

A World Bank Group Flagship Report



Doing Business 2018

Reforming to Create Jobs



WORLD BANK GROUP

Comparing Business Regulation
for Domestic Firms in **190** Economies

Economy Profile of Cambodia

Doing Business 2018 Indicators
(in order of appearance in the document)

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time and total tax rate for a firm to comply with all tax regulations as well as post-filing processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Labor market regulation	Flexibility in employment regulation and aspects of job quality

About Doing Business

The Doing Business project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The Doing Business project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. Doing Business also measures features of labor market regulation. Although Doing Business does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate distance to frontier score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, Doing Business encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, Doing Business offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that Doing Business has ranked.

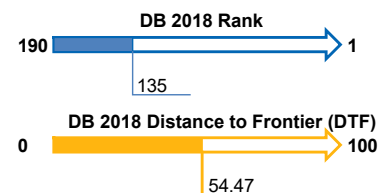
The first Doing Business report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where Doing Business, also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

The distance to frontier (DTF) measure shows the distance of each economy to the "frontier," which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier. The ease of doing business ranking ranges from 1 to 190. The ranking of 190 economies is determined by sorting the aggregate distance to frontier scores, rounded to two decimals.

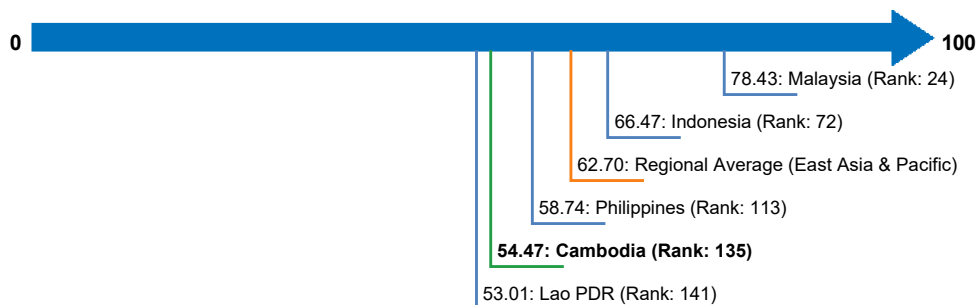
More about [Doing Business](#) (PDF, 5MB)

Ease of Doing Business in
Cambodia

Region	East Asia & Pacific
Income Category	Lower middle income
Population	15,762,370
GNI Per Capita (US\$)	1,140
City Covered	Phnom Penh

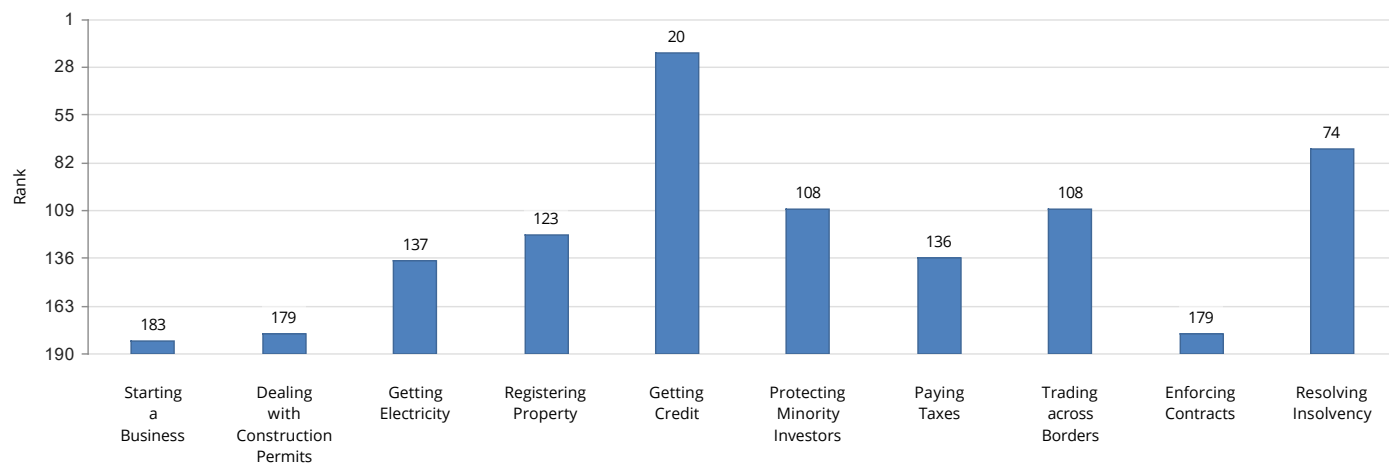


DB 2018 Distance to Frontier (DTF)



Note: The distance to frontier (DTF) measure shows the distance of each economy to the "frontier," which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier. The ease of doing business ranking ranges from 1 to 190.

Rankings on Doing Business topics - Cambodia



Distance to Frontier (DTF) on Doing Business topics - Cambodia



Starting a Business

This topic measures the paid-in minimum capital requirement, number of procedures, time and cost for a small- to medium-sized limited liability company to start up and formally operate in economy's largest business city.

To make the data comparable across 190 economies, Doing Business uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The distance to frontier score for each indicator is the average of the scores obtained for each of the component indicators.

The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
Procedures to legally start and operate a company (number)	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p>
<ul style="list-style-type: none"> • Pre-registration (for example, name verification or reservation, notarization) • Registration in economy's largest business city • Post-registration (for example, social security registration, company seal) • Obtaining approval from spouse to start business or leave home to register company • Obtaining any gender-specific permission that can impact company registration, company operations and process of getting national identity card 	<p>The business:</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office. - Operates in the economy's largest business city and the entire office space is approximately 929 square meters (10,000 square feet). For 11 economies the data are also collected for the second largest business city. - Is 100% domestically owned and has five owners, none of whom is a legal entity; and has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita. - Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes. - Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to 1 times income per capita. - Does not qualify for investment incentives or any special benefits. - Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals. - Has a company deed 10 pages long.
Time required to complete each procedure (calendar days)	<p>The owners:</p>
<ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials 	<ul style="list-style-type: none"> - Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old. - Are sane, competent, in good health and have no criminal record. - Are married and the marriage is monogamous and registered with the authorities. - Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.
Cost required to complete each procedure (% of income per capita)	
<ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice 	
Paid-in minimum capital (% of income per capita)	
<ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation 	

Standardized Company

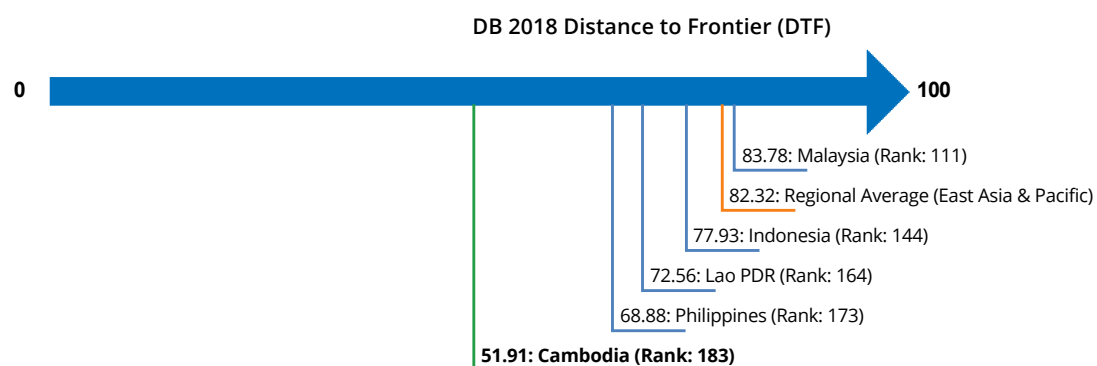
Legal form Private Limited Liability Company

Paid-in minimum capital requirement KHR 4,000,000

City Covered Phnom Penh

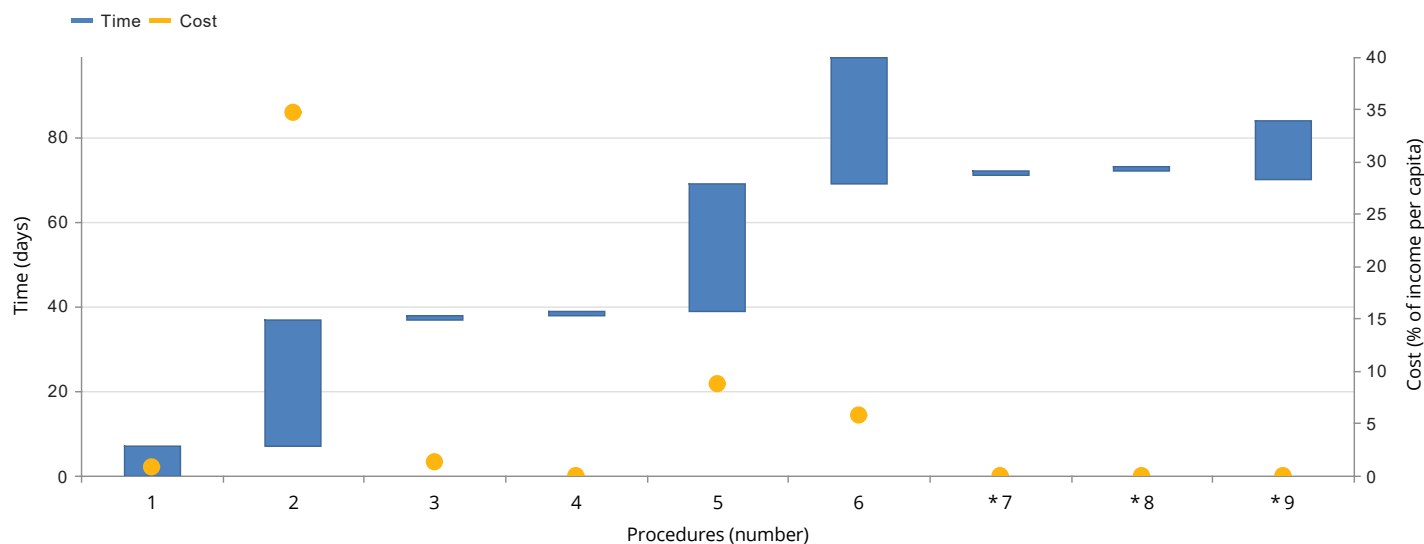
Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Procedure – Men (number)	9	7.0	4.9	1.00 (New Zealand)
Time – Men (days)	99	22.7	8.5	0.50 (New Zealand)
Cost – Men (% of income per capita)	51.3	18.4	3.1	0.00 (United Kingdom)
Procedure – Women (number)	9	7.0	4.9	1.00 (New Zealand)
Time – Women (days)	99	22.8	8.5	0.50 (New Zealand)
Cost – Women (% of income per capita)	51.3	18.4	3.1	0.00 (United Kingdom)
Paid-in min. capital (% of income per capita)	82.5	15.1	8.7	0.00 (113 Economies)

Figure – Starting a Business in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of starting a business is determined by sorting their distance to frontier scores for starting a business. These scores are the simple average of the distance to frontier scores for each of the component indicators.

Figure – Starting a Business in Cambodia – Procedure, Time and Cost



* This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (<http://www.doingbusiness.org/methodology>). For details on the procedures reflected here, see the summary below.

