

KINGDOM OF CAMBODIA

Nation Religion King

Ministry of Economy and Finance
No : 106 MEF

Phnom Penh, 15 February 2008

Prakas

on

Customs Temporary Storage

Senior Minister

Minister of Economy and Finance

- Having Seen the Constitution of the Kingdom of Cambodia;
- Having Seen Reach Kram N° NS/RKT/0704/124 dated 15 July 2004 on the Appointment of the Royal Government;
- Having Seen Reach Kram N° 02/NS /94 dated 20 July 1994 promulgating the Law on the Establishment and Organization of the Council of Minister;
- Having Seen Reach Kram N° 02/NS/RKM/0196/18 Dated 24 January 1996 promulgating the Law on the Establishment of the Ministry of Economy and Finance;
- Having Seen Reach Kram N° NS/RKM/0707/017 dated 20 July 2007 promulgating the Law on Customs;
- Having Seen Anukret N° 04 ANKR.BK dated 20 January 2000 on the Establishment and Organization of the Ministry of Economy and Finance;
- Pursuant to the priority task of the Ministry of Economy and Finance

HEREBY DECIDES

Praka 1.-

To establish, in accordance with Article 43 of the Law on Customs, customs temporary storage of imported and exported goods under customs supervision in approved premises pending completion of customs formalities. The Customs Temporary Storage Facilities (CTSF) include customs warehouses and customs clearance areas under the management and control of customs authority.

Praka 2.-

Conditions relating to license for operation of customs temporary storages:

1. Licenses for the operation of CTSF are approved by the Minister of Economy and Finance. Such licenses will determine conditions for owners and operators including location, construction, layout of premises, security requirement and procedures for the handling and control of goods.

2. Any person who wishes to apply for a license shall submit an application to the Director of Customs in the prescribed form, together with a detailed plan of construction and location of the proposed CTSF.

3. The license may be issued if:

- The applicant has good qualification.
- The applicant has sufficient financial resources to enable him to provide the facilities, equipment, personnel and services required to operate the facility;
- The site of the proposed CTSF is within a reasonable distance from main transportation routes and a customs office; and contains adequate space for the storage of imported and exported goods. The building structure of the CTSF must be suitable for operation;
- Customs may manage and control the customs formalities of the goods stored in the proposed CTSF.

4. The licence may be amended by the Minister of Economy and Finance in order to:

- Change a restriction or conditions specified in the licence regarding the goods that may be received in CTSF or to additionally specify this restriction and condition; or
- Change the name of the licensee, where the name of the licensee is changed.

5. The licence may be cancelled by the Minister of Economy and Finance if the licensee;

- no longer owns or leases the place that is licensed as CTSF;
- requests the Minister of Economy and Finance in writing to cancel the licence; or
- is legally bankrupt.

6. The licence may be suspended or cancelled by the Minister of Economy and Finance where the licensee:

- is the subject of repayment impossibility of his debts;
- fails to comply with any laws or regulations relating to importation or exportation of goods;

- has acted dishonestly in his business dealing with competent authorities, customs brokers, importers, exporters, and carriers; or
- has been incompetent in the operation of the facility.

7. Every holder of CTSF license shall pay an annual license fee of 20.000.000,00 riels to the Customs and Excise Department for state budget.

Praka 3.-

Customs temporary storage operators are required to deposit security to the Customs and Excise Department in an amount sufficient to guarantee the payment of duty and taxes, fees, and other charges on goods stored in CTSF. The form of the security shall be in accordance with the provisions of Article 41 of the Law on Customs and related regulations.

Praka 4.-

All costs related to CTSF, including maintenance and repair are to be borne by owners or operators. They (the owners) are responsible for providing appropriate facilities for customs officers to carry out their responsibilities with free of charge.

Praka 5.-

In accordance with Article 35 of the Law on Customs, the operators of the licensed CTSF are liable for duties, taxes and other fees on goods stored in the facility.

Goods that have been deteriorated, spoiled, or damaged by accident or force majeure during customs temporary storage acknowledged by customs, shall be assessed duty and tax on the basis of their state when removed from CTSF.

Praka 6.-

The goods stored in CTSF are subject to be controlled by customs, and must be stored in accordance with established procedures.

Goods are placed in CTSF for the following reasons:

- While waiting for documents necessary for customs formalities;
- Pending discharging of goods from containers;
- For examination of goods; and
- While waiting for the completion of commercial transactions.

The goods placed in CTSF are released immediately from customs after lodging of a customs declaration for customs clearance or transit transportation and completion of customs procedures.

