

The Andersen logo features a stylized white wing above the word "ANDERSEN" in a white, serif, all-caps font. The background of the entire page is a satellite night view of the Earth, showing the illuminated landmasses of Asia and Australia against the dark blue of the oceans and the blackness of space with visible stars.

ANDERSEN®

CAMBODIA

Legal and Tax Digest

March 2026

Accounting

Instruction No. 011/26 dated March 10, 2026 issued by the Accounting and Auditing Regulator (“ACAR”) on “Notice of Cessation of Business or Operational Activities of Enterprises and Non-Profit Organizations”

This new instruction, which is effective from the date of issuance, requires enterprises and non-profit organizations to formally notify the ACAR when ceasing operations.

Key highlights

- **Mandatory notification:** Entities must submit a cessation notice to the ACAR at least 60 days before the annual financial statement filing deadline, along with the applicable service fees.
- **Required supporting documents:** These include the entity’s certificate of financial reporting identification number (FIN certificate), payment confirmation receipts for payments submitted when filing prior years’ financial reports, outstanding financial statements (if any), and the relevant cessation requests submitted to other authorities (if applicable).
- **Outstanding compliance obligations:** Entities must fulfill all pending financial statement obligations before the ACAR approves the cessation.
- **Deemed ongoing operations:** Failure to notify the ACAR within the prescribed timeline will result in the entity being considered still active and subject to ongoing legal obligations and potential penalties.

This marks a tightening of enforcement by the ACAR - entities must now proactively notify and settle all reporting obligations to avoid continued liabilities.

Labor

Notification No. 13/26 dated March 26, 2026 issued by the Ministry of Labor and Vocational Training (“MLVT”) on “Temporary Allowance Increase for Cambodian Garment Workers Amid the Global Fuel Crisis”

Following the outcome of the National Minimum Wage Council meeting held on March 20, 2026, the MLVT issued this notification to address the rising costs of transportation and accommodation faced by workers due to the global fuel crisis.

Under the notification, all entities operating in the garment and textile, footwear, and travel goods and bag manufacturing sectors must provide an additional US\$2.50 per month to their workers. This amount is to be added to the existing transportation and accommodation allowances that entities already provide.

This temporary increase entered into effect on April 1, 2026, and will remain in force until further notice from the MLVT.

Customs

Notification dated March 28, 2026 issued by the General Department of Customs and Excise of Cambodia (“GDCE”) on the “Reduction in Export Tariffs and Import Duty on Key Goods to Support Green Growth”

Amid growing global attention to clean energy and sustainable development, Cambodia has revised its customs tariff framework with targeted reductions in import duties and export tariffs to promote the adoption of environmentally-friendly technologies, support development, encourage the use of clean energy, and enhance trade efficiency.

Following the issuance by the Royal Government of Cambodia of Sub-Decree No. 52 dated March 26, 2026, on the adjustment of customs import duty and export tax rates on certain goods, the GDCE issued this notification to support its implementation. The adjusted customs duty and export tariff rates entered into force on April 1, 2026, and apply to all relevant import and export activities from that date onward.

A summary of the key revised rates are shown in the table below.

Import Duty Rates

Category	Previous Rate	New Rate
Electric vehicle (“EV”) battery chargers, electric rice cookers, and solar lamps	7%	0%
Electric motors (for EVs), solar energy systems, lithium batteries (including laptop batteries, aircraft batteries, car batteries, solar batteries, and energy storage devices, such as power banks, power stations, mobile phone batteries, etc.), microwaves, electric kettles, and passenger and cargo vehicles (hybrid EVs, plug-in hybrid EV (“PHEVs”), and EVs)	15%	0%
Family PHEVs	35%	7%
Electric stoves, toasters, and family EVs	35%	0%

Adjusted Export Tariffs

Category	Previous Rate	New Rate
Bauxite (aluminum ore)	25%	10%

Real Estate

Prakas No. 033 dated March 31, 2026 issued by the Ministry of Land Management, Urban Planning and Construction (“MLMUPC”) on “Elevator Installation Licensing”

In light of Cambodia’s rapid urbanization, the regulation of elevator installation and maintenance has become a critical legal and public safety priority.

MLMUPC issued this Prakas to establish a legal framework to regulate elevator installation activities. It sets out the conditions and procedures for the granting, suspension, and revocation of installation licenses, with the objective of ensuring safety, quality, and professional accountability within the construction sector.

Scope of application

The Prakas applies to all types of elevators, including lifts, escalators, and travelators, except those used at construction sites.

Elevator installation license categories and conditions

A. Level 1 elevator installation license

This license is granted to companies authorized to carry out elevator installation, repair, and modification works for all types of construction projects.

Requirements:

- A valid business registration with a construction-related business objective
- One technical manager (an engineer holding a mechanical engineering degree with at least five years of experience)
- Three technical personnel (engineers holding a mechanical, electrical, and civil engineering degree, each with at least three years of experience)
- A valid insurance certificate issued by an insurance company operating in Cambodia covering liability arising from business operations

B. Level 2 elevator installation license

This license is granted to companies authorized to carry out elevator installation, repair, and modification works only for construction projects approved by the authorities at the capital, provincial, municipal, district, and khan administration levels.

Requirements:

- A valid business registration with a construction-related business objective
- One technical manager (an engineer holding a mechanical engineering degree with at least three years of experience)
- Two technical personnel (engineers holding a mechanical and electrical engineering degree, each with at least two years of experience)
- A valid insurance certificate issued by an insurance company operating in Cambodia covering liability arising from business operations.

Licensing procedure

The application, which is submitted through the MLMUPC's One Window Service Office, must include the following documents:

- Company-related documents:
 - A completed application form
 - A copy of the business registration certificate
 - A copy of the insurance certificate
 - A list specifying the technical manager and technical personnel
- Company director's information:
 - A copy of their national ID card or passport
- Technical manager and personnel information:
 - A copy of their national ID card or passport
 - A copy of academic qualification (degree)
 - A copy of a professional registration certificate issued by the relevant professional association
 - A copy of a valid work permit and residency certificate (if foreign personnel)
 - A copy of proof of relevant work experience (to be legalized by the relevant embassy if the individual is a foreign national)

The competent authority will review the application within a maximum of 15 working days from the date of submission.

License validity and renewal

Elevator installation licenses are valid for a period of three years from the date of issuance, and are renewable. Renewal applications must be submitted at least 30 days before the license's expiry date.

If a license expires, the holder may continue to perform obligations arising from existing elevator installation service contracts, provided that such contracts were concluded when the license was still valid.

However, license holders are strictly prohibited from entering into any new elevator installation service contracts after their license expires.

License holders' obligations

License holders are subject to strict operational obligations, including requirements to:

- Comply with technical standards and construction regulations.
- Adhere to professional ethics.
- Ensure the safety of workers and construction sites.
- Cooperate with technical inspectors.
- Provide a 24-hour emergency hotline.
- Prepare technical reports for each installation.

Penalties

Failure to comply with this Prakas or respond within the specified timeframe will result in penalties such as warnings, or suspension, or revocation of the license, depending on the severity of the violation.

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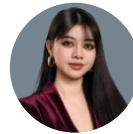
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