Details – Starting a Business in Cambodia – Procedure, Time and Cost

No.	Procedure	Time to Complete	Associated Costs
1	<p>Conduct an initial check for uniqueness of the company name and Obtain company name approval at the Business Registration Department</p> <p>Agency : Business Registration Department, Ministry of Commerce</p> <p>The Ministry of Commerce issued a Prakas No. 299 on 29 December 2015 to implement a new procedure for registration of company through the online system.</p> <p>Website: www.businessregistration.moc.gov.kh</p> <p>The company is required to set up an account on business registration website of Ministry of Commerce, so they can perform the name search availability and reserve the name online by uploading the ID Cards or Passports of Owners.</p> <p>The payment of government fee shall be done online as well through certain commercial bank including ACLEDA bank, Foreign Trade Bank.</p>	1 week	KHR 40,000

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| 2 | Incorporate the company with the Business Registration Department in Ministry of Commerce | 1 month | KHR 1,680,000 |
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Agency : Business Registration Department, Ministry of Commerce

Under the new Prakas 299 of December 2015. Every businessman and trade company based in the Kingdom of Cambodia is obligated to register their business through the Ministry of Commerce's automated business registration system from anywhere via this Website:
www.businessregistration.moc.gov.kh

The following documents must be provided online to the Ministry's Registrar in the specified quantity:

1. Documents containing address, which can be electricity bill, water bill, house or building rent agreement, bank statement, etc.
2. Agreement establishing the company
3. Photos 4x6
4. Identity card or passport of the company's owners and administrator
5. Honest declaration by the administrator to have no previous conviction in any commercial, civic or criminal case, and that he/she is currently not a civil servant bound by the Statutes of Civil Servants of the Kingdom of Cambodia
6. In the case where the company's owners are legal persons:
 - a certified copy of the original legal documents proving the company's registration
 - the original copy of letter appointing the legal person as the representative issued by the owners of the company
7. The company must provide two (02) copies of the original version of its statute, accompanied by a statement of bank deposit, to the Department of Business Registration within 30 days starting from the date a business registration certificate is issued. During this period, if the Department of Business Registration does not receive the original copy of the statute from the applicant, Ministry of Commerce reserves its right to reject the company's registration and delete it altogether from its database.

Documents listed under items (1)-(6) are submitted online at <http://www.businessregistration.moc.gov.kh>. Documents listed under item (7) are submitted in person in original hard copy.

3 Make a company seal	1 day	USD 15
Agency : Sealmaker The Ministry of Commerce registers and acknowledges the seal of the company. The company itself must produce a seal in accordance with formats provided in the MOC.		
4 Open a bank account, deposit the legally required initial capital and obtain deposit evidence	1 day	no charge
Agency : Bank The company must open a bank account in its name. It must also deposit the initial capital 30 days after having obtained the certificate of incorporation at any authorized bank in Cambodia. The bank must provide a bank statement certifying the deposit.		
5 Have registration documents stamped and approved, register for TIN, Patent tax and VAT tax	1 month	USD 100
Agency : General Tax Department The documents need to be stamped are the Memorandum and Articles of Association and the Certificate of Incorporation. This is obtained at one of the tax department branch offices at the khan (district) level, of which there are 7 in the city. In-person visit to the tax office is required in order to take picture and fingerprint.		
6 Notify the Ministry of Labor of the start of operations and hiring of employees	1 month	KHR 280,000 (for 8-100 employees) - see procedure details
Agency : Ministry of Labor All businesses must submit a written declaration to Ministry of Labor before starting their operations. In addition, each enterprise with at least eight employees must have established internal regulations that adapt such general provisions of the labor code as conditions of hiring and calculation and payment of wages and perquisites, including in-kind benefits, work hours, health and safety measures, and personal leave, including holidays. The internal regulations must be filed within 3 months of firm opening. All establishments must maintain a payroll ledger, a declaration of personnel, a book of establishment, and labor regulations (in Khmer version). As required by law, local employees shall be provided with a "labor book" upon completing a physical examination at the Labor Health Center. The procedure cost covers five processes: <ul style="list-style-type: none"> - Registration for opening of enterprise (KHR 30,000) - Registration of enterprise/establishment ledger (KHR 40,000) - Registration of payroll (KHR 60,000) - Having internal regulation certified (KHR 70,000) - Issuance of letter recognizing the election of shop steward for enterprise/establishment employing (KHR 80,000) 		

⇒ 7	<p>Submit company original statutes and capital deposit evidence at the Business Registry</p> <p>Agency : Business Registration Department in Ministry of Commerce</p> <p>The company must provide two copies of the original version of its statute, accompanied by a statement of bank deposit of the chosen capital, to the Department of Business Registration within 30 days starting from the date a business registration certificate is issued.</p> <p>During this period, if the Department of Business Registration does not receive the original copy of the statute from the applicant, Ministry of Commerce reserves its right to reject the company's registration and delete it altogether from its database.</p>	<p>1 day (simultaneous with previous procedure)</p>	<p>no charge</p>
⇒ 8	<p>Receive inspection from Labor Inspector</p> <p>Agency : Ministry of Labor and Vocational Training</p> <p>All new businesses must receive inspection from Labor Inspector at the Ministry of Labor.</p>	<p>1 day (simultaneous with previous procedure)</p>	<p>included in procedure 6</p>
⇒ 9	<p>Register at the National Social Security Fund</p> <p>Agency : National Social Security Fund</p> <p>Based on the NSSF Law, any enterprise that has eight or more employees is required to register with the NSSF.</p> <p>At the beginning an employer needs to fill out form 1.01 (Registration of an Enterprise) and 2.01 (Registration of Employees) and file them with NSSF along with supporting documents listed on form 1.01. The two forms can be obtained from any of NSSF offices.</p> <p>Form 1.01 lists four supporting documents:</p> <ul style="list-style-type: none"> (1) Certificate of incorporation of the Company; (2) Patent tax certificate of the Company; (3) List of employees (form 2.01); (4) Identification card or passport of Company's representative. <p>In practice, additional documents might be required, e.g. application form, photo of Company's representative, and location plan of the Company.</p> <p>Upon review and approval, NSSF will issue the Enterprise Registration Certificate. After registration, the employer must calculate, complete and file the monthly NSSF contribution form with the NSSF. The information required to complete the NSSF contribution form must be completed and filed by the required deadline of the 15th of each month.</p>	<p>2 weeks (simultaneous with previous procedure)</p>	<p>no charge</p>

♀ Applies to women only.

⇒ Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in June 2017. [See the methodology for more information](#)

What the indicators measure

Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Submitting all required notifications and receiving all necessary inspections
- Obtaining utility connections for water and sewerage
- Registering and selling the warehouse after its completion

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of warehouse value)

- Official costs only, no bribes

Building quality control index (0-15)

- Sum of the scores of six component indices:
- Quality of building regulations (0-2)
- Quality control before construction (0-1)
- Quality control during construction (0-3)
- Quality control after construction (0-3)
- Liability and insurance regimes (0-2)
- Professional certifications (0-4)

Case study assumptions

To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.

The construction company (BuildCo):

- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.
- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.

The warehouse:

- Will be used for general storage activities, such as storage of books or stationery.
- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.
- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.
- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

The water and sewerage connections:

- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.
- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.
- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

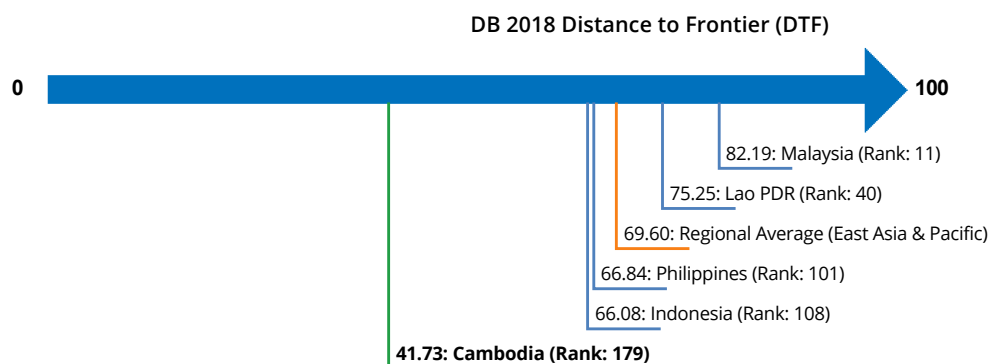
Standardized Warehouse

Estimated value of warehouse KHR 242,370,117.30

City Covered Phnom Penh

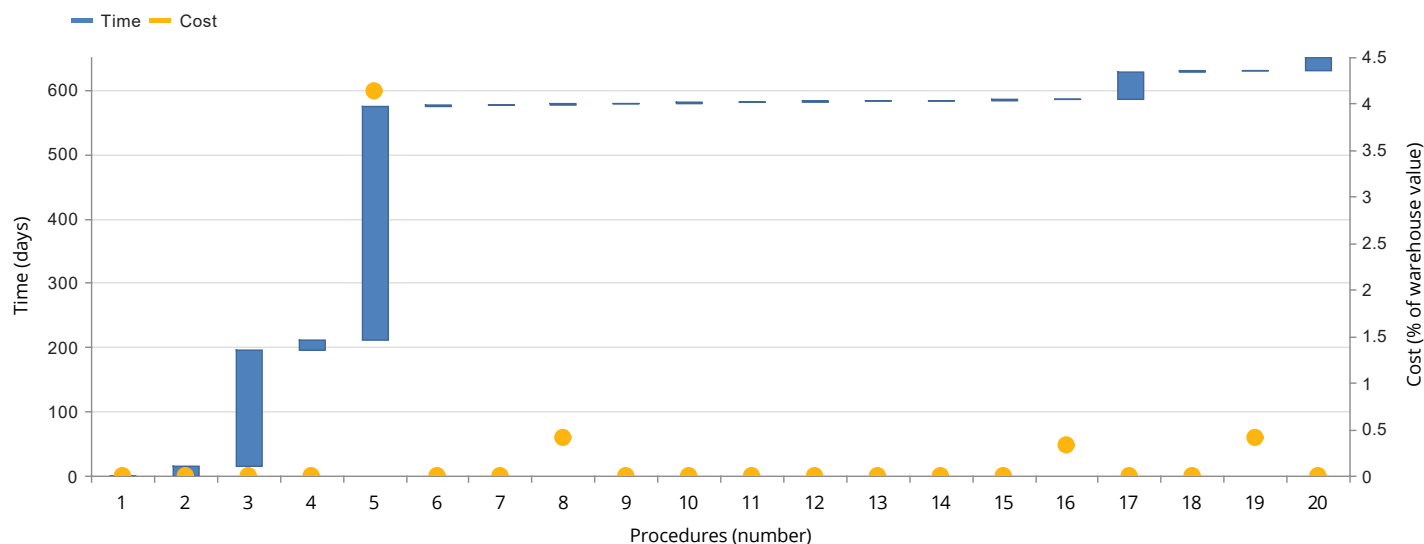
Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Procedures (number)	20	15.2	12.5	7.00 (Denmark)
Time (days)	652	138.2	154.6	27.5 (Korea, Rep.)
Cost (% of warehouse value)	5.3	2.2	1.6	0.10 (5 Economies)
Building quality control index (0-15)	8.0	8.9	11.4	15.00 (3 Economies)

Figure – Dealing with Construction Permits in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their distance to frontier scores for dealing with construction permits. These scores are the simple average of the distance to frontier scores for each of the component indicators.

