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CAMBODIA

Legal and Tax Digest

July & August 2025

Local Associations and NGOs

Press Release No. 011 dated July 16, 2025 issued by the Ministry of Interior on the “Launch of a Digital Registration System for Local Associations and Non-Governmental Organizations (“NGOs”)”

The Ministry of Interior announced the official launch of a digital registration system for local associations and NGOs in Cambodia for a trial period of six months. This is part of the government's ongoing public sector reform strategy aimed at promoting transparency, accountability, and service efficiency.

The system is now available for use through the Ministry's official website at <https://www.interior.gov.kh/> or directly via <https://www.langoregister.interior.gov.kh/login>. The platform aims to provide services that are simpler, faster, and more reliable, thereby improving the user experience for applicants and reducing their administrative burden.

Local associations and NGOs are strongly encouraged to utilize the platform during the trial period.

Investment

Notification No. 1356/25 dated July 18, 2025 issued by the Council for the Development of Cambodia (“CDC”) on the “Launch of e-Signatures and e-Stamps for Investment Approvals”

Under this notification, which is effective from the signing date, the CDC has officially launched the use of electronic signatures (“**e-signatures**”) and electronic stamps (“**e-stamps**”) on digital documents issued through the Cambodia investment project management (“**cdclPM**”) system.

Legal recognition of digital documents

The cdclPM system has been the central platform for registering qualified investment projects. The addition of e-signatures and e-stamps ensures that all documents issued in digital form are legally valid and therefore recognized as original documents. Each document also includes a QR code linked to the national domain name website at <https://www.domain.gov.kh/>, allowing authorities, businesses, and the public to verify authenticity instantly.

Thus, from July 18, 2025 onwards, any documents downloaded from the cdclPM system are considered legally valid originals that carry the same legal weight as paper documents.

A move towards digital efficiency

The shift to e-signatures and e-stamps has practical benefits:

- **No more duplicate submissions:** Investors are no longer required to resubmit documents in hard copy to ministries, provincial administrations, or other institutions.
- **Faster access:** Digital approvals can be downloaded and used immediately, reducing waiting times.

- **Simplified compliance:** The registration and review process are easier and more straightforward for investors.

Banking & Finance

Instruction No. 17025019 dated July 30, 2025 issued by the National Bank of Cambodia ("NBC"), on "Relief Measures for Individuals Affected by the Cambodia-Thailand Border Conflict"

This instruction introduces relief measures for soldiers and citizens impacted by the ongoing Cambodia-Thailand border conflict. After consultations with the Cambodian Banking Association and the Cambodian Microfinance Association, the NBC issued the following instruction for banks and financial institutions:

Support for refugee customers

- Waive all fees and penalties related to loans from the date of the instruction until October 31, 2025.
- Waive interest payments and allow the postponement of principal repayments during this period, without interest capitalization until October 31, 2025.

Support for military customers actively serving on the battlefield

- Waive all fees and penalties on loans for a period of six months, until January 31, 2026.
- Waive interest payments and allow the postponement of principal repayments for the same duration, without interest capitalization.
- For disabled soldiers, in addition to the above benefits, write off up to KHR10 million in loans.
- For families or co-borrowers of fallen soldiers, write off up to KHR80 million in loans.

General credit restructuring

- Continue implementing loan restructuring in accordance with existing NBC regulations.

Additional relief

- Financial institutions are encouraged to provide further special support where feasible, particularly to workers returning from Thailand and soldiers engaged in active combat.

These measures are intended to ease the financial hardship for those directly affected by the ongoing conflict and demonstrate the financial sector's role in supporting national resilience.

Land

*Notification No. 2222 dated August 15, 2025 issued by the Ministry of Land Management, Urban Planning and Construction (“MLMUPC”) on “**Procedures to Apply for Construction Permits on One or More Land Parcels and/or Agricultural Land-Use Areas**”*

This notification provides guidance to streamline and improve the procedures for applying for construction permits. This initiative is in line with national policy goals to enhance the efficiency and sustainability of land use, promote urban and rural development, and improve public service delivery. It supports broader efforts toward land registration, effective land-use planning, and dispute-free construction activity. The key highlights are summarized below.

Application submission and review

All construction permit applications must comply with current laws, regulations, and review protocols. Applications are to be submitted through a new single-window portal at the MLMUPC or relevant provincial/capital administration, which will then be forwarded to the administrator for review.

Land-use changes and plot consolidation

The streamlined process integrates land-use conversion and parcel consolidation within the construction permit process, in an effort to provide a clear, efficient framework for developers and residents.

- When a construction project requires changing the land-use designation from agricultural land to buildable land, and/or involves multiple land parcels, the administrator will assess the need for land-use change and the need to consolidate multiple land parcels into a single lot, and process these changes simultaneously with the construction permit application
- For projects under the MLMUPC’s authority, the General Department of Cadaster and Geography will coordinate with the relevant provincial or capital Department of Land Management, Urban Planning, Construction, and Cadaster to carry out the land consolidation and land-use change. This process must comply with existing land-use master plans or align with development plans if no master plan currently exists.
- For projects under the jurisdiction of local governors (capital or provincial), the local land management departments will undertake the same procedures to consolidate land parcels and/or authorize the land-use change.

