



ក្រសួងពាណិជ្ជកម្ម
Ministry of Commerce

ច្បាប់ ស្តីពី

វិធានដើមកំណើតទំនិញ

LAW ON RULES OF ORIGIN



Unofficial
Translation

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NS/RKM/0723/011

WE,

**PREAHKARUNA PREAHBAT SAMDECH PREAHBAROMEATH NORODOM
SIHAMONI**

**SAMANPHUMCHEATSASNA RAKKHATIYA KHEMARAROATHREAST
PUTHITREATHOMREAMOHAKSATR KHEMARACHORNEA
SAMOHOPHEAS KAMPUCHEKREACHROATHBORANAKSANTE
SOPHEAKMONGKOLEA SEREIVIBOLEA KHEMERASREYPIREAST
PREAHCHAOKRUNGKAMPUCHEATHIPADEI**

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen the Royal Decree, no. NS/RKT/0918/925, dated 6 September 2018, on the Appointment of the Royal Government of the Kingdom of Cambodia
- Having seen the Royal Decree, no. NS/RKT/0320/421, dated 30 March 2020, on the Appointment and Revision of the Composition of the Royal Government of the Kingdom of Cambodia;
- Having seen the Royal Kram, no. NS/RKM/0618/012, dated 28 June 2018, promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Having seen the Royal Kram, no. NS/RKM/0196/16, dated 24 January 1996, promulgating the Law on Establishment of the Ministry of Commerce;
- Having seen the proposal of Samdech Aka Moha Sena Padei Techo HUN SEN, Prime Minister of the Kingdom of Cambodia;

HEREBY PROMULGATE

The Law on Rules of Origin, which was adopted by the National Assembly on 12 June 2023 at the ninth session of the sixth legislature and entirely reviewed and approved by the Senate as to its form and legality on 21 June 2023 at the tenth session of the fourth legislature, the whole substance of which shall be as follows:

**LAW
ON
RULES OF ORIGIN**

CHAPTER I

GENERAL PROVISIONS

Article 1: Objective

This Law stipulates the principles and rules of origin of exported and imported goods, aimed at promoting and facilitating trade benefiting from trade preferences and the implementation of non-preferential rules as well as preventing frauds of origin of goods.

Article 2: Scope

This Law governs preferential rules of origin and non-preferential rules of origin and shall apply to the following:

- 1- A producer, an exporter, and an importer, requiring a Proof of Origin and a mark of origin;
- 2- A Certificate of Origin Issuing Authority for goods to be exported;
- 3- A Proof of Origin Receiving Authority for imported goods; and
- 4- A legal person or an organization engaging in trade related activities making the declaration of origin.

Article 3: Definitions

The key terms used in this law are defined hereunder:

- 1- **Rules of Origin** means rules of origin which includes preferential rules of origin and non-preferential rules of origin;
- 2- **Preferential Rules of Origin** means the rules used to determine the origin of goods under a free trade agreement between two or more countries in accordance with the General Agreement on Tariffs and Trade (GATT) 1994 or under other preferential trade arrangements/agreements;
- 3- **Non-Preferential Rules of Origin** means the rules used to determine the origins of exported and imported goods for the purpose of the application of most-favored-nation (MFN) treatment, anti-dumping and countervailing duties, a safeguard measure, marks of origin requirements, quantitative restrictions, government procurement, and trade statistics;
- 4- **Proof of Origin Receiving Authority** means a Customs Administration authorized to receive a Proof of Origin of imported goods;
- 5- **Certificate of Origin Issuing Authority** means the General Department of Trade Support Services of the Ministry of Commerce, or any entities authorized by the Ministry of Commerce to issue a Certificate of Origin for a good to be exported and to regulate a certified exporter;

- 6- **Certificate of Origin** means a specific form which is issued by an issuing authority and which certifies that the goods to which the certificate relates originate in a specific country;
- 7- **Declaration of Origin** means a statement made by an exporter or an importer as to the origin of the goods in accordance with domestic laws and regulations or free trade agreements or other trade agreements to which the Kingdom of Cambodia is party or under unilateral preferences;
- 8- **Preferential Certificate of Origin** means a Certificate of Origin used for the application of preferential tariff treatment under free trade agreements or other trade agreements to which the Kingdom of Cambodia is party or under unilateral preferences;
- 9- **Non-Preferential Certificate of Origin** means a Certificate of Origin used for the application of non-preferential treatment purposes;
- 10- **MFN Treatment** means the principle of not discrimination between trading partners;
- 11- **Proof of Origin** means a document or statement either in paper or electronic format which serves as a prima facie evidence to support that the goods to which it relates satisfy the origin criteria under applicable rules of origin. It includes a certificate of origin and a declaration of origin; and
- 12- **Intermediate Country** means a country or countries in which a good has been transported other than the originating country and the last importing country.