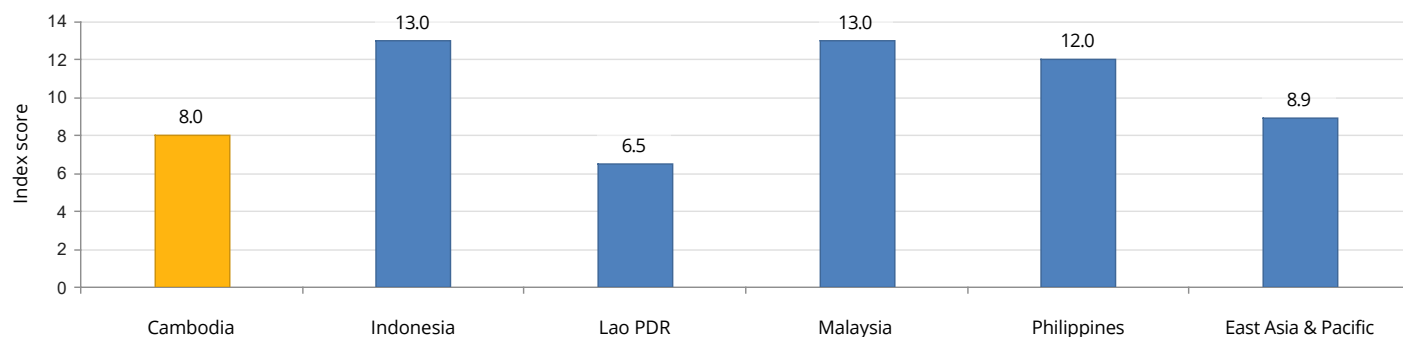
Figure – Dealing with Construction Permits in Cambodia – Procedure, Time and Cost



* This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (<http://www.doingbusiness.org/methodology>). For details on the procedures reflected here, see the summary below.

Figure – Dealing with Construction Permits in Cambodia and comparator economies – Measure of Quality



Details – Dealing with Construction Permits in Cambodia – Procedure, Time and Cost

No.	Procedure	Time to Complete	Associated Costs
1	<p>Obtain application form</p> <p>Agency : Municipal Department of Land Management, Construction and Urban Planning</p> <p>The application form and list of supporting documents must be picked up from the Municipal Department of Land Management, Construction and Urban Planning.</p>	1 day	KHR 4,500
2	<p>Submit documents to the Sangkat Office for review</p> <p>Agency : Sangkat Office</p> <p>According to Subdecree No. 86 (dated December 19, 1997), relating to the construction permit, the documents attached to the official letter application must contain at least the following (10 copies on 21 x 29.7 cm paper):</p> <ul style="list-style-type: none"> • Certificate to the estate or title certificate to the estate or the temporary occupation permit to the land • Sheet of plot (the basic plan of dimension of the land): this plan shall be made by a private land surveyor or by the land office's private agent • Plan of warehouse location on the plot. This plan specifies the location of construction in the plot and the object of the application, by stating the following: the distance between one or more buildings and boundaries of the plot and the distance of the neighboring existing buildings; all arrangements of other sectors of the vacant land, with clarification on the type of land and existing crops and planned car parks and fences; drainage pipes outside the building (substance, diameter, slope, height level, checking hole) up to the connection point of public network for draining sewage and for clean water, latrine, sink, and well; and stable point of the height of plot after the arrangement • Plan of all warehouse floors (scale 1:100) • Plan of the underground parts and latrine sinks (scale 1:100) • Plan of front warehouse (scale 1:100) • Plan of divided parts (scale 1:100). This plan shows the same as the front face plan, with one part showing the hygienic latrine sink • Table of the surface area for each floor • Technical specifications for calculating the ground level surface. <p>Upon receiving the construction permit, BuildCo must prepare a detailed plan of the construction integration. The Ministry of Public Works and Transportation will review this plan before the construction site is opened.</p> <p>There is no official fee; however, an informal fee must be paid to facilitate the application.</p>	14 days	no charge

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| 3 | Request and obtain certification from the Khan or District Governor | 182 days | no charge |
| | <p>Agency : Khan/ District Governor</p> <p>According to the Decision No. 05 SSR dated February 6, 2006 from the Ministry of Land Management, Urban Planning and Construction, this procedure must follow Procedure 2. The time frame should be 5 working days by law. The certification fee is not provided for by law. If informal fees are not paid, it generally takes between 4 months to 1 year to obtain the certification.</p> | | |
| 4 | Submit documents to the Khan Land Management, Urban Planning, and Construction Office for review and obtain approval | 14 days | no charge |
| | <p>Agency : Khan Land Management, Urban Planning, and Construction Office</p> <p>The following documents must be submitted within 6 days after Procedure 2 has been completed:</p> <ul style="list-style-type: none"> • Plot plan • Structural and engineering plans • Plan of the location of the warehouse on the plot • Plan of all warehouse floors. This plan specifies the purpose of using the rooms and the area, sanitation installation, and areas for pipes placing • Plan of the underground parts and the latrine sinks (scale, 1:100) • Plan of front building (scale 1:100): This plan specifies the front face plan, showing the height level of the following: each floor; land at the bottom of the building, by specifying the height level of natural land, filled land, or removal land; the roof and limit of roof or height of existing terrace and the wall barriers; existing flower's pole and substance for front face • Plan of divided parts (scale, 1:100): This plan shows the same as the front face plan with one part showing the hygienic latrine sink • Table of surface area for each floor • Technical specifications for calculating the ground level surface • Additional documents: the applicant may be requested to provide additional documents for reasons of hydrology, prevention against all types of annoyance, public order, and protection of patrimony or landscape • Title certificate • Application for construction permit (10 copies) <p>There is no official fee; however, an informal fee must be paid.</p> | | |

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| 5 Request and obtain the approval (building permit) of the Municipal Department of Land Management, Construction and Urban Planning | 365 days | KHR 10,000,000 |
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Agency : Municipal Department of Land Management, Construction and Urban Planning

BuildCo must file the documents with the Sangkat Office/Commune first, then to Khan/District), then with (a) the Municipality/Province for plots under 3,000 sq. m. or (b) the Ministry of Land Management, Urban Planning and Construction for plots above 3,000 sq. m. However, BuildCo does not need to visit each government office if the builder hires an agent who handles the construction permit application to completion.

Fee schedule for construction permit according to the Joint Prakas 995 on provision of the Public Services Delivered by the Ministry of Land Management, Urban Planning, and Construction :

Surface of the construction on the land (SCL) less than or equal to

- 100 sq. m.: KHR 1,000,000
- Less than or equal to 200.00 sq. m.: KHR 2,000,000
- Less than or equal to 300.00 sq. M.: KHR 3,000,000
- Less than or equal to 400.00 sq. m.: KHR 4,000,000
- Less than or equal to 500.00 sq. m.: KHR 5,000,000
- Less than or equal to 1,000.00 sq. m.: KHR 8,000,000
- Less than or equal to 2,000.00 sq. m.: KHR 10,000,000
- Less than or equal to 3,000.00 sq. m.: KHR 12,000,000

Based on the Decision No. 5 SSR from the Ministry of Land Management Urban Planning and Construction, after the examination by the Khan Land Office, the documents will be forwarded to the Phnom Penh Municipal Department of Land Management, Urban Planning and Construction and Cadastre (the "PP LO"). At the PP LO, the documents will be examined by the relevant offices such as the Cadastral Office, Technical and Geography Office, Construction Office, and Land Management Office. After the approval of the PP LO, the documents will be forwarded to the Phnom Penh Municipality (the "PPM") who will have 5 days for a final examination and issuance of the construction permit. The construction permit is valid for one year from the date of its issuance by the PPM and can be extended once for another year.

Article 9.10 of the Sub Decree No. 86 on Construction Permit stipulates that after obtaining the Construction Permit, there shall be an iron structure plan which will be examined by the Ministry of Public Works and Transport. However, this is not enforced in practice, but maybe arbitrarily used by some officials.

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| 6 Notify the Sangkat Office once the building permit is obtained | 1 day | no charge |
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Agency : Sangkat Office

Under Cambodian regulation, after receiving the building permit from the provincial or municipal authority, the company must notify other relevant authorities. Construction work must commence within a year from the date of issuance of the construction permit.

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| 7 Notify the Khan Office once the building permit has been obtained | 1 day | no charge |
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Agency : Khan Office/ District

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|---|---|-------|---------------|
| 8 | Request "construction site opening" from the Phnom Penh Municipal Department of Land Management, Urban Planning, and Construction and Cadastre (the "PP LO") | 1 day | KHR 1,000,000 |
|---|---|-------|---------------|

Agency : Phnom Penh Municipal Department of Land Management Urban Planning and Construction and Cadastre (the "PP LO")

BuildCo must inform the authorities about the start of the construction within 7 days. Then the authority will issue a declaration of "construction site opening." In order to start construction and as required by Sub Decree No. 86 on Construction Permit and Decision No. 05, the construction owner shall apply to the PP LO (not the Khan Land Office or the Sala Khan) for an approval to open the construction site. The PP LO will respond to the request within 6 days.

According to the Prakas 995, this costs 10% of the building permit fee.

- | | | | |
|---|--|-------|-----------|
| 9 | Receive an inspection from technical official | 1 day | no charge |
|---|--|-------|-----------|

Agency : Technical Department

The Technical Department sends an expert to inspect the construction site before construction starts.

- | | | | |
|----|--|-------|-----------|
| 10 | Inform the building authority of the poles setup and receive inspection | 1 day | no charge |
|----|--|-------|-----------|

Agency : Technical Department

The inspector may visit the site without notifying BuildCo. The inspection takes a few hours, depending on the construction size and complexity. After receiving notification from BuildCo, an inspector will visit the site within 2 or 3 days. It is not necessary to stop the construction work.

