



Cambodian Law on Customs

CHAPTER I

GENERAL PROVISIONS

Article 1:

The purpose of this Law is;

- to provide for the assessment and collection of duties taxes and fees on imported and exported goods,
- to provide for the control and regulation of the movement, storage and transit of such goods,
- to promote the prevention and suppression of fraud and smuggling,
- to participate in implementing the international trade policy of the Royal Government of Cambodia.
- to 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 including offshore islands, as well as territorial waters and airspace 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 established 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 Customs Zone up to sixty (60) kilometers at specific locations and for specified periods of time,
- b. extend the Customs Zone to include an area up to three (3) kilometers around Customs Offices that are not in the Customs Zone referred to in the first and second paragraphs 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 Sub decree:

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

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



The Minister of Economy and Finance may determine by Prakas 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:

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 human, animal or plant life or health;
- 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 7:

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 weight, volume, or quantity of goods.

Customs Bonded Warehouse is a building, place or an area that meets certain requirements established 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 vehicle, or other means, used to transport persons or goods.

Smuggling is the illegal import or export of goods outside customs houses, as well as all violations of provisions of law and regulations relating to the 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 laid down 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 duly authorised customs officers, responsible for the administration of the customs law and 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 authorised to carry on the business of arranging for the customs clearance of goods, and who deals directly with Customs for and 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 satisfy themselves 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 persons concerned 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 performance of customs formalities and the premises or other areas approved for that purpose under the provisions of this Law.

Customs officer is a person duly authorised 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 natural or legal person who makes a customs declaration or in whose name a declaration is made.

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 of 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 of;
- 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 charge imposed on goods by any of 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 authorisation by Customs 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, or fees under this law.



Specially designated goods are goods so designated by Prakas by 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 intended for re-exportation 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 8:

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

The Minister of Economy and Finance may by Prakas regulate the time, manner, documentation requirements, circumstances and exceptions with respect to the reporting of imported goods.

Article 9:

All imported goods shall be reported at the nearest customs office through the legal route;

- a. in the case of goods in the actual possession of a person arriving in Cambodia, or that form part of personal baggage, by that person;
- b. in the case of goods imported by courier or as mail, by the person who exported the goods to Cambodia;
- c. in the case of goods, other than goods referred to in sub-paragraphs (a) and (b) of this paragraph, on board a conveyance arriving in Cambodia, by the person in charge of the conveyance, including military conveyances;
- d. in any other case, by the person on behalf of whom the goods are imported.

Every person reporting goods under this Article shall:

- a. answer truthfully any question asked by a customs officer with respect to the goods;
- b. where a Customs officer so requests, make the goods available for inspection by Customs in the manner prescribed by the Director of Customs.

Article 10:

No person shall unload goods from a conveyance arriving in Cambodia until the goods have been reported to Customs in accordance with this Law, except where the safety of the conveyance, or the goods, or persons on the conveyance, or third parties may be threatened by emergency conditions as prescribed by the Minister of Economy and Finance by Prakas.



Article 11:

Customs may authorise the removal of the goods referred to in Article 10 from the customs clearance area prior to the payment of duties and taxes and fees, under customs control and after the fulfillment of customs formalities, for the purposes of:

- temporary storage;
- bonded storage;
- further transportation within or through the Customs Territory to a destination and along routing and within time limits approved by Customs, including transit, transshipment or transportation to or from or between customs offices, and customs temporary storage facilities and customs bonded warehouses.

Article 12:

The goods referred to in Article 10 may be released by Customs after fulfillment of customs formalities, including the payment of any duties or taxes and/or provision of security, for such goods to be:

- imported for home use;
- temporarily admitted;
- used under duty-suspended conditions.

The Minister of Economy and Finance shall prescribe by Prakas conditions under which goods may be released prior to the payment of duties and taxes and fees.

Article 13:

Imported goods may be released by Customs for temporary admission if at the time of importation it can be demonstrated that these goods will be re-exported.

Temporarily admitted goods shall be under customs control until such time as the conditions of their temporary admission have been fulfilled.

The Minister of Economy and Finance may prescribe by Prakas provisions governing the temporary admission of goods, including the duration of the temporary admission, fees and other controls or restrictions.