CHAPTER II

PREFERENTIAL RULES OF ORIGIN

Article 4: Preferential Rules of Origin under Free Trade Agreements or other Trade Agreements

The determination of the origin of goods for preferential tariff treatment purposes under free trade agreements and other trade agreements shall be made in accordance with the rules of origin under such free trade agreements or other trade agreements to which the Kingdom of Cambodia is a party.

Article 5: Preferential Rules of Origin under Unilateral Preferences

The determination of the origin of goods for unilateral preferential tariff treatment purposes shall be made in accordance with the preferential rules of origin of importing preference-granting countries.

CHAPTER III

NON-PREFERENTIAL RULES OF ORIGIN

Article 6: Determination of the Origin of Goods

The determination of the origin of goods shall be made with the following criteria:

- wholly obtained or produced goods in one country or
- substantial transformation.

A good which is wholly obtained or produced in one country shall be deemed to be originating in that country. The following goods are deemed to be wholly obtained or produced in one country:

- a. mineral products extracted from its soil, from its territorial waters or from its seabed;
- b. plants and vegetable products harvested or gathered in that country;
- c. live animals born and raised in that country;
- d. products obtained from live animals in that country;
- e. products obtained from hunting or fishing conducted in that country;
- f. products obtained by maritime fishing and other products taken from the sea by a vessel flying the flag of that country;
- g. products obtained aboard a factory ship of that country solely from products of the kind covered by paragraph (f) above;
- h. products extracted from marine soil or subsoil outside that country's territorial waters, provided that the country has sole rights to work that soil or subsoil;
- i. scrap and waste from manufacturing and processing operations, and used articles, collected in that country and fit only for the recovery of raw materials;
- j. goods produced in that country solely from the products referred to in paragraph (a) to (i) above.

Where multiple countries have taken part in the production of the goods, the determination of the origin of goods shall be made by virtue of the substantial transformation criterion. The determination of the origin of goods using substantial transformation criterion shall be made according to the criterion of change in tariff classification or the criterion of ad valorem percentages.

The specific technical details of the substantial transformation criterion shall be determined by an Inter-Ministerial Prakas between the Minister of Economy and Finance and the Minister of commerce.

Article 7: Minimal Operations and Processes

The following operations, when undertaken on non-originating materials to produce a good, shall be considered as insufficient working or processing to confer on that good the status of an originating good:

- 1- operations necessary for the preservation of goods during transportation or storage;
- 2- operations to improve the packaging or the marketable quality of the goods or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading, repacking;
- 3- simple assembly operations;
- 4- mixing of goods of different origin, provided that the characteristics of the resulting product are not essentially different from the characteristics of the goods which have been mixed.
- 5- Other operations or processes that may be jointly determined as minimal operations and processes by the Inter-Ministerial Prakas between the Minister of Economy and Finance and the Minister of Commerce in accordance with the latest update from related free trade agreements, other trade agreements, or international organizations.

Article 8: Direct Consignment

An originating good shall retain its originating status as determined under Article 6 of this law provided that the following conditions have been met:

- 1- the good has been transported directly from an exporting country to an importing country;
- 2- the good has been transported through intermediate countries, provided that the good has not undergone any further processing in the intermediate countries, except for logistics activities such as unloading, reloading, storing, or any other operations necessary to preserve it in good condition or to transport it to the importing country.

CHAPTER IV

PROOF OF ORIGIN AND MARKS OF ORIGIN

Article 9: Proof of Origin

A paper and electronic Certificate of Origin and Declaration of Origin shall be considered as a Proof of Origin. The Preferential Proof of Origin shall be applied in accordance with the rules of origin requirements under free trade agreements or other trade agreements to which the Kingdom of Cambodia is a party. Preferential Proof of Origin under unilateral preferences shall be applied in accordance with the rules of origin regulations of importing preference-granting countries.

A Non-Preferential Certificate of Origin shall possess the minimum information requirement and the form of a non-preferential certificate of origin for an export good as determined by a Prakas of the Minister of Commerce.

Article 10: Requirements and Procedures for Marks of Origin under Rules of Origin

The requirements and procedures for marks of origin shall be determined by an Inter-Ministerial Prakas between the Minister of Economy and Finance and the Minister of Commerce in accordance with the rules of origin regulations of importing preference-granting countries or under free trade agreements to which the Kingdom of Cambodia is a party and the origin criteria stipulated in Article 6 of this Law.