- | | | | |
|----|---|-------|-----------|
| 11 | Inform the building authority after foundation work and receive inspection | 1 day | no charge |
|----|---|-------|-----------|

Agency : Technical Department

- | | | | |
|----|--|-------|-----------|
| 12 | Inform the building authority when columns are built and receive inspection | 1 day | no charge |
|----|--|-------|-----------|

Agency : Technical Department

- | | | | |
|----|--|-------|-----------|
| 13 | Inform the building authority when walls are erected and receive inspection | 1 day | no charge |
|----|--|-------|-----------|

Agency : Technical Department

- | | | | |
|----|---|-------|-----------|
| 14 | Inform the building authority when floors are built and receive inspection | 1 day | no charge |
|----|---|-------|-----------|

Agency : Technical Department

- | | | | |
|----|--|-------|-----------|
| 15 | Inform the building authority upon completion of construction | 1 day | no charge |
|----|--|-------|-----------|

Agency : Technical Department

16 Request connection to water and sewage services	1 day	KHR 800,550
<p>Agency : Phnom Penh Water Supply Authority (PPWSA)</p> <p>BuildCo must fill out some application forms for the water and sewage connection.</p> <p>BuildCo is not required to prepay government and service fees before, or at the time of, the connection. Instead, it must pay the following only after approval: the government fee (as listed below), the plumbing service fee [between KHR 200,000.00 (USD 50.00) and KHR 300,000.00 (USD 75.00) plus KHR 457,750.00 (USD 114.44)], and the water meter network length connection fee [KHR 92,800.00 (USD 23.20): water subscription cost] = KHR 800,550.00.</p> <p>The water subscription fee for networks varies by water connection type (Point A and Point B) and is based on network length and water-meter size:</p> <p>Point A: Water subscription for new network is calculated as follows (for a network length of 15 mm):</p> <ul style="list-style-type: none"> • 0 to 10 mm: KHR 457,750.00 (USD 114.44) • 11 mm to 20 mm: KHR 460,400.00 (USD 115.10) • 21 mm to 30 mm: KHR 665,200.00 (USD 166.30) • 31mm to 40 mm: KHR 772,250.00 (USD 193.06) • 41 mm up to 50 mm: KHR 878,500.00 (USD 219.62) <p>Point B: Water subscription for available network with meter is calculated as follows (SN meter size water subscription fee):</p> <ul style="list-style-type: none"> • 15 mm: KHR 92,800.00 (USD 23.20) • 20 mm: KHR 98,900.00 (USD 24.73) • 25 mm: KHR 106,900.00 (USD 26.73) • 30 mm: KHR 225,000.00 (USD 56.25) • 40 mm: KHR 271,000.00 (USD 67.75) 		
17 Receive inspection by water authorities and obtain water and sewage connection	42 days	no charge
<p>Agency : Phnom Penh Water Supply Authority (PPWSA)</p> <p>According to Article 18 of Sub-Decree N0 89 the technical committee conducts inspection "during the connections of sewers, water and electricity systems." In general, water and power supply companies must conduct on-site inspections to determine how to connect the construction to the network and to estimate the cost of this connection. In addition to providing water services, the utilities must ensure the connection is made according to the approved plan.</p>		
18 Inform the building authority once connection to utilities is complete	1 day	no charge
<p>Agency : Khan Office/ District</p>		
19 Receive final inspection by the relevant authorities	1 day	KHR 1,000,000
<p>Agency : Khan Office/District, Urbanization and Construction Office, Municipality/ Provincial Authority</p> <p>At the end of construction, the District or Khan Office and the Urbanization and Construction Office may check simultaneously that the erected building complies with the construction permit specifications.</p>		

20 Obtain certificate of compliance from building authority

21 days

no charge

Agency : Khan Office/ District

After the final inspection, the municipal or provincial authority issues the certificate of compliance or could take legal action for noncompliance.

⇒ Takes place simultaneously with previous procedure.

Details – Dealing with Construction Permits in Cambodia – Measure of Quality

	Answer	Score
Building quality control index (0-15)		8.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals; Available only on request.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
Quality control during construction index (0-3)		2.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by in-house engineer; Inspections at various phases.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
Quality control after construction index (0-3)		2.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection does not always occur in practice.	0.0
Liability and insurance regimes index (0-2)		0.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	No party is held liable under the law.	0.0

Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)

No party is required by law to obtain insurance .

0.0

Professional certifications index (0-4)

1.0

What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)

University degree in architecture or engineering; Passing a certification exam.

1.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

University degree in engineering, construction or construction management.

0.0

⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
Procedures to obtain an electricity connection (number)	To make the data comparable across economies, several assumptions are used.
<ul style="list-style-type: none"> • Submitting all relevant documents and obtaining all necessary clearances and permits • Completing all required notifications and receiving all necessary inspections • Obtaining external installation works and possibly purchasing material for these works • Concluding any necessary supply contract and obtaining final supply 	The warehouse: <ul style="list-style-type: none"> - Is owned by a local entrepreneur and is used for storage of goods. - Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway. - Is a new construction and is being connected to electricity for the first time. - Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).
Time required to complete each procedure (calendar days)	The electricity connection: <ul style="list-style-type: none"> - Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW). - Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road. - Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.
Cost required to complete each procedure (% of income per capita)	The monthly consumption: <ul style="list-style-type: none"> - It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh. - If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier. - Tariffs effective in March of the current year are used for calculation of the price of electricity for the warehouse. Although March has 31 days, for calculation purposes only 30 days are used.
The reliability of supply and transparency of tariffs index (0-8)	
<ul style="list-style-type: none"> • Duration and frequency of power outages (0-3) • Tools to monitor power outages (0-1) • Tools to restore power supply (0-1) • Regulatory monitoring of utilities' performance (0-1) • Financial deterrents limiting outages (0-1) • Transparency and accessibility of tariffs (0-1) 	
Price of electricity (cents per kilowatt-hour)*	
<ul style="list-style-type: none"> • Price based on monthly bill for commercial warehouse in case study 	

*Note: Doing Business measures the price of electricity, but it is not included in the distance to frontier score nor the ranking on the ease of getting electricity.

Standardized Connection

Price of electricity (US cents per kWh)

17.5

Name of utility

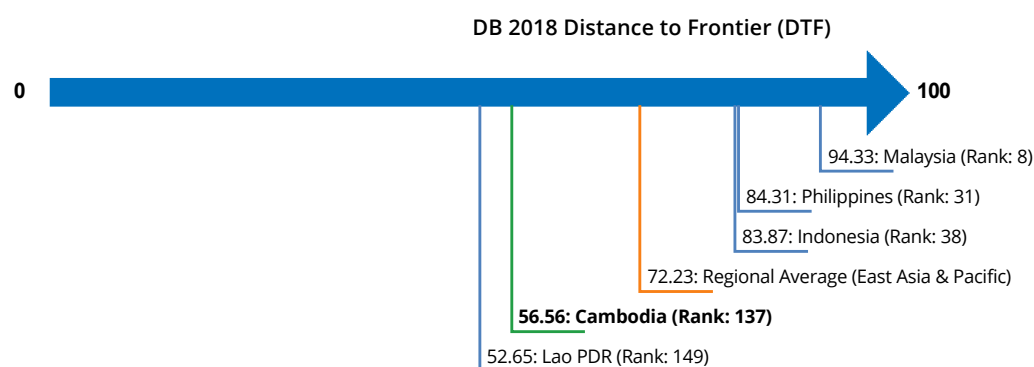
Electricité du Cambodge

City Covered

Phnom Penh

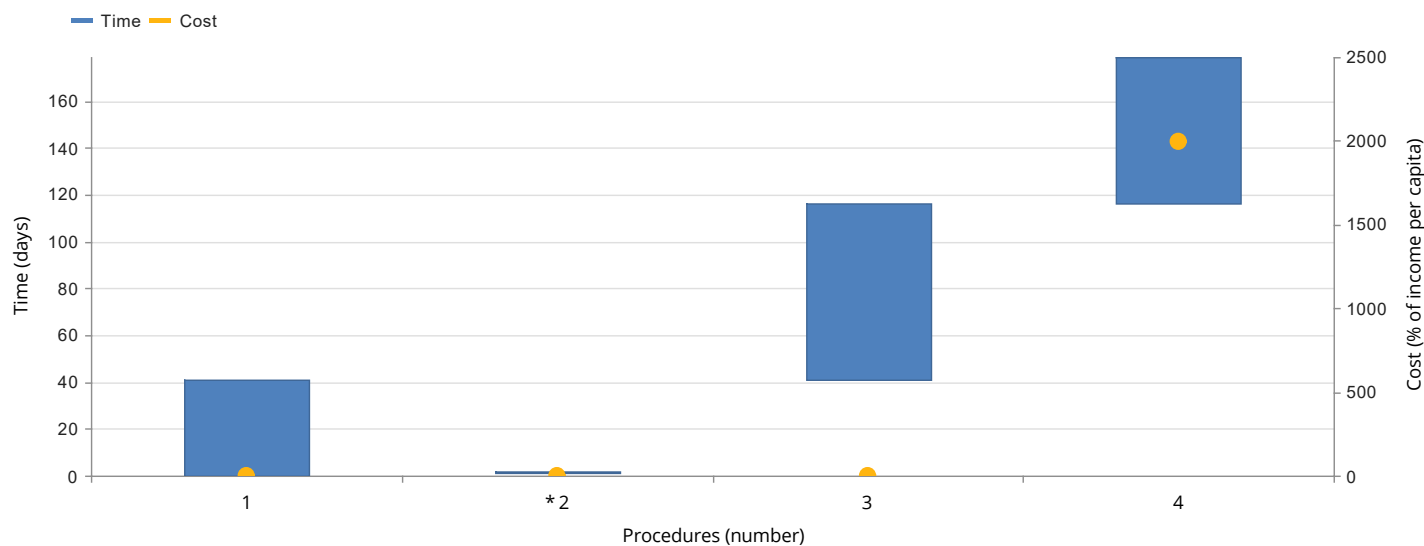
Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Procedures (number)	4	4.5	4.7	2 (United Arab Emirates)
Time (days)	179	71.6	79.1	10 (United Arab Emirates)
Cost (% of income per capita)	1993.2	712.0	63.0	0.00 (Japan)
Reliability of supply and transparency of tariff index (0-8)	3	3.7	7.4	8.00 (28 Economies)

Figure – Getting Electricity in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of getting electricity is determined by sorting their distance to frontier scores for getting electricity. These scores are the simple average of the distance to frontier scores for each of the component indicators.

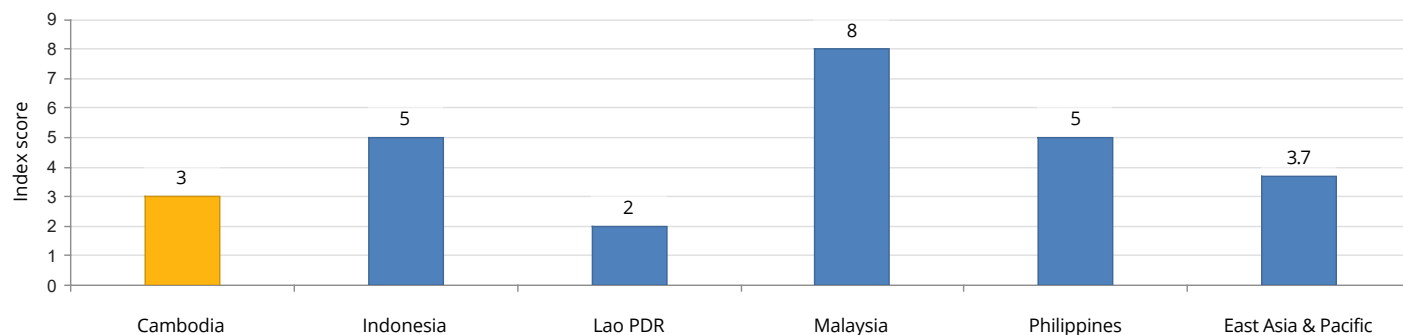
Figure – Getting Electricity in Cambodia – Procedure, Time and Cost



* This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (<http://www.doingbusiness.org/methodology>). For details on the procedures reflected here, see the summary below.