Section 2- Exports

Article 14:

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

The Minister of Economy and Finance may regulate by Prakas the time, manner, documentation requirements, circumstances and exceptions with respect to the reporting, movement, storage and transportation of goods to be exported.

Every person reporting goods under this Article shall:

- a. answer truthfully any question asked by a customs officer with respect to the goods;
- b. where a customs officer so requests, make the goods available for inspection by Customs in the manner prescribed by the Director of Customs.

Article 15:

Prakas issued by the Minister of Economy and Finance establish the conditions under which Customs may authorise the temporary export of goods shipped outside the customs territory to be repaired, added to, or manufactured there, or for additional work, as well as the methods whereby these goods are subject to payment of import duties and taxes when they are re-imported.

CHAPTER III

DOCUMENTS, BOOKS, RECORDS AND OTHER INFORMATION ON IMPORTS AND EXPORTS

Article 16:

All persons engaged or involved in the commercial or institutional import or export of goods must keep or cause to be kept accurate documents books, records and other information, including information in electronic format, pertaining to import and export.

Included in the first paragraph of this Article are importers, exporters, customs brokers, operators of temporary storage facilities and customs bonded warehouses, transportation operators, and other concerned parties.



The documents, books, records and other information referred to in the first paragraph of this Article shall be kept for a period of ten (10) years at business premises in Cambodia.

Article 17:

At the request of Customs, persons referred to in the first paragraph of Article 51 of this Law are obliged to make available for examination documents, books, records and other information concerning imports and exports.

Where the persons referred to in the first paragraph of this Article are not in place, their representatives are obliged to make available the documents, books, records and other information.

As and when required by a customs officer, every such person referred to in the above paragraphs of this article must:

- a. Provide copies of the documents, books and records and other information as required;
- b. Answer any questions relevant to matters arising under this Law asked of them by a customs officer;
- c. Where information is recorded or stored by means of an electronic or other device, operate the device, or cause it to be operated, to make the information available to the customs officer.

CHAPTER IV POWERS & OBLIGATIONS

Article 18:

Customs officers exercise powers established under this law in the Customs Zone. In the case of goods designated under the second paragraph of Article 8 of this Law, the powers of customs officers are exercised anywhere in the Customs Territory.

With respect to goods being imported or exported, customs officers have the power to:

- a. Inspect goods and open or cause to be opened any package or container of goods and take reasonable amounts of samples of those goods for examination;

- b. Stop, board and inspect any conveyance and direct that the conveyance be removed to a customs office or other suitable place for examination;
- c. Where there are reasonable grounds to suspect that an offence has been committed, inspect private residences or businesses to gather evidence or seize goods in accordance with the laws of the Kingdom of Cambodia;
- d. Check the identity of any person entering or leaving the customs territory, stop, question and search such a person if the officer suspects that the person has hidden any goods or other thing on, in, or about his or her body that would be evidence of the contravention of this Law or any other Laws of the Kingdom of Cambodia.

The cost of the examinations referred to in sub-paragraph (a) and sub-paragraph (b) of the second paragraph of this Article shall be borne by the owner or holder of the goods or conveyance.

The Minister of Economy and Finance may determine by Prakas the procedures for such inspections and examinations.

Article 19:

Customs officer may, at any time in accordance with the law, enter any premises or place where documents, records, or other information are kept pursuant to Article 51 of this Law and audit or examine those documents records, or other information, either in relation to specific transactions or to the adequacy and integrity of the manual or electronic systems by which such records are created and stored.

Customs officers may inspect documents records, or other information or any property, process, or matter that the officer considers necessary or relevant for the purpose of collecting any duties and taxes under this Law, for the purpose of carrying out any other function of the officer, or for the purpose of collecting information required for the purposes of this Law.

Customs officers shall have full access to all lands, buildings, and places and to all documents records and information, whether in the custody or under the control of the licensee, importer, or exporter, or any other person.

The customs officer may, without charge, make extracts from or copies of any such records or documents, take possession of by providing a report, and retain any document or record presented in connection with any declaration required under this Law



The customs officer shall, at the request of the person in possession of the document or record, provide that person with a true copy of the document or record certified by Customs.

Article 20:

Sworn customs officers have all the powers of judicial police officers, when certified by the General Prosecutor of the Court of Appeals.

Customs officers qualified as judicial police have the right to prepare and sign an official report on a customs offence, in their assigned territory.