Article 11: Authentic Certificates of Origin

An authentic Preferential Certificate of Origin and an authentic Non-Preferential Certificate of Origin in paper form shall bear an authorized signature and an official seal of the Issuing Authority or other authentication methods determined by the Issuing Authority or other competent bodies of the exporting country.

In the case where those Certificates of Origin are issued electronically by the Issuing Authority or other competent bodies of the exporting country, the authenticity shall be determined in accordance with the provisions under free trade agreements and other trade agreements to which Cambodia and the importing country are parties, or under unilateral preference, or the existing laws and regulations.

The procedures to authenticate an electronic Certificate of Origin shall be determined by a Prakas of the Minister of Commerce.

Article 12: Record-Keeping Requirements

A producer and an exporter shall retain Proof of Origin records at the respective business establishments located in the Kingdom of Cambodia for a period of 3 (three) years for inspection and examination conducted by the competent official of the Ministry of Commerce.

A producer, an exporter or an importer shall retain Proof of Origin records at the respective business establishments located in the Kingdom of Cambodia in accordance with the Law on Customs for inspection and examination conducted by the customs administration.

The records referred to paragraph 1 and paragraph 2 of this Article may be maintained in any medium that allows for prompt retrieval, including in electronic or written form, in accordance with the existing laws and regulations.

Article 13: Frauds of Origin of Goods

Any person shall not intentionally commit or attempt to commit a fraud of origin of goods to obtain preferential tariff treatment or to circumvent anti-dumping or countervailing duties in the importing country.

The following acts of fraud of origin of goods shall be prohibited:

- 1- Fraud of Proof of Origin or
- 2- Fraud of the information contained in the Proof of Origin.

Article 14: Non-Conformity in Applying for the Certification of Origin of a Good

Any person shall not intentionally commit non-conforming acts in applying for the certification of the origin of a good.

The following non-conforming acts in applying for the certification of the origin of a good shall be prohibited:

- 1- false declaration of the origin of the good;
- 2- false declaration of raw materials used in the production of the good;
- 3- false provision of information on invoices of imported raw materials;
- 4- false provision of information on invoices of the exported good;
- 5- false classification of goods;
- 6- false provision of information on origin criteria;
- 7- false provision of production reports;
- 8- false provision of information on manufacturing process;
- 9- false provision of information on expenditure.

Article 15: Exemption from Proof of Origin

The exemption from a Preferential Proof of Origin shall be made in accordance with the provisions under free trade agreements or other trade agreements to which the Kingdom of Cambodia is a party or the provisions under unilateral preference.

The Non-Preferential Proof of Origin shall be exempted:

- 1- For exported goods unless required by an importing country or requested by an exporter.
- 2- For imported goods unless there is a necessity in the application of trade measures or measure to safeguard public welfare and public safety by the Kingdom of Cambodia.

CHAPTER V

COMPETENT AUTHORITIES

SECTION I

CERTIFICATE OF ORIGIN ISSUING AUTHORITY

Article 16: Certificate of Origin Issuing Authority

The Ministry of Commerce, which consists of the General Department of Trade Support Services or other entities authorized by the Ministry of Commerce, shall be the Issuing Authority for Certificate of Origin both in paper and electronic format. The Ministry of Commerce shall be the authority to regulate and grant certified exporter status to exporters to self-certify the origin of goods.

The procedures for applying and issuing a Certificate of Origin shall be determined by a Prakas of the Minister of Commerce.

Article 17: Record-Keeping by an Issuing Authority

An Issuing Authority shall retain all records necessary to prove that the goods for which the Certificate of Origin was issued was originating in accordance with the existing laws and regulations.

The records referred to in paragraph 1 of this article may be maintained in any medium that allows for prompt retrieval, including in electronic or written form, in accordance with existing laws and regulations.

Article 18: Verification

The Ministry of Commerce shall have the competence to conduct a retroactive check of a Certificate of Origin or a Declaration of Origin for exported goods, as deemed necessary or upon the request of an Issuing Authority of the importing country which doubts as to the authenticity of the document or as to the accuracy of the information regarding the origin of the goods in question or of certain parts thereof.

At the request of the Ministry of Commerce, an exporter shall provide information or documents related to the origin of goods to the Ministry of Commerce for undertaking a retroactive check.

