



Legislation & Laws

Domestic Laws & Regulations:

- » Law on Investment (1994), Law on the Amendment to the Law on Investment (2003) and Law on Commercial Enterprises (2005)
- » Law on Concessions (2007)
- » Cambodia Industrial Development Policy (2015-2025)
- » Sub-decree No.111 ANK/BK on the Implementation of the Law on the Amendment to the Law on Investment of the Kingdom of Cambodia (2005)
- » Sub-decree No.148 ANKR.BK on the Establishment and Management of the Special Economic Zone (2005)
- » Joint Prakas No.991 SHV.PRK on Public Services of the Council for the Development of Cambodia (2012)

International Instruments:

- » Regional Comprehensive Economic Partnership (RCEP)
- » Cambodia-China Free Trade Agreement (CCFTA)
- » Cambodia-Korea Free Trade Agreement (CKFTA)
- » ASEAN Comprehensive Investment Agreement (ACIA)
- » Bilateral Investment Agreements (28 Agreements)

Substantial Commitments:

1. Market Access

- » No distinction between foreign & Cambodian investors
- » No sectors restricted to foreign investors
- » Same investments are entitled to same incentive schemes

2. Guarantee and Protection

- » Fair & equitable treatment
- » Non-discrimination
- » Free transfer of payment
- » No expropriation or nationalization
- » Most Favored Nation & National Treatment
- » Compensation for losses
- » Disputes settlement mechanisms

Promotion and Competitive Advantages

Open Economy

- » Equal treatment (NT & MFN)
- » No requirement of local equity participation
- » Least restriction on sectors
- » No price controls on products or services
- » No restriction on foreign currencies conversion

One-Stop Service

- » Information & application
- » Fast-track investment approval process (within 28 working days).
- » Customs duty & tax exemption
- » Visa & work permit

Competitive Investment Incentives

- » Low corporate tax: 20%
- » Tax holiday: up to 9 years
- » Full import duty exemption (production equipment and machineries, construction material, production inputs)

Sound Macroeconomic Environment

- » 6th fastest growing economy in the world during the last two decades (average growth rate: 7.7%, prior to the pandemic)
- » Low & manageable inflation rate (under 5%)
- » Stable exchange rate (USD 1 = 4000 ±5%)

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Market Access & Preferential Trading Status

- » ASEAN Market (AEC)
- » ASEAN, China, Japan, ROK, Australia & New Zealand (RCEP)
- » Cambodia-China Free Trade Agreement
- » Cambodia-ROK Free Trade Agreement
- » Market access: US, EU, Japan etc.
- » GSP

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Competitive Labor Force

- » Reasonable wage: (minimum wage in 2021: \$192)
- » Young & dynamic labor force (over 70% of population are under 35 years old)

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Strategic Location

- » Center of ASEAN: flight time average only 1.30 hour to other ASEAN countries.