Figure – Getting Electricity in Cambodia and comparator economies – Measure of Quality



Details – Getting Electricity in Cambodia – Procedure, Time and Cost

No.	Procedure	Time to Complete	Associated Costs
1	<p>Submit application to Electricite Du Cambodge and await estimate</p> <p>Agency : Electricite Du Cambodge (EDC)</p> <p>The application should be submitted in person to the Distribution Department of Electricite Du Cambodge. The application should include the following documents: a certificate of property title (a photocopy is sufficient and there is no need for notarization) and a certificate of company registration. The client has to fill a form specifying the power needed and the list of equipment in the warehouse.</p> <p>There are no official fees for the application. The time for this procedure includes an estimate for negotiation.</p>	41 calendar days	KHR 0
⇒ 2	<p>Receive site inspection by Electricite Du Cambodge</p> <p>Agency : Electricite Du Cambodge (EDC)</p> <p>The Distribution Department of EDC sends an inspector to check the site and the area. After the inspection the EDC will do the assessment and quotation of the prices.</p>	1 calendar day	KHR 0
3	<p>Await clearance from Electricite Du Cambodge and sign contract</p> <p>Agency : Distribution Department Electricite Du Cambodge (EDC)</p> <p>The consumer should obtain a clearance from the Distribution Department which has to assess whether EDC has enough capacity. The clearance is issued by the Managing Director of the Distribution Department. Once the clearance is issued the applicant signs a contract and pays fees.</p>	75 calendar days	KHR 0
4	<p>Await completion of external works, meter installation and final connection</p> <p>Agency : Electricite Du Cambodge (EDC) and Electrical Contractor</p> <p>For an additional load of 140kVA installation of a transformer for 160 kVA will be required. The external connection works are carried out by EDC. The meter gets installed at the same time as when the connection is done. If there is a road crossing it takes EDC additional 2 weeks to obtain an excavation permit.</p> <p>The security deposit has to be paid and is returned upon the termination of the power consumption.</p> <p>There is no supervision / inspection of the internal wiring before the final connection. EDC is responsible only for the external connection. The customer's private electrical engineer is in charge of the internal wiring. There is no requirement that the electrician must be licensed, so they can practice without a license. However, EDC is de facto the licensor of electrical engineers because they provide training courses. Attendees of this training receive a certificate that EDC recognizes. There is no other agency that provides the courses.</p>	63 calendar days	KHR 96,619,168.72

⇒ Takes place simultaneously with previous procedure.

Details – Getting Electricity in Cambodia – Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	3
Total duration and frequency of outages per customer a year (0-3)	0
System average interruption duration index (SAIDI)	22.8
System average interruption frequency index (SAIFI)	18.7
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	5.0
Mechanisms for monitoring outages (0-1)	0
Does the distribution utility use automated tools to monitor outages?	No
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	0
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	No
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	http://eac.gov.kh/wp-content/uploads/2016/03/072SR-16.pdf
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

What the indicators measure

Procedures to legally transfer title on immovable property (number)

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business city.
- Postregistration procedures (for example, filling title with municipality)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of property value)

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

Quality of land administration index (0-30)

- Reliability of infrastructure index (0-8)
- Transparency of information index (0-6)
- Geographic coverage index (0-8)
- Land dispute resolution index (0-8)
- Equal access to property rights index (-2-0)

Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

The parties (buyer and seller):

- Are limited liability companies (or the legal equivalent).
- Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Are 100% domestically and privately owned.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

The property (fully owned by the seller):

- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
- Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

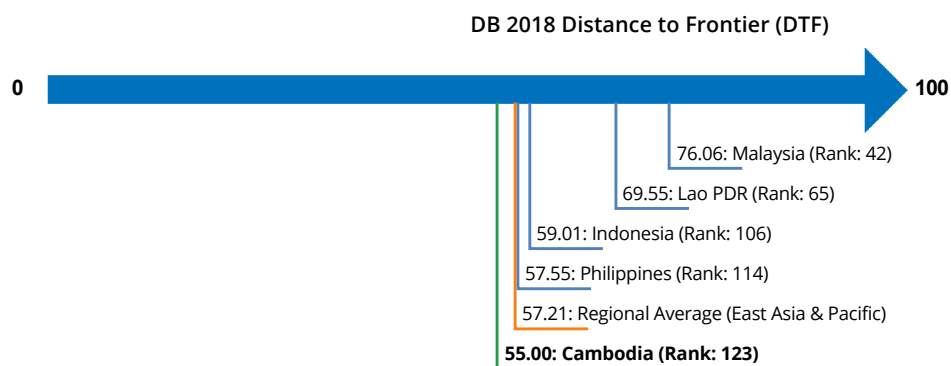
Standard Property Transfer

Property value KHR 242,370,117.30

City Covered Phnom Penh

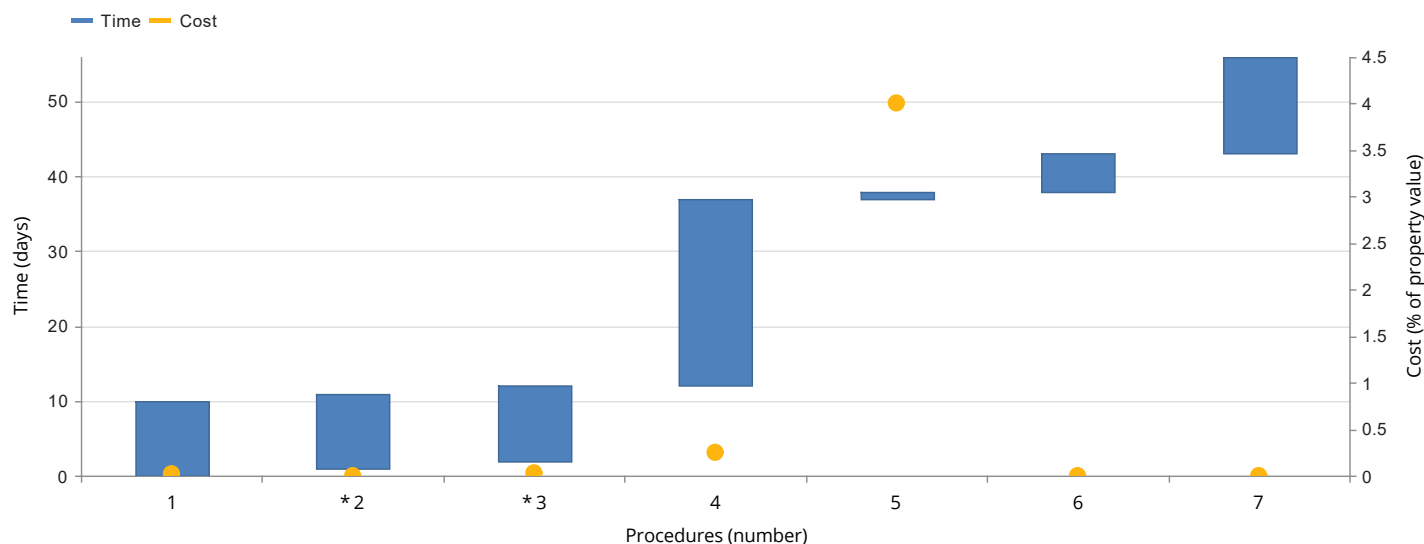
Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Procedures (number)	7	5.5	4.6	1.00 (4 Economies)
Time (days)	56	74.5	22.3	1.00 (3 Economies)
Cost (% of property value)	4.3	4.3	4.2	0.00 (5 Economies)
Quality of the land administration index (0-30)	7.5	15.8	22.7	29.00 (Singapore)

Figure – Registering Property in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of registering property is determined by sorting their distance to frontier scores for registering property. These scores are the simple average of the distance to frontier scores for each of the component indicators.

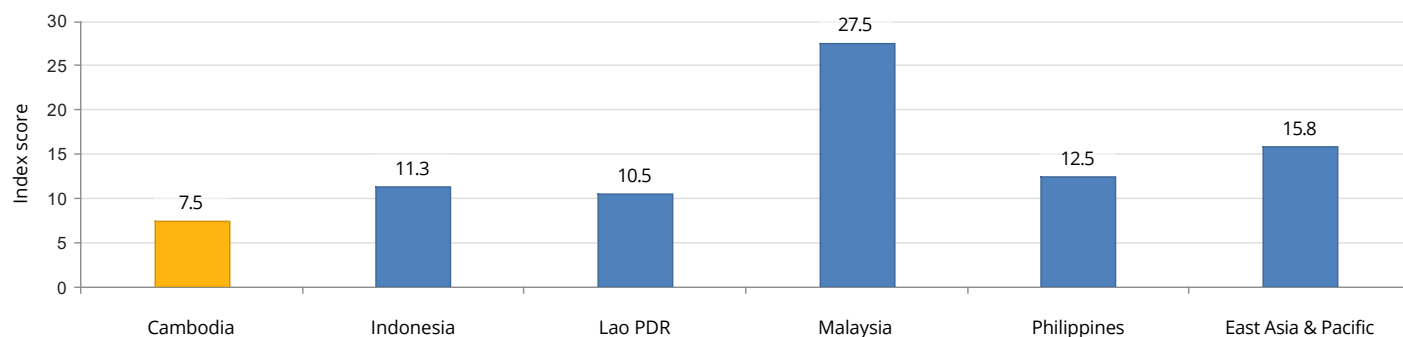
Figure – Registering Property in Cambodia – Procedure, Time and Cost



* This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (<http://www.doingbusiness.org/methodology>). For details on the procedures reflected here, see the summary below.

Figure – Registering Property in Cambodia and comparator economies – Measure of Quality



Details – Registering Property in Cambodia – Procedure, Time and Cost

No.	Procedure	Time to Complete	Associated Costs
1	<p>The buyer verifies the title certificate with the Land Office, checking for potential liens or encumbrances</p> <p>Agency : Land Office (District Level, Office of the Ministry of Land Management, Urban Planning & Construction)</p> <p>The buyer should obtain a copy of the initial title certificate from the seller and verify proper ownership, ensuring that the seller is the rightful owner of the title certificate. He verifies the title certificate with the land office (it is also possible to start this procedure at the Land Department at the Provincial level) to ensure that there are no liens, mortgages or other encumbrances registered for that property.</p> <p>Official cost according the Prakas 995 dated of December 28th,2012 on public service at Ministry of Land Management, Urban Planning and Construction</p>	10 days (simultaneous with Procedures 2 and 3)	KHR 50,000
⇒ 2	<p>Obtain information on the property from the Commune Council Official</p> <p>Agency : Commune Council</p> <p>The land purchaser may contact the village chief or the commune council official to obtain information on the land in addition to an official search at the municipal land office. This procedure is not required by law, but it is an additional step to verify that there are no more liens or other encumbrances affecting the property object of the transaction</p>	10 days (simultaneous with Procedures 1 and 3)	no cost
⇒ 3	<p>The buyer should obtain the certificate of incorporation of the seller's company and other documents from the seller</p> <p>Agency : Ministry of Commerce</p> <p>If the landowner is a legal entity, the buyer should obtain a copy of the ID of the shareholder or person acting on behalf of the company, and a certified/notarized copy of the certificate of issued by the Ministry of Commerce. These documents are needed to verify the accuracy and identity of the company name appearing in the title certificate. A Power of Attorney is also needed, as well as a resolution signed by the Board of Directors authorizing a named individual to represent the company at the land office accompanied by the Power of Attorney implementing that Resolution. This procedure is not required by law, but carried out in practice to verify information of the seller.</p>	10 days (simultaneous with Procedures 1 and 2)	KHR 80,000

- | | | | |
|---|---|------------|--|
| 4 | Apply for registration at the District Land Office of the Ministry of Land Management, Urban Planning & Construction (MLMUPC)
Agency : Land Office, (District Level, Office of the Ministry of Land Management, Urban Planning & Construction)

When 2 persons/companies wish to buy/sell real property, together they should go to the district office of the Ministry of Land Management, Urban Planning & Construction (MLMUPC) and arrange to prepare and sign documents. The Land office reviews the document, checks the existing land book and sends it to the tax office to calculate the amount to be paid for the Transfer Tax. Before that, the tax office will send their staff to the field to evaluate the property. They have to inspect the property and assess its value. Once the inspection is done, the tax office will ask the buyer to pay the transfer tax.

