

CHAPTER I

GENERAL PROVISIONS

Article 1.-

The purpose of this Law is to;

- provide the right for the administration, control and collection of duties, taxes and fees on imported and exported goods,
- provide for the control and regulation of the movement, storage and transit of such goods,
- promote the prevention and suppression of fraud and smuggling,
- participate in implementing the international trade policy of the Royal Government of Cambodia,
- promote the application of international standards and best practices regarding customs control and trade facilitation.

The Customs and Excise Department is responsible for the administration and enforcement of the provisions of this Law. The Department operates under the direct supervision of the Ministry of Economy and Finance.

Article 2.-

The Customs Territory includes the land territory, territorial waters and airspace as well as offshore islands of the KINGDOM OF CAMBODIA. The Royal Government of Cambodia may establish Free Zones that are excluded from all or part of the customs procedures.

Article 3.-

This Law must be applied:

- equally throughout the customs territory;
- equally to all persons; and
- without any immunity or dispensation to goods imported or exported by the state or on its behalf.

Article 4.-

Customs operations are conducted throughout the customs territory, including a Customs Zone along land and coastal borders, under conditions prescribed in this law.

The Customs Zone includes a coastal zone and a land zone.

a. The coastal zone extends from the coast to an outer limit located twenty (20) Kilometers offshore.

b. The land zone extends:

- at coastal borders between the coast and a line drawn twenty (20) kilometers inland from the seashore and from the banks of rivers, streams and canals

flowing to the sea as far as the first customs office located upstream, as well as in a twenty (20) kilometers radius around said customs office;

- at land borders, twenty (20) kilometers inland from the border.

To facilitate the repression of fraud, the Minister of Economy and Finance may by Prakas:

a. extend the land Customs Zone up to sixty (60) kilometers at specific locations and for specified periods of time;

b. extend the Customs Zone up to three (3) kilometers around Customs Offices that are not in the Customs Zone referred to in the first paragraph and the second paragraph, and sub-paragraph (a) of the third paragraph, of this Article.

Notwithstanding the provisions of the first paragraph of this Article, the Royal Government may by Anukret;

a. authorize customs officers to carry out their duties under this law outside the Customs Territory on a reciprocal basis and in accordance with international agreements, treaties or conventions entered into by the Kingdom of Cambodia,

b. allow customs officers of foreign countries to carry out their duties under their relevant laws respecting the import and export of goods in the Customs Territory on a reciprocal basis and in accordance with international agreements, treaties or conventions entered into by the Kingdom of Cambodia.

Customs formalities are only carried out in Customs Offices unless otherwise stipulated by the Minister of Economy and Finance by Prakas.

The Minister of Economy and Finance may by Prakas determine the establishment, functions and elimination of Customs Offices.

Hours of operation of Customs Offices are determined by the Director of Customs. This determination must be affixed to each Customs Office.

Article 5.-

All imported and exported goods are subject to the provisions of this law.

Goods entering or leaving the customs territory are subject, as applicable, to import duties and taxes or export duties and taxes as specified in the Customs Tariff. The establishment and application of the Customs Tariff shall be prescribed by *Anukret*.

In matters concerning the national interest, including emergencies, the Royal Government may order the total or partial suspension of duties and taxes on goods essential to the needs of the population, or suspend the import or export of certain goods.

Article 6.-

Preferential tariffs may be granted pursuant to international commitments, agreements, treaties or conventions entered into by the Kingdom of Cambodia. Such preferential tariffs and their application are established by *Anukret*.

Article 7.-

The Royal Government may by *Anukret* take measures to protect Cambodian producers by raising tariffs when domestic producers are injured by an increase in

imports, by subsidies provided by other governments to their countries' exports to Cambodia, or by goods that are dumped on Cambodia's markets.

Article 8.-

The Royal Government may by Anukret prohibit or restrict, subject to conditions, the import or export of certain goods for any of the following purposes:

- National security;
- Public order and standards of decency and morality;
- The protection of health and life of persons, animals or plants;
- The protection of national treasures of artistic, historic or archaeological value;
- The conservation of natural resources;
- The compliance with the provisions of any legislation of The Kingdom of Cambodia currently in force;
- The fulfillment of obligations under the Charter of the United Nations.

To combat smuggling and fraud, the Minister of Economy and Finance may by Prakas identify certain sensitive or highly taxed goods as specially designated goods for the purposes of this Law, and may impose additional controls and restrictions on their transport, circulation, storage and possession.

Article 9.-

Unless the context demands otherwise, for the purposes of this law:

Ad valorem duty is duty calculated on the basis of the customs value.

Specific Duty is duty based on the unit of weight, volume, or quantity of goods.

