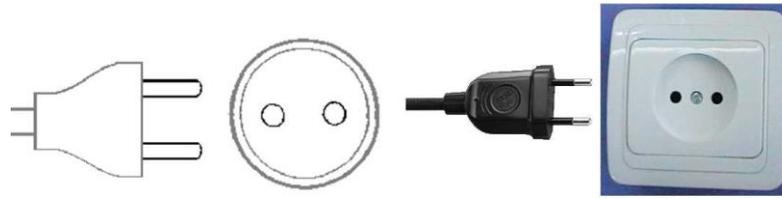
Country	Frequency (Hz)	Residential Voltage (V)	Commercial Voltage (V)	Industrial Voltage (V)
Cambodia	50	208/120 (Three-Phase) 120 (Single-Phase)	380/220 (Three-Phase) 208/120 (Three-Phase)	380/220 (Three-Phase) 208/120 (Three-Phase)

There are 5 types of plugs or sockets used in Cambodia as

- Ungrounded plug with two flat parallel prongs



- Two-wire plug with two round prongs and no ungrounded pin



- Three-prong plug (two flat and one rectangular) forming a triangle



2. Trade Associations

IBC – International Business Chamber of Cambodia

Address: No. 445, Preah Monivong (St. 93), Phnom Penh Tower, 12th Floor, 12258 Phnom Penh.

Phone: 023 964 455, 089 720 008

E-mail: info@ibccambodia.com, zirconium@online.com.kh

Website: <http://www.ibbcambodia.com>

The Chamber's mission is i) to provide leadership in creating a forum for international and local businesses and business associations having an interest in Cambodia to work together in a spirit of friendship and cooperation for mutual benefit, ii) to foster constructive relations with the Royal Government to promote policies, laws and regulations conducive to the development of the business environment, iii) to promote corporate social responsibility and good governance to enhance the international reputation of Cambodia's business community, and iv) to engage in other initiatives that encourage and support foreign investment and business in Cambodia.

Trade Promotion Department Ministry of Commerce

Address: 65-69, Street 136, Phsar Kanda I, Daun Penh, Phnom Penh Tower, Phnom Penh, Kingdom of Cambodia.

Phone: (855) 23 216 948/ 217353

Fax: (855) 23 211 745

E-mail: info@tpd.gov.kh

Website: www.tpd.gov.kh

The Trade Promotion Department (TPD) is a government organization, under the Ministry of Commerce, responsible for state management, coordination and implementation of trade and trade related investment promotion activities in Cambodia. TPD works together with various provincial Commerce Departments and trade support institutions as well as international and foreign trade promotion organizations to assist Cambodian and foreign enterprises in their business development and expansion.

3. Technical Magazines

Cambodian Business Review

Published by: Virtus Communications Pte Ltd.

Address: 67Eo, Street 322, Boeung Keng Kang 1, Chamkarmon, Phnom Penh, Kingdom of Cambodia

Phone: 855 23 996 332, 855 23 727461

E-mail: b2bmarketing@myanmarb2bmagazine.com

Website: www.cambizreview.com, www.virtusgroupkh.com

Description: Cambodia's First English Language Business Publication

Objective: Aim to give readers a fresh perspective about business; therefore, Cambodia Business Review provides diversity in contents and readership to a growing readership base.

4. Sector Exhibitions

No.	Event Title & Organizer	Date of Event	Venue
1	<p>Cambodia International Machinery Industrial Fair: CIMIF The biggest & largest trade fair for Packaging Material, Supplies & Machines industry. Exhibit Profiles</p> <ul style="list-style-type: none"> ➤ Plastics & Rubber: CamboPlas ➤ Printing & Packaging: CamboPrint & CamboPack ➤ Food Processing ➤ Agriculture ➤ Medical & Pharmaceutical Equipment 	15 - 18 August, 2014	Diamond Island Convention & Exhibition Center, Phnom Penh

	<ul style="list-style-type: none">➤ Metalworking & Automation➤ Tools & Hardware➤ Auto Parts➤ Energy & Electricity Engineering➤ Water Technology➤ Footwear & Leather Machinery & Material <p style="text-align: center;">http://www.biztradeshows.com/cambodia/</p>		
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