In order to complete this procedure, a cadastral transfer fee of KHR 600,000 is paid to MLMUPC.

The documentation shall include the company's statute, its Certificate of Incorporation, and Power of Attorney (obtained in Procedure 3). At the time, the original Title Certificate held by the seller must be presented to the Khan (District Level) at the time of signing the deed in order to have the name of the new owner inserted on the document. | 20-30 days | KHR 600,000
(Cadastral transfer fee) |
| 5 | Pay transfer tax at the Tax Collection Office
Agency : General Department of Taxation

A transfer tax of 4% of value of the property is paid by the seller to the Ministry of Economy and Finance at the Tax Collection Office of the location of the transferred property. A Tax Receipt is issued to prove that the tax has been paid. The 4% transfer tax is set out in Article 40 of the Law on Finance for the year 1995. In Phnom Penh, this tax is not assessed based on the true transacted value of the property but based on a schedule of price of property determined by the Phnom Penh Municipality. The assessed value is usually based on the total number of square meters, the land's location, use etc. For the land of more than 1200m ² , the surplus is subject to unused land tax. For the land less than 1200m ² , the unused land tax is not applicable. The time for the tax office to complete the calculation of transfer tax will depend on the location of the land and its size. | 1 day | 4% of property value
(transfer fee) |
| 6 | Return to Cadastral office to complete the registration process
Agency : Land Department (Province Level of the Ministry of Land Management, Urban Planning & Construction)

After taxes are paid the parties return to the cadastral office at the MLMUPC and sign/thumbprint a MLMUPC form for buying/selling real property that was filled in by MLMUPC official. The signing/thumb printing will be witnessed by a local authority such as commune chief who will also thumbprint. These Procedures are based on Land Law Arts. 244 and 245. Land Law Art. 69 bars transfer unless all necessary taxes are paid. The documentation shall include: (1) Payment receipts of transfer tax (obtained in Procedure 5) | 5 days | Cadastral service
paid in Procedure 4 |

7 Obtain the certificate of title from the Municipal Land Office

13 days

Already paid in
Procedure 5

Agency : Land Department (Province Level of the Ministry of Land Management, Urban Planning & Construction)

The Khan/District land office forwards all the "transfer documents" to the Municipal Land Office where it issues the Certificate of Title in the new owner's name and has it registered. The last procedural step in practice can take several weeks, depending on the diligence of the land officials and interested parties. The Certificate of Title is received at the Land Department (Khan level).

⇒ Takes place simultaneously with previous procedure.

Details – Registering Property in Cambodia – Measure of Quality

	Answer	Score
Quality of the land administration index (0-30)		7.5
Reliability of infrastructure index (0-8)		2.0
What is the institution in charge of immovable property registration?	Phnom Penh Municipal Department of Land Management, Urban Planning and Construction	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	No	0.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Khan Office of Land Management, Urban Planning, Construction and Cadastral (District Level)	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	No	0.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Different databases but linked	1.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		0.5
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Only intermediaries and interested parties	0.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, in person	0.0

Link for online access:

Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	http://www.jica.go.jp/cambodia/office/information/investment/ku57pq00001vq7zz-att/administrative_procedure_08.pdf	
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2015:		
Who is able to consult maps of land plots in the largest business city?	Only intermediaries and interested parties	0.0
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	No	0.0
Link for online access:		
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
Geographic coverage index (0–8)		0.0
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	No	0.0

Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	No	0.0
Land dispute resolution index (0-8)		5.0
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Notary.	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar.	
Is there a national database to verify the accuracy of identity documents?	No	0.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	Phnom Penh Municipality Court of First Instance	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 1 and 2 years	2.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2015:		
Equal access to property rights index (-2-0)		0.0
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	0.0
Do married men and married women have equal ownership rights to property?	Yes	0.0

Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

What the indicators measure

Strength of legal rights index (0–12)

- Rights of borrowers and lenders through collateral laws (0–10)
- Protection of secured creditors' rights through bankruptcy laws (0–2)

Depth of credit information index (0–8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0–8)

Credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest credit bureau as a percentage of adult population

Credit registry coverage (% of adults)

- Number of individuals and firms listed in credit registry as a percentage of adult population

Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

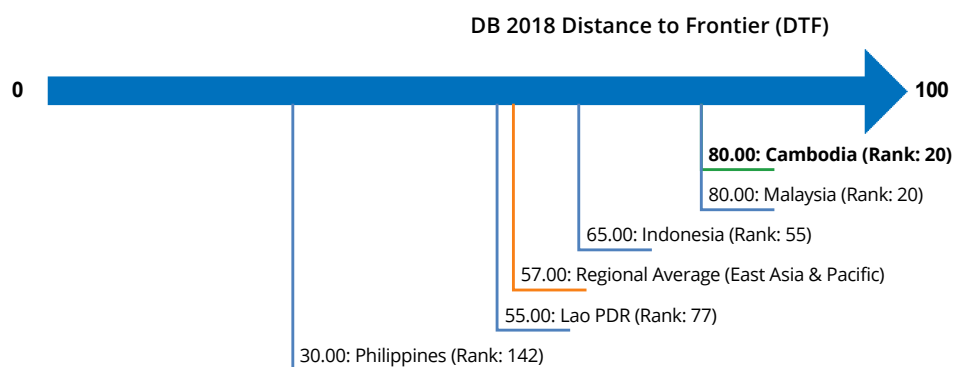
- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

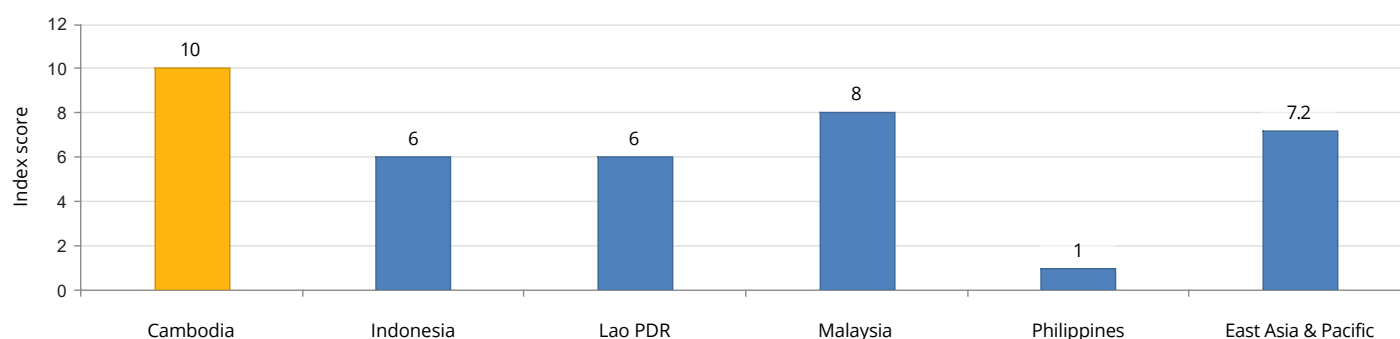
Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Strength of legal rights index (0-12)	10	7.2	6.0	12.00 (4 Economies)
Depth of credit information index (0-8)	6	4.2	6.6	8.00 (34 Economies)
Credit registry coverage (% of adults)	0.0	16.0	18.3	100.00 (3 Economies)
Credit bureau coverage (% of adults)	49.9	22.3	63.7	100.00 (23 Economies)

Figure – Getting Credit in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of getting credit is determined by sorting their distance to frontier scores for getting credit. These scores are the distance to frontier score for the sum of the strength of legal rights index and the depth of credit information index.

Figure – Legal Rights in Cambodia and comparator economies



Details – Legal Rights in Cambodia

Strength of legal rights index (0-12)

10

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy? Yes

Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral? Yes

Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral? Yes

May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds or replacements of the original assets? Yes

Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered? Yes

Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name? Yes

Does a notice-based collateral registry exist in which all functional equivalents can be registered? Yes

Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party? Yes

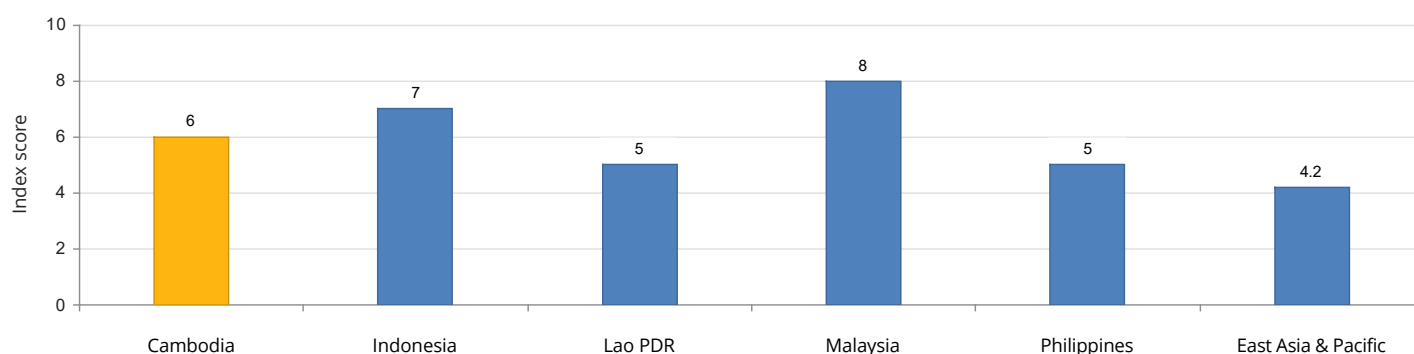
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure? Yes

Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated? No

Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and/or sets a time limit for it? No

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt? Yes

Figure – Credit Information in Cambodia and comparator economies



Details – Credit Information in Cambodia

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	No	No	0
Are both positive and negative credit data distributed?	Yes	No	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	No	No	0
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	No	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	No	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
Score ("yes" to either public bureau or private registry)			6

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	5,059,897	0
Number of firms	0	0
Total	5,059,897	0
Percentage of adult population	49.9	0.0

Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

What the indicators measure

- **Extent of disclosure index (0–10):** Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions
- **Extent of director liability index (0–10):** Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)
- **Ease of shareholder suits index (0–10):** Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses
- **Extent of conflict of interest regulation index (0–10):** Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices
- **Extent of shareholder rights index (0–10):** Shareholders' rights and role in major corporate decisions
- **Extent of ownership and control index (0–10):** Governance safeguards protecting shareholders from undue board control and entrenchment
- **Extent of corporate transparency index (0–10):** Corporate transparency on ownership stakes, compensation, audits and financial prospects
- **Extent of shareholder governance index (0–10):** Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- **Strength of minority investor protection index (0–10):** Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices

Case study assumptions

To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

The business (Buyer):

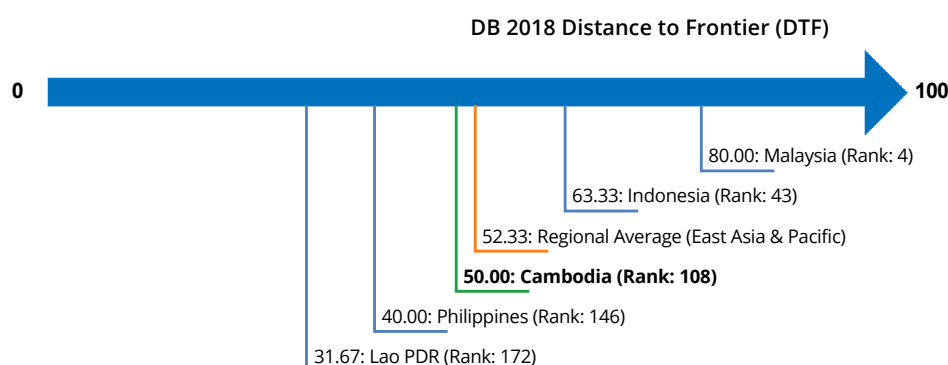
- Is a publicly traded corporation listed on the economy's most important stock exchange. If the number of publicly traded companies listed on that exchange is less than 10, or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.
- Has a supervisory board (applicable to economies with a two-tier board system) on which 60% of the shareholder-elected members have been appointed by Mr. James, who is Buyer's controlling shareholder and a member of Buyer's board of directors.
- Has not adopted any bylaws or articles of association that differ from default minimum standards and does not follow any nonmandatory codes, principles, recommendations or guidelines relating to corporate governance.
- Is a manufacturing company with its own distribution network.

The transaction involves the following details:

- Mr. James owns 60% of Buyer and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.
- The proposed transaction is part of the company's ordinary course of business and is not outside the authority of the company.
- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made (that is, the transaction is not fraudulent).
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the other parties that approved the transaction.

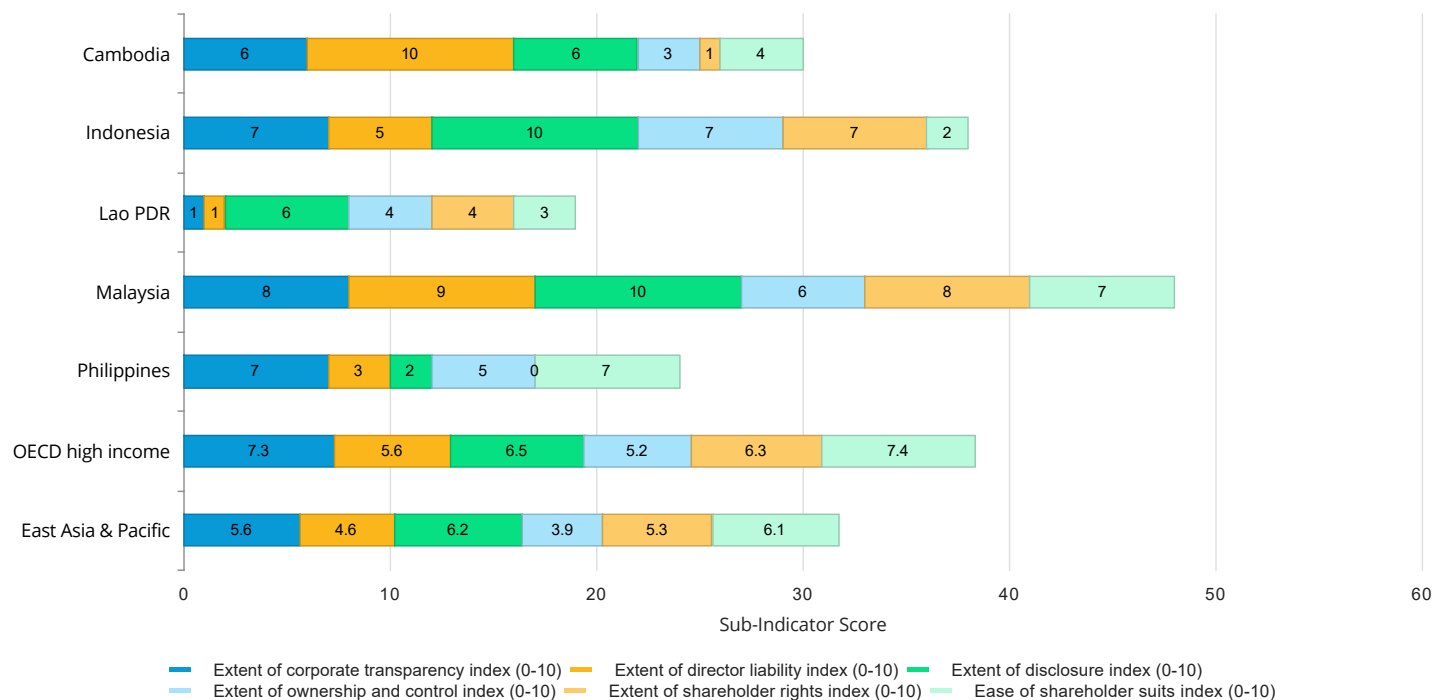
Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Extent of conflict of interest regulation index (0-10)	6.7	5.7	6.4	9.3 (New Zealand)
Extent of shareholder governance index (0-10)	3.3	4.8	6.4	9.00 (Kazakhstan)

Figure – Protecting Minority Investors in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their distance to frontier scores for protecting minority investors. These scores are the simple average of the distance to frontier scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure – Protecting Minority Investors in Cambodia and comparator economies – Measure of Quality



Details – Protecting Minority Investors in Cambodia – Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-10)		6.7
Extent of disclosure index (0-10)		6
Which corporate body is legally sufficient to approve the Buyer-Seller transaction? (0-3)	Board of directors excluding interested members	2.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in published periodic filings (annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public and/or shareholders? (0-2)	No disclosure obligation	0.0
Extent of director liability index (0-10)		10
Can shareholders representing 10% of Buyer's share capital sue directly or derivatively for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold the interested director liable for the damage the transaction caused to Buyer? (0-2)	Liable if unfair or prejudicial	2.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if unfair or prejudicial	2.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified or fined and imprisoned upon a successful claim by shareholders? (0-1)	Yes	1.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
Ease of shareholder suits index (0-10)		4
Before suing can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	No	0.0

Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	No	0.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-10)		3.3
Extent of shareholder rights index (0-10)		1
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	No	0.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	No	0.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0
Must shareholders approve the election and dismissal of the external auditor?	No	0.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	No	0.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	No	0.0
Assuming that Buyer is a limited company, must all members consent to add a new member?	No	0.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	No	0.0
Extent of ownership and control index (0-10)		3
Is it forbidden to appoint the same individual as CEO and chair of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay declared dividends within a maximum period set by law?	No	0.0

Is a subsidiary prohibited from acquiring shares issued by its parent company?	No	0.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	No	0.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
Extent of corporate transparency index (0-10)		6
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	No	0.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	No	0.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0

Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as measures the administrative burden in paying taxes and contributions. The most recent round of data collection for the project was completed on June 30, 2017 covering for the Paying Taxes indicator calendar year 2016 (January 1, 2016 – December 31, 2016).

Last year (Doing Business 2017) the scope of data collection was expanded to better understand the overall tax environment in an economy. The questionnaire was expanded to include new questions on post-filing processes: VAT refund and tax audit. The data shows where postfiling processes and practices work efficiently and what drives the differences in the overall tax compliance cost across economies.

The new section covers both the legal framework and the administrative burden on businesses to comply with postfiling processes.

[See the methodology for more information.](#)

What the indicators measure

Tax payments for a manufacturing company in 2016 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Completing tax return, filing with agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

Total tax and contribution rate (% of profit before all taxes)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

Postfiling Index

- Time to comply with a VAT refund
- Time to receive a VAT refund
- Time to comply with a corporate income tax audit
- Time to complete a corporate income tax audit

Case study assumptions

Using a case scenario, Doing Business records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2015. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2016). Taxes and mandatory contributions are measured at all levels of government.

The VAT refund process:

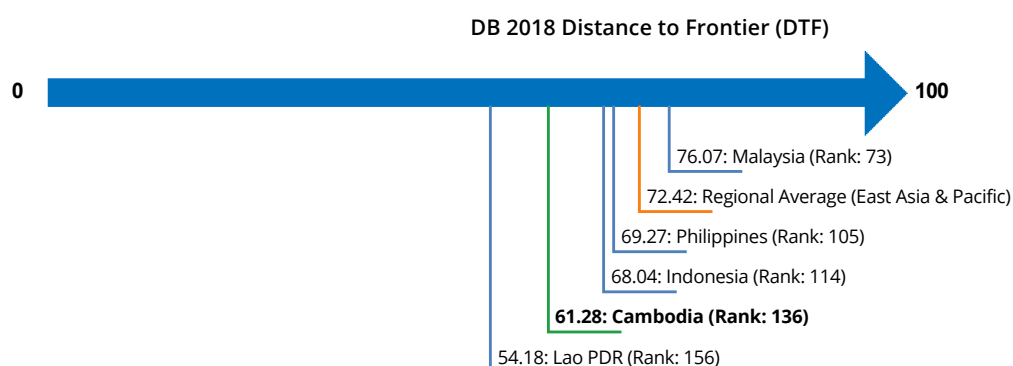
- In June 2016, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2016.

The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

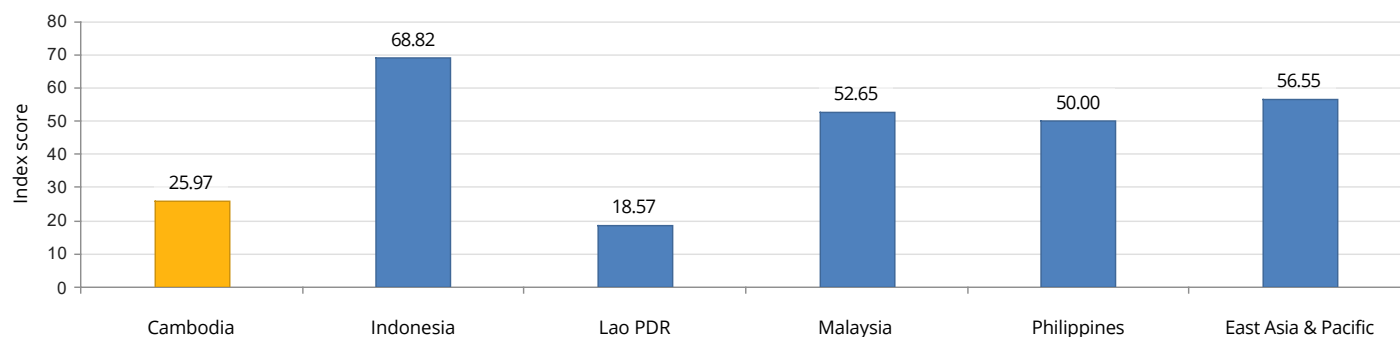
Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Payments (number per year)	40	21.8	10.9	3 (Hong Kong SAR, China)
Time (hours per year)	173	189.2	160.7	55 (Luxembourg)
Total tax and contribution rate (% of profit)	21.7	33.6	40.1	18.47% (32 Economies)
Postfiling index (0-100)	25.97	56.55	83.45	99.38 (Estonia)

Figure – Paying Taxes in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of paying taxes is determined by sorting their distance to frontier scores on the ease of paying taxes. These scores are the simple average of the distance to frontier scores for each of the four component indicators – number of tax payments, time, total tax rate and postfiling index – with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax rate. The nonlinear distance to frontier for the total tax rate is equal to the distance to frontier for the total tax rate to the power of 0.8. The threshold is defined as the total tax rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax rate below this threshold receive the same score as the economy at the threshold.