SECTION II

PROOF OF ORIGIN RECEIVING AUTHORITY

Article 19: Proof of Origin Receiving Authority

A Customs Administration shall be the Receiving Authority of Proof of Origin for both preferential and non-preferential tariff treatment, presented by an importer, a producer, or their authorized representatives. The procedures for receiving a proof of origin for imported goods shall comply with the Law on Customs and the existing regulations.

Article 20: Verification

A Customs Administration shall have the competence to conduct a retroactive check of Proof of Origin, presented at the time of importation, as to the authenticity of the document or as to the accuracy of the information regarding the origin of the goods. A Customs Administration has a legal right to demand an importer to provide information or documents relating to the origin of goods in accordance with the existing laws and regulations.

A Customs Administration may request cooperation from the Proof of Origin Issuing Authority or issuing bodies of the originating country or exporting country for a retroactive check.

CHAPTER VI

COMPETENT OFFICIALS AND INVATIGATION PROCEDURES

Article 21: Origin Investigation for Exported Goods

The Ministry of Commerce shall have the competence to conduct an origin investigation for exported goods.

The origin investigation for exported goods shall be conducted only in the case where there is an involvement in a fraud of origin of goods to obtain preferential tariff treatment from an importing country or other benefits or to circumvent anti-dumping measures, countervailing measures and safeguard measures.

The origin investigation for exported goods shall be conducted by means of a site visit to inspect the production processes, documentation, accounting files, records, and other information related to origin of goods. The procedures for origin investigation for exported goods shall be determined by a Prakas of the Minister of Commerce.

Article 22: Origin Investigating Officers for Exported Goods

An investigating officer shall be designated from the General Department of Trade Support Services by a Prakas of the Minister of Commerce to investigate the offences stipulated in this Law.

Article 23: Entitlement to a Status as a Judicial Police Official Procedure

An investigating officer legally entitled to a status as a judicial police official shall investigate the offences provided in this Law in accordance with the provisions of the Code of Criminal Procedure.

The formalities and procedures for the accreditation of an origin investigating officer for exported goods shall be determined by an Inter-Ministerial Prakas between the Minister of Justice and the Minister of Commerce.

Article 24: Rights of the Investigating Officers

An investigating officer legally entitled to a status as a judicial police official shall have the rights to inspect, investigate, summon and receive testimony, search, seize evidence, and collect data to prevent and suppress offences stipulated in this Law in accordance with the provisions of the Code of Criminal Procedures.

An investigating officer shall have the rights to seek assistance from local authorities at every level and the armed forces or other competent authorities to jointly suppress offences stipulated in this Law.

Article 25: Witness' Testimony

An investigating officer shall receive testimony from any witness if the investigating officer considers that the testimony of the witness may benefit an investigation in accordance with the provisions of the Code of Criminal Procedures.

Where any witness refuses to testify without legitimate reasons and such refusal is likely to have an adverse impact on the investigation, the investigating officers shall request the prosecutors to summon the witness to appear and give testimony.

Article 26: Origin Investigation for Imported Goods

An origin investigation for imported goods in the case where there is an involvement in a fraud of origin of goods to obtain preferential tariff treatment or other benefits or to circumvent anti-dumping measures, countervailing measures and safeguard measures shall be undertaken by a customs official legally entitled to a status as a judicial police official in accordance with this Law, the Law on Customs, and the existing regulations.

Article 27: Joint Origin Investigation

Where necessary, the Ministry of Commerce or a Customs Administration shall request cooperation from relevant institutions to conduct a joint origin investigation.

CHAPTER VII

PENALTIES

Article 28: Sanctions

Sanctions under this law shall include administrative sanctions and criminal sanctions:

Administrative sanctions include:

- A written warning
- the temporary suspension or the cessation of business activities and operations
- the suspension, the revocation or the removal of permits or licenses.

A written warning; the suspension or the cessation of business activities and operations; and the suspension, the revocation or the removal of permits or licenses are under the purview of the Ministry of Commerce.

An offence that is subject to administrative sanctions shall be determined by a Prakas of the Minister of Commerce.

Any person who is not satisfied with the decision on the imposed administrative sanctions may file an appeal to the Minister of Commerce within 30 (thirty) days after receiving the notification of the decision.

The Minister of Commerce shall decide the appeal filed within 30 (thirty) days from the date of receipt of such appeal.

In the case where the person is still not satisfied with the decision of the Minister of Commerce, such person shall have the rights to file a complaint to the competent court of the Kingdom of Cambodia within 30 (thirty) days from the date of receipt of the notification of the decision.

Types of administrative sanctions, the competence, and the procedures for an appeal against the administrative sanctions, related to the origin of imported goods shall be implemented in accordance with Law on Customs and the existing regulations.