Customs Bonded Warehouse is a building, place or an area that meets certain requirements determined by Customs that is used to store, to process, to display, to provide for sale, or for other related purposes, goods for which the import duties are deferred.

Conveyance is any vessel, aircraft or other means used to transport persons or goods.

Smuggling is the import or export of goods outside customs houses, as well as all violations of provisions of law or regulations relating to the import or export, holding and transport of goods within the Customs Territory.

Country of origin is the country in which goods have been produced or manufactured according to the criteria prescribed for the purposes of application of the Customs Tariff, of quantitative restrictions or of any other matters related to trade.

Customs or Customs Administration is the Customs and Excise Department of the Ministry of Economy and Finance, including customs officers, which is responsible for the administration and enforcement of the customs law, the collection of duties and taxes and fees, and which also has the responsibility for the application of other laws and regulations relating to the importation, exportation, movement and storage of goods.

Customs broker is a person authorized to carry on the business of arranging for the customs clearance of goods directly with Customs on behalf of another person.

Customs clearance is the accomplishment of the customs formalities necessary to allow goods to enter into home use, to be exported or placed under another customs procedure.

Customs clearance area is an area fully supervised by the Customs and Excise Department.

Customs control is the procedures imposed by Customs on the transport, movement and storage of imported and exported goods.

Customs declaration is a statement made for the purpose of importation or exportation in the form and manner as prescribed under the provisions of this Law.

Customs examination is the physical inspection of goods or documents by Customs to verify that the nature, origin, condition, quantity and value of the goods are in accordance with the customs declaration.

Customs formalities is all the operations that must be carried out by the concerned persons and by Customs in order to comply with this Law or other laws enforced or administered by Customs.

Customs manufacturing bonded warehouse is a factory under customs control for dealing with imported goods suspended from duties and taxes to be used in manufacturing processes.

Customs office is the customs administrative unit competent for the administration of customs formalities, and the buildings or other areas approved for that purpose under the provisions of this Law.

Customs officer is a person duly authorized to administer or enforce this Law.

Customs value or value, in relation to imported goods, means the Customs value of those goods determined in accordance with Article 21 of this Law.

Declarant is a person who makes a customs declaration on behalf of either themselves or another person.

Documents is documents in any form, whether or not signed or initialed or otherwise authenticated by the maker, and includes:

- Any form of writing on material;
- Information recorded, transmitted, or stored by means such as tape recorder, computer, or other device, and material derived from such information;
- A label or other marking or writing that identifies any thing to which it is attached or of which it forms part;
- A book, map, plan, graph, or drawing;
- A photograph, film, negative, tape, or other device in which visual images are embodied so as to be capable of being reproduced.

Duty is a duty, additional duty, tax, fee, or other charges imposed on goods in accordance with the provisions of this Law or other Laws and regulations enforced and administered by Customs.

Free Zones are areas established by the Royal Government where imported goods are not subject to duties and taxes under certain conditions.

Goods are all kinds of movable property.

Home use is the free circulation of imported goods within the Customs Territory after release by Customs.

Importer is a person who imports goods for themselves or on behalf of another person. Importer also includes the consignee of goods, and a person who is the owner or becomes the owner of the goods or becomes entitled to the possession of those goods, before they have ceased to be subject to Customs control.

Importation in relation to goods, means the arrival of goods in the Customs Territory in any manner whatever, whether lawfully or unlawfully, from a point or place outside the Customs Territory.

Release is the authorization by Customs to the concerned person to remove goods from customs control after completion of customs formalities.

Security is any financial guarantee, or other financial instrument used to secure the eventual payment of duties, taxes, and other fees under this law.

Specially designated goods are goods so designated by Prakas of the Minister of Economy and Finance under the provisions of the second paragraph of Article 8 of this Law.

Legal route is any road, railway, waterway and any other route that Customs directs must be used for the transportation of imported or exported goods under customs control.

Temporary admission is the customs procedures under which certain goods can be brought into the customs territory conditionally relieved totally or partially from payment of import duties and taxes. Such goods are imported for a specific purpose and are to be re-exported within a specified period and without having undergone any change except normal depreciation due to the use made of them.

Transit is the customs procedure under which goods are transported under Customs control from one customs office to another.

Transshipment is the customs procedure under which goods are transferred under Customs control from the importing means of transport to the exporting means of transport within the area of one customs office that is the office of both importation and exportation.

Direct Transport is the international transport of goods from the country of origin to the country of destination without passing through another country, unless this transit is necessitated by geographic or logistical reasons, and provided that the goods are not subject to trade or use and operations except loading, unloading or operations necessary to keep the goods in good condition while in the transit country.

Person is a natural or legal person.

CHAPTER II

IMPORT AND EXPORT

Section 1 – Imports

Article 10.-

All imported goods must be reported at a customs office or other location as determined by the Director of Customs.