Figure – Paying Taxes in Cambodia and comparator economies – Measure of Quality



Details – Paying Taxes in Cambodia

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTR
Corporate income tax	12		23	20% on profits or 1% on turnover (whichever is higher)	taxable profit	19.35	
Patent tax	1			KHR 3,000,000	fixed fee	1.39	
Social security contributions	12		84	0.8%	gross salaries	0.55	
Transport tax	1			KHR 774,206	fixed fee depending on type of vehicle	0.36	
Tax on interest	0			4%	interest income	0.10	not included
Tax on Immovable Property	1			0.1%	(the value of immovable property*80%) – KHR 100,000,000	0.07	
Fuel tax	1				included in the fuel price	0.00	small amount
Value added tax (VAT)	12		66	10%	value added	0.00	not included
Totals	40		173			21.7	

Details – Paying Taxes in Cambodia – Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	19.4
Labor tax and contributions (% of profit)	0.5
Other taxes (% of profit)	1.8

Details – Paying Taxes in Cambodia – Measure of Quality

	Answer	Score
Postfiling index (0-100)		25.97

VAT refunds

Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	Yes	
Restrictions on VAT refund process	Carry forward for 3months	
Percentage of cases exposed to a VAT audit (%)	75% - 100%	
Is there a mandatory carry forward period?	Yes	
Time to comply with VAT refund (hours)	21.0	58
Time to obtain a VAT refund (weeks)	63.9	0

Corporate income tax audits

Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	75% - 100%	
Time to comply with a corporate income tax audit (hours)	31.0	45.87
Time to complete a corporate income tax audit (weeks)	39.4	0

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax audit and time to complete a corporate income tax audit.

N/A = Not applicable.

Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. Doing Business measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

Given the importance of trade digitalization, in Doing Business 2018, the Trading across Borders questionnaire included research questions on the availability and status of implementation of Electronic Data Interchange (EDI) and Single Window (SW) systems. With this information, Doing Business built a comprehensive dataset on the adoption and level of sophistication of electronic platforms in 190 economies. These data are not used to compute the distance to frontier score or ranking of the ease of doing business. The new dataset on EDI and SW systems is available [here](#).

What the indicators measure

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

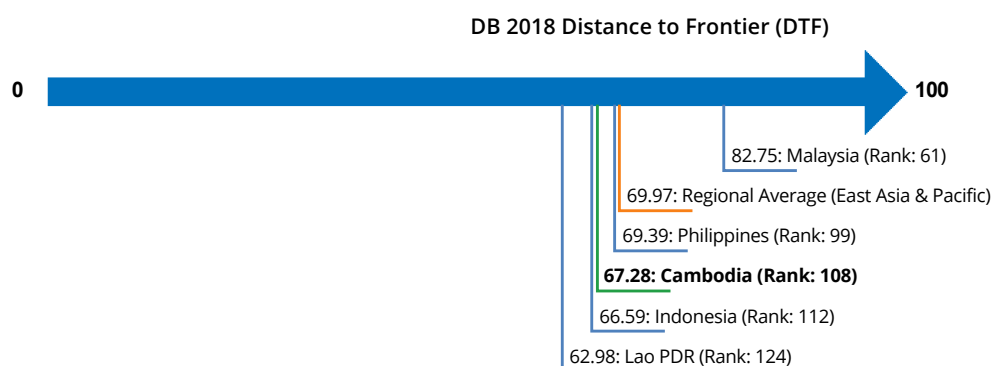
Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as $22 \times 24 = 528$ hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

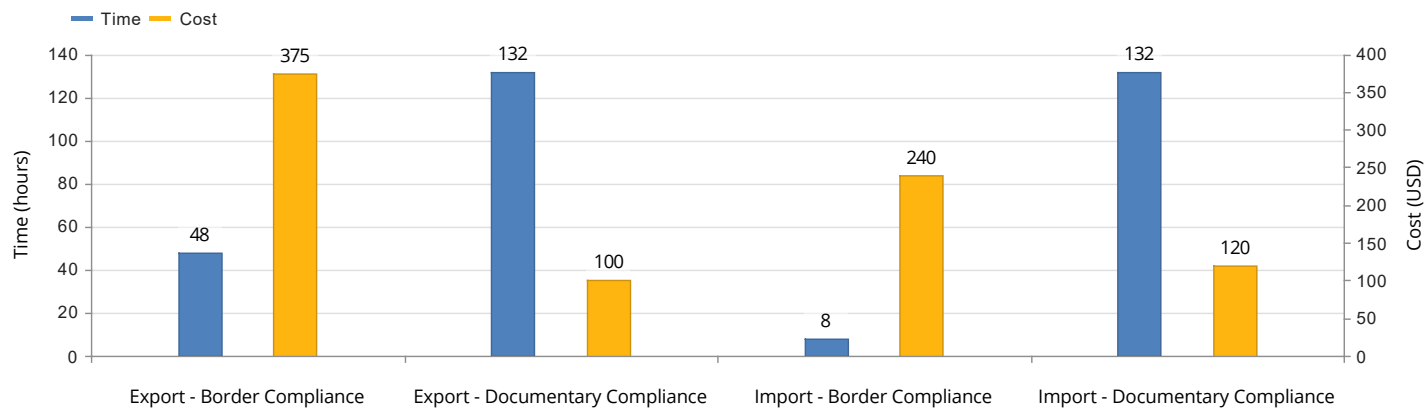
Assumptions of the case study: - For all 190 economies covered by Doing Business, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy. - It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000. - The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport, or land border crossing. - All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process. - A port or border is a place (seaport, airport or land border crossing) where merchandise can enter or leave an economy. - Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Time to export: Border compliance (hours)	48	55.9	12.7	0 (17 Economies)
Cost to export: Border compliance (USD)	375	387.5	149.9	0.00 (19 Economies)
Time to export: Documentary compliance (hours)	132	68.2	2.4	1.0 (25 Economies)
Cost to export: Documentary compliance (USD)	100	112.1	35.4	0.00 (19 Economies)
Time to import: Border compliance (hours)	8	70.5	8.7	0.00 (21 Economies)
Cost to import: Border compliance (USD)	240	431.0	111.6	0.00 (27 Economies)
Time to import: Documentary compliance (hours)	132	65.6	3.5	1.0 (30 Economies)
Cost to import: Documentary compliance (USD)	120	111.4	25.6	0.00 (30 Economies)

Figure – Trading across Borders in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of trading across borders is determined by sorting their distance to frontier scores for trading across borders. These scores are the simple average of the distance to frontier scores for the time and cost for documentary compliance and border compliance to export and import (domestic transport is not used for calculating the ranking).

Figure – Trading across Borders in Cambodia – Time and Cost**Details – Trading across Borders in Cambodia**

Characteristics	Export	Import
Product	HS 61 : Articles of apparel and clothing accessories, knitted or crocheted	HS 8708: Parts and accessories of motor vehicles
Trade partner	United States	Thailand
Border	Sihanoukville port	Poipet border crossing
Distance (km)	224	412
Domestic transport time (hours)	6	11
Domestic transport cost (USD)	200	1125

Details – Trading across Borders in Cambodia – Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	28.3	275.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	24.0	100.0
Import: Clearance and inspections required by customs authorities	4.3	240.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	7.5	0.0

Details – Trading across Borders in Cambodia – Trade Documents

Export	Import
Customs Export Declaration	Customs Import Declaration
Commercial Invoice	Commercial Invoice
Packing List	Packing List
Bill of Lading	Road Transport Document
Terminal Handling Receipts	Import Permit
Insurance Certificate	Insurance Certificate
Export Permit	Tax Certificate
Certificate of Origin	Certificate of Origin
SOLAS certificate	Company Registration

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in June 2017. [See the methodology for more information.](#)

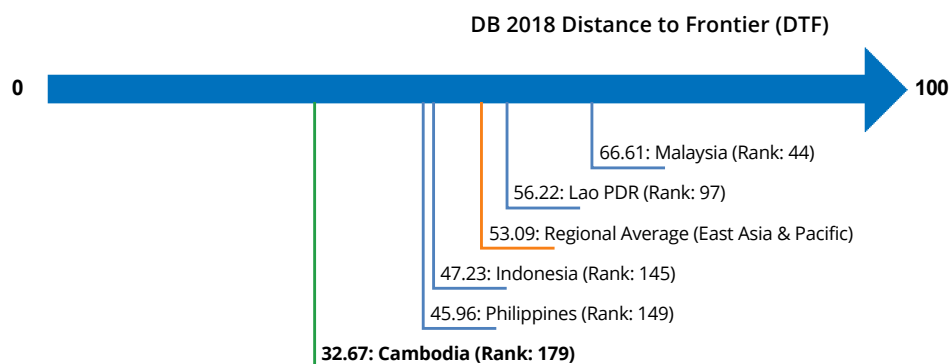
What the indicators measure	Case study assumptions
Time required to enforce a contract through the courts (calendar days) <ul style="list-style-type: none"> Time to file and serve the case Time for trial and to obtain the judgment Time to enforce the judgment 	<p>The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.</p> <p>To make the data comparable across economies, Doing Business uses several assumptions about the case:</p> <ul style="list-style-type: none"> - The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - The buyer orders custom-made goods, then fails to pay. - The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater. - The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000. - The seller requests a pretrial attachment to secure the claim. - The dispute on the quality of the goods requires an expert opinion. - The judge decides in favor of the seller; there is no appeal. - The seller enforces the judgment through a public sale of the buyer's movable assets.
Cost required to enforce a contract through the courts (% of claim) <ul style="list-style-type: none"> Attorney fees Court fees Enforcement fees 	
Quality of judicial processes index (0-18) <ul style="list-style-type: none"> Court structure and proceedings (-1-5) Case management (0-6) Court automation (0-4) Alternative dispute resolution (0-3) 	

Standardized Case

Claim value	KHR 20,801,496.00
Court name	Phnom Penh Municipal Court of First Instance
City Covered	Phnom Penh

Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Time (days)	483	565.7	577.8	164.00 (Singapore)
Cost (% of claim value)	103.4	47.3	21.5	9.00 (Iceland)
Quality of judicial processes index (0-18)	5.0	7.9	11.0	15.50 (Australia)

Figure – Enforcing Contracts in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their distance to frontier scores for enforcing contracts. These scores are the simple average of the distance to frontier scores for each of the component indicators.

Figure – Enforcing Contracts in Cambodia – Time and Cost