During the investigation, prevention and suppression of customs offences, customs officers shall carry an authorised mission letter, wear their uniform, insignia, hierarchical ranking badge, unless otherwise directed by the Director of Customs.

The official uniform, the insignia and the rank of the Customs officials shall be determined by Anukret.

Article 21:

Customs officers shall have the right to carry arms, and to use them in carrying out their duties in the following circumstances;

- For legitimate defence,
- When they cannot otherwise halt conveyances suspected to be involved in smuggling or other illegal activities whose operators do not obey the order to stop,
- For other reasons established by other Laws or regulations of the Kingdom of Cambodia.

Arms used by customs officers in carrying out their duties must be provided and managed by the Ministry of the Interior.

Article 22:

Sworn customs officers qualified as Judicial police may detain a person for up to forty-eight (48) hours in accordance with the Law on Criminal Procedures.

Article 23:

All persons are prohibited from obstructing or impeding customs officers in the legitimate exercise of their powers under this law or any other laws of the Kingdom of Cambodia.

Article 24:

Operators of conveyances must obey the orders of customs officers.

Customs officers may make use of all appropriate equipment to halt conveyances when their operators do not stop when so ordered.

When requested, civilian, police and military authorities are required to assist immediately customs officers in carrying out their duties under this Law.

Article 25:

Customs officers have the right to seize temporarily goods and conveyances involved in violations of this law. Such goods and conveyances may be subject to confiscation by the competent court.

Outside the Customs Zone, seizures may be carried out in customs offices, temporary storage facilities and customs bonded warehouses and other locations subject to the surveillance of customs.

Goods designated under the second paragraph of Article 8 of this Law may be temporarily seized anywhere in the Customs Territory.

Seizures may also be carried out anywhere in the Customs Territory in the event of pursuit in plain sight, or the unexpected discovery of goods, the fraudulent origin of which emerges from the statements of the person holding the goods or from documents in the possession of the person.

Customs officers have the right to copy documents or records, and to seize documents, records and other things that are evidence of violations of this law.

The Minister of Economy and Finance may determine by Prakas procedures regarding the seizure of goods, conveyances, records and other things, and the duplication of records.

Article 26:

As circumstances allow, goods, conveyances or other things seized are taken to the customs office that is closest to the place of seizure. When there are several customs offices in the same locality, the objects seized may be transported to any one of them. When they cannot be taken immediately to the customs office or when there is no customs office in the locality, the objects seized may



be entrusted to the custody of the accused or a third party at the seizure location or some other location.

When the goods seized are not prohibited, and where the goods, conveyances, documents, records and other things seized are not required for evidence, they may be released to the owner upon providing security in accordance with the provisions of Article 41 of this Law.

Goods seized that are neither prohibited nor restricted, and conveyances or other things used for concealment or transportation of such goods shall be returned to their owners after full payment of all duties, taxes, other charges and fines.

Article 27:

The seizing customs officer shall, without delay, write up a report on the seizure.

If the offender is present the report should indicate that it was read to him or her, that he or she was asked to read and sign it and was given a copy immediately.

When the offender is not present the report is to be posted within twenty-four 24 hours of its preparation at the nearest customs office, or the nearest municipal office if there is no local customs office.

Further details regarding the form, contents and procedures for preparation and submission to the court of the report referred to in the first paragraph of this Article are determined by joint Prakas of the Minister of Economy and Finance and the Minister of Justice.

Article 28:

In cases where seizures are conducted on ships and decked vessels and unloading cannot be done immediately, those conducting the seizure shall affix seals on the ship's panels and hatchways.

Article 29:

In the event of a seizure at a residence, non-prohibited goods are not moved, provided that the accused provides security in accordance with the provisions of Article 41 of this Law. If the accused does not provide security, or if prohibited goods are involved, the goods are transported to the closest customs house or entrusted to a third-party custodian, either where the seizure took place, or at some other location.

Article 30:

A person subject to a penalty or seizure of goods conveyance or other things may appeal in writing to the Director of Customs within thirty (30) days of receiving notification of the penalty or seizure, stating the reasons for the appeal, and depositing security in accordance with Article 41 of this Law.

The Director of Customs shall make a decision on the appeal within sixty (60) days of receipt of the appeal; otherwise, the appeal is granted.