Praka 7.-

The goods placed in CTSF are suspended from payment of duties, taxes and fees; the requirements for lodging a customs declaration; and necessary documents under the customs clearance procedures.

Praka 8.-

All goods can be placed in CTSF except for:

- Goods that are strictly prohibited from import or export;
- Goods that contain hazard to people or that are likely to affect other goods, or that require specialized storages that are specially equipped to store such goods.

Praka 9.-

The storages of goods in CTSF must be carried out under the following procedures:

1. Before placing of goods in CTSF, the goods must be presented to customs;
2. A summary declaration signed by the CTSF operator must be lodged to customs authority prior to the storing of goods.

3. The format and information required on the summary declaration is determined by the Director of Customs, and consists of the following:

- Number and date of registration
- Quantity, type, mark and package numbers;
- Description of goods;
- Gross weight of shipment;
- Name of importer or exporter;
- Country of supply or export and country of import;
- Mode and means of transport;
- Reference documents indicating type, number, date of transport documents for imports or other documents for exports. The copies of the documents must be attached with the summary declaration when presented to customs.

Praka 10.-

Procedures for presentation of the summary declaration are as follow:

1. The operator of CTSF has to register the summary declaration, which has been registered by customs, in the register of CTSF when the goods are placed in CTSF;
2. A separate list is required for each warehouse or customs clearance area of CTSF. This list is called the Customs Temporary Storage Register. The register must contain the information outlined in sub-paragraph (3) of Praka 9 above.

3. The format of the register is determined by the Director of Customs.
4. Separate registers are to be formed for import and export operations.
5. The number and date of customs registration are recorded on the documents attached to the summary declaration;
6. After completion of the above procedures, a preliminary examination may be carried out by customs, such as counting and verification of packages.

Praka 11.-

With prior permission by customs, the following operations may be carried out in CTSEF:

- weighing, pre-checking and sorting of goods;
- sampling goods;
- recording any damages and selecting the damaged goods;
- repairing and changing the packing of goods if necessary;
- repacking and all labor activities that aim to refresh goods but that will not alter the characteristics of the goods;
- any operation for the purpose of maintaining the goods such as brushing and cleaning dust etc.
- applying labels or stickers for the purpose of subsequent transportation of goods.

Praka 12.-

The time limits for the storage of goods under the customs temporary storage procedure from the date the summary declaration is registered are as follows:

- Thirty (30) days for customs temporary storage of goods at airports;
- Forty five (45) days for the customs temporary storage located in places other than at airports.

These time limits may be extended by the Director of Customs for the period not exceeding the time specified in paragraph (1) above.

Praka 13.-

If a customs declaration is not presented within the time limited in Praka 12 above, the goods are automatically placed in customs warehouse. During the period the goods are in customs warehouse, the owner of the goods must pay to customs a charge of 0.1% per day of the CIF value of the goods. This charge must be recorded on customs declaration and deposited into the state budget. All goods that are placed under customs warehouse must be recorded in the special list.

Praka 14.-

Goods that are not applied for customs clearance from CTSF within 3 months from the date they were recorded in the register of customs warehouse must be considered as unclaimed goods and must be dealt with under the provisions of Article 54 and Article 55 of the Law on Customs.

Perishable goods or goods that are difficult to keep may be immediately disposed of by having prior authorization from the Director of Customs.

Goods that have the value of less than 500,000 Riel are considered to be abandoned by the owner, and customs may sell these goods at public auction or make a donation for hospitals, social institutions, or other charity organizations.

Praka 15.-

All goods that were imported before this Prakas put into effect and that remain in CTSF are also subject to the provisions of this Prakas.

Praka 16.-

Any regulations contradict to this Prakas shall be null and void.

Praka 17.-

Delegate of the Royal Government in charge of Customs and Excise Department, Secretary General, Director of Cabinet, Director of the Department and involved units within the Ministry of Economy and Finance; including personnel and institutions concerned shall carry out the provisions of the s effectively from the signatory date.

**Senior Minister,
Minister of Economy and Finance**
Signature
Keat Chhon

C.C :

- Ministry of the Royal palace
- Secretariat General of the Senate
- Secretariat General of the National Assembly
- Cabinet of Samdech Akka Moha Sena Padei Techo **Hun Sen** Prime Minister of the Kingdom of Cambodia
- Council of Ministers
- "To be informed"
- Customs and Excise Department
- As Praka 17
- Cambodia Chamber of Commerce
- "For publicized cooperation and implementation"
- Official Journal
- Document - Archive