

KINGDOM OF CAMBODIA

Nation Religion King

Ministry of Economy and Finance

No. 508 MEF. BRK

Phnom Penh, 01 July 2008

PRAKAS

on

Customs Transit

**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.-

The establishment of the customs transit procedure which allows the transport of goods from one customs office to another under customs control with import duties and taxes suspended is authorized in accordance with the provisions of Articles 13 and 25 of the Law on Customs.

Praka 2:

International transit is the transport of cargo from a customs office of entry into the Customs Territory of the Kingdom of Cambodia to a customs office of exit from the Customs Territory and where such transport is a part of a complete journey beginning and terminating beyond the frontier of the Customs Territory.

National transit is the transport of cargo:

- from the customs office of entry to another customs office or authorized customs clearance premise in the Customs Territory of the Kingdom of Cambodia
- from a customs office or authorized customs clearance premise in the Customs Territory to a customs office of exit, or
- from one Customs office or authorized customs clearance premise to another Customs office or authorized customs clearance premise in the Customs Territory.

Praka 3.-

Transit cargo and transport vehicles are not subject to customs duties and taxes, but may be subject to charges and other fees related to the costs of processing transit operations as determined by the Ministry of Economy and Finance.

Praka 4.-

In order to ensure effective controls on customs transit operations and to facilitate trade, the Director of Customs may establish terms and conditions for transit operations in accordance with the obligations of the Royal Government of Cambodia under relevant international agreements and international standards of best practices.

The terms and conditions to be established by the Director of Customs include:

- Determination of authorized transit operators, including the rights to temporarily or permanently exclude any person, committing guilty of any offence against customs laws and regulations, from the use of the transit procedures;
- Detailed operational procedures, including documentation requirements, reporting procedures, and other restrictions related to procedures at the office of entry, office of exit and specifying strict route and time limits under customs transit procedures;
- Customs control procedures and requirements including sealing of transport units or containers;
- Procedures to be followed in the case of loss or destruction of the transit cargo, damage to the transit seals, tear of customs stamp or any other incident or accident capable of affecting the ability to comply with obligations;

- Transport vehicle and cargo container security standards;
- Security guarantee requirements in accordance with the Prakas on Security.

Praka 5.-

Any offences detected in connection with the transit operation shall be dealt with in accordance with the provisions of the Law on Customs and other related existing laws and regulations of the Kingdom of Cambodia.

Praka 6.-

Except the case as provided in Praka 7, transit goods shall only be transported in containers as defined in the second paragraph of this Praka, or in transport units approved by customs.

For purposes of this Prakas, container means a transport equipment device that is:

- a closed compartment intended for containing goods that is capable of being sealed;
- of a permanent nature and accordingly strong enough to be suitable for repeated use;
- specially designed to facilitate the carriage of goods by one or more modes of transport, without intermediate unloading and reloading of the goods;
- designed for ready handling, particularly when being transferred from one mode of transport to another;
- designed for easy filling and emptying; and
- to have an internal volume of at least one cubic meter.

An approved transport-unit for customs transit must be so constructed and equipped so that:

- customs seals can simply and effectively be affixed to it;
- no goods can be removed from or introduced into the sealed part of the transport-unit without leaving visible traces of tampering or without breaking the Customs seal;
- it contains no concealed spaces where goods may be hidden; and
- all spaces capable of holding goods are readily accessible for Customs inspection.

Customs and Excise Department shall decide whether transport-units and containers are secure for the purposes of Customs transit control.

Praka 7.-

Heavy or bulky cargoes; which because of their weight, size, or nature being normally not carried in a closed compartment (container); may be allowed to be carried by non-sealed vehicles or containers, provided those goods can easily be identified by reference to the description given (in packing lists, photographs, drawings).

Customs may apply appropriate monitoring measures so as to prevent substitution, removal, or addition of goods.

Praka 8.-

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

Praka 9.-

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 9
- Cambodia Chamber of Commerce
 - "For publicized cooperation and implementation"
- Official Journal
- Document - Archive