Specific project types requiring consolidation

For construction projects such as co-ownership buildings, residential complexes, Borey developments, or Borey-style residential projects that span multiple land plots, it is mandatory to consolidate the land parcels into a single, legally-recognized plot before the construction permit can be issued.

Taxation

Notification No. 009 dated August 21, 2025 issued by the Ministry of Economy and Finance on the “Revised Tax Rates to Promote Electric Vehicle (“EV”) Use in 2025”

In line with the National Policy on the Development of the Electric Vehicle Sector 2024-2030, and in an effort to make EV ownership more affordable and encourage wider adoption, the annual vehicle tax rates for EVs used in tourism, small cargo transport (4-door), and passenger transport sectors have been reduced, as shown in the table below.

Updated Annual Vehicle Tax Rates for EVs

HORSEPOWER RANGE	FIRST 5 YEARS	6TH TO 10TH YEAR	11 TH YEAR ON
Up to 150 horsepower	KHR100,000	KHR80,000	KHR60,000
More than 150 up to 200 hp	KHR150,000	KHR100,000	KHR80,000
More than 200 up to 250 hp	KHR300,000	KHR150,000	KHR100,000
More than 250 up to 300 hp	KHR500,000	KHR250,000	KHR150,000
More than 300 horsepower	KHR800,000	KHR400,000	KHR200,000

Trusts

Prakas No. 060 dated August 25, 2025 issued by the Non-Bank Financial Services Authority on “Supplements to the Prakas on Trust Registration Fees for Custodial Services or Safe Deposit Box Services”

This Prakas was issued to supplement and expand on existing Prakas No. 010 dated February 18, 2022 on Service Fees for Trust Registration, specifically addressing the registration fees and compliance requirements for individuals or entities providing safekeeping and safe deposit box services in Cambodia.

Service fees and validity

Under this new Prakas, individuals or entities registering custodial or safe deposit box services must pay the following fees (per case):

- **Application fee:** KHR20,000 (approx. US\$5)
- **Administrative fee:** KHR20,000 (approx. US\$5)
- **Annual registration certificate fee:** KHR60,000 (approx. US\$15)
- **Any amendment to the trustee or trust deed:** KHR100,000 (approx. US\$25)

The registration certificate is valid for the term stated in the trust deed, and renewal must be requested at least 30 days prior to its expiration.

Disclosure of assets

The trustor is required to clearly disclose the type and nature of the trust to be managed or stored, as stated in the trust deed. In cases where asset disclosure is not intended, the trustee must implement appropriate verification methods to ensure compliance with regulatory standards.

Termination of services

If the trustee intends to terminate its safekeeping or safe deposit box services, a formal request must be submitted to the Securities Exchange Regulator of Cambodia at least 30 days before the certificate's expiration, along with the necessary supporting documents.

Non-compliance and penalties

Failure to comply with the requirements of this Prakas may result in administrative sanctions, ranging from official warnings and restrictions on operations to the suspension or revocation of registration. In addition, financial penalties may apply. Late payment of the annual registration certificate fee could lead to fines ranging from KHR1 million to KHR60 million, with repeated violations subject to double the previous fine. Where damages are caused to beneficiaries or stakeholders, the fine may be up to three times the value of the damage incurred.

Furthermore, serious or repeated violations may lead to enforcement actions under the Criminal Procedure Code, particularly in cases where financial penalties become final and enforceable.

Labor

Notification No. 29/25 dated August 29, 2025 issued by the Ministry of Labor and Vocational Training on "2026 Foreign Employee Quota Applications"

Per the notification, applications for foreign employee quota permits for the year 2026 must be submitted between September 1 and November 30, 2025.

Applications must be made through the Foreign Workers Centralized Management System ("FWCMS") available at <https://fwcms.mlv.gov.kh/>.

For entities established after November 30, 2025, applications can be submitted immediately upon commencement of operations.

To facilitate the automatic generation of Cambodian and foreign worker lists, entities must link the Labor Centralized Management System with the FWCMS by following the guidelines provided here: https://lacms.mlv.gov.kh/backend/guidline/register/how_to_link_FWCMS_LACMS.pdf.

Furthermore, all foreigners residing or working in Cambodia are required to apply for a work permit and a foreigner's workbook through the FWCMS system within 90 days from the date of their first entry into Cambodia.

Failure by those employing foreigners to apply for a foreign employee quota for 2026, or by foreigners to obtain a work permit and workbook within the stipulated timeframe, will result in fines and enforcement actions by labor inspectors in accordance with the applicable laws.

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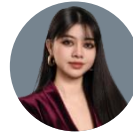
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