Criminal sanctions include:

- A transitional penalty
- A monetary fine
- Imprisonment

Other offences subject to an interim penalty in accordance with this Law shall be determined by a Sub-Decree.

The imposition of a transitional penalty shall be the competence of an investigating officer and/or a customs officer legally entitled to a status as a judicial police official.

The payment of the transitional penalty shall lead to the extinction of any related criminal actions.

The payment of the transitional penalty shall not lead to the dismissal of the obligation to complete the administrative measures and other administrative sanctions imposed in accordance with this Law.

In the case where an offender refuses to pay a transitional penalty, an investigating officer and/or a customs officer legally entitled to a status as a judicial police official may bring the case to a competent court.

The procedures for the imposition of the transitional penalty for offences related to the origin of exported goods shall be determined by an Inter-Ministerial Prakas between the Minister of Commerce and the Minister of Justices. As for the procedures for the imposition of the transitional penalty for offences related to the origin of imported goods shall be implemented in accordance with the Law on Customs and the existing regulations.

The payment of the transitional penalty, the management of payment receipts for transitional penalties and the management of incomes from transitional penalties for offences related to the origin of exported goods, as provided in this Law shall be determined by an Inter-Ministerial Prakas between the Minister of Economy and Finance and the Minister of Commerce.

Article 29: Violation of Record-Keeping Requirement

Any person who does not retain Proof of Origin records as stipulated in paragraph 1 of Article 12 of this Law shall be punishable by a written warning. In the case of failure to fulfill such written warning, the offender shall be punishable by a transitional penalty from 1 000 000 (one million) to 10 000 000 (ten million) riels.

Article 30: Committing a Non-Conformity Act in Applying for the Certification of Origin of Goods

Any person who commits a non-conformity act in applying for the certification of origin of goods as stipulated in the Article 14 of this Law shall be punishable by a written warning.

In the case where the person still continues to commit such non-conformity act in applying for the certification of origin of goods after receiving a written warning, such person shall be punishable by the temporary suspension of business activities and operations.

In the case where the business activities and operations have already been temporarily suspended, yet the person still continues to commit such non-conformity act in applying for the certification of origin of goods, such person shall be punishable by a transitional penalty from 1 000 000 (one million) to 20 000 000 (twenty million) riels.

The transitional penalty shall be doubled where such person who has already received the transitional penalty yet continues to commit such non-conformity act in applying for the certification of origin of goods.

The person who has received the doubled transitional penalty as stipulated in paragraph 4 of this Article yet continues to such non-conformity act in applying for the certification of origin of goods, such person shall be punishable by imprisonment from 1 (one) to 3 (three) years and by a fine from 1 000 000 (one million) to 20 000 000 (twenty million) riels.

Article 31: Committing a Fraud of Origin of Goods

Any person who commits an act contrary to Article 13 of this Law shall be punishable by imprisonment from 1 (one) to 5 (five) years and by a fine from 10 000 000 (ten million) to 40 000 000 (forty million) riels.

Article 32: Criminal Responsibility of a Legal Person

A legal person may be held criminally responsible as provided in Article 42 (criminal responsibility of a legal entity) of the Criminal Code for the offences stipulated in Article 30 and Article 31 of this law.

A legal person who commits the offences stipulated in Article 30 and Article 31 of this Law shall be punishable by a fine from 2 000 000 (two million) to 40 000 000 (forty million) riels with one or more additional penalties provided in Article 168 (Additional Penalties Applicable to Legal Entities) of the Criminal Code.

Article 33: Application of Other Criminal Laws

The application of the provisions in Chapter 7 of this law shall not restrain the application of other criminal laws to the extent to which an act deemed to be an offence under this Law is also deemed to be an offence provided in other criminal laws.

CHAPTER VIII

TRANSITIONAL PROVISIONS

Article 34: Certificate of Origin Validity

The Certificates of Origin which have been issued before this law enters into force shall remain valid.

CHAPTER IX
FINAL PROVISIONS

Article 35: Abrogation

Any provision contrary to this law shall be abrogated.

Done at Royal Palace, 05th July, 2023

[Royal Signature]

NORODOM SIHAMONI

PRL.2307.1400

Having submitted to
His Majesty the King for Royal Signatures

Prime Minister

[Signature]

Samdech Akka Moha Sena Padei Techo HUN SEN

Having informed to
Samdech Akka Moha Sena Padei Techo HUN SEN

Minister of Commerce

[Signature]

PAN SORASAK