The Minister of Economy and Finance may by Prakas establish procedures regarding this appeal process.

CHAPTER V PENALTY PROVISIONS

Article 31:

Any person who imports or exports goods, or attempts to import or export goods, in contravention of this Law or regulations commits a customs offence.

Any person who commits a customs offence may be punished by administrative fines imposed by Customs, or by judicial penalties imposed by the competent Court, or both.

Article 32:

Any person who commits minor violations of provisions of this law and regulations, including inaccuracies and omissions in completing declarations and failure to meet requirements and obligations, that have no impact on duties, taxes, prohibitions, or restrictions is subject to administrative fines of one hundred thousand (100,000) riels to five hundred thousand (500,000) riels when the irregularity is not more severely punished by this Law.

Article 33:

Any person who commits violations of provisions of this law and regulations, including those contained in Article 73 of this law and the offences listed below, that involve the evasion of duty or taxes where the goods are not prohibited or restricted, is subject to administrative fines of between one (1) time to three (3) times the duty and tax evaded, and to a judicial penalty of confiscation of the goods and of the conveyance and other things used to conceal



smuggled goods, or imprisonment for one (1) month to one (1) year, or to one of the above.

- a. Failure to report goods to customs in accordance with Article 10 and Article 16 of this Law;
- b. Unloading of goods from a conveyance before reporting to customs under the provisions of Article 12 of this Law;
- c. Opening or unpacking, or causing to be opened or unpacked, any package of imported goods that has not been released by customs, or breaking or tampering with any seals that have been placed on goods, conveyances, temporary storage facilities or bonded warehouses, or other places as required by this Law;
- d. Removal of goods from a customs clearance area, a temporary storage facility, or a customs bonded warehouse without the authorisation of Customs;
- e. Failure to submit a customs declaration in accordance with the provisions of Article 29 of this Law;
- f. Failure to comply with the provisions of Article 30 of this Law;
- g. The unauthorised use, sale, transfer, diversion or disposal of goods imported exempt from duty and taxes under Article 26 and Article 27 of this Law.
- h. Failure to comply with conditions imposed by Customs regarding goods entered under a duty or tax suspensive regime under the provisions of this Law.
- i. Making, assenting to, or participating in, the making of an inaccurate, false, or deceptive verbal or written statement or declaration in violation of this Law;
- j. Smuggling or attempting to smuggle;
- k. No person shall without authorisation from Customs, possess, purchase, sell, transfer or otherwise acquire or dispose of any goods that were imported in violation of this Law.

Any person who commits the following offences is subject to an administrative fine of one million (1,000,000) riels to five million (5,000,000) riels or to a judicial penalty of imprisonment for one (1) month to six (6) months, or both:

- a. Failure to comply with the provisions of Article 51, Article 52, and Article 53 of this law regarding record keeping requirements.
- b. Any person who obstructs or impedes a customs officer in violation of Article 61 of this Law
- c. Any person operating a conveyance that does not obey the orders of a customs officer under the provisions of the first paragraph of Article 62 of this Law.

Article 34:

Any person who commits a violation of the provisions of Article 74 of this Law that involves goods that are prohibited or restricted under the provisions of the first paragraph of Article 8 of this Law, with the exception of violations under sub-paragraph (k) of the second paragraph of Article 74 of this Law, is subject to administrative fines of up to three (3) times the value of the goods or conveyance, and to judicial penalties of confiscation of the goods, conveyance, and other things used to conceal smuggled goods, or imprisonment of the offender for one (1) year to five (5) years, or to one of the above.

Article 35:

In cases of repeat violations of provisions of this Law, administrative fines and judicial penalties are doubled.

Article 36:

Customs is authorised to reach settlement with individuals prosecuted for customs offences. This right of settlement applies only to monetary fines. Where no settlement is reached Customs must submit the case to the competent court.

The settlement may occur before the decision of the competent court.

The conditions for exercising the right of settlement are established by Prakas of the Minister of Economy and Finance.

**CHAPTER VI
FINAL PROVISIONS**

Article 37:

Any provisions that contradict this Law shall be considered null and void.

Article 38:

This Law is declared to be urgent.

This Law has been adopted by the National Assembly of the Kingdom of Cambodia on the year of 2006 during the session of the Second Legislature. Phnom Penh, 2006.

President of the National Assembly
Heng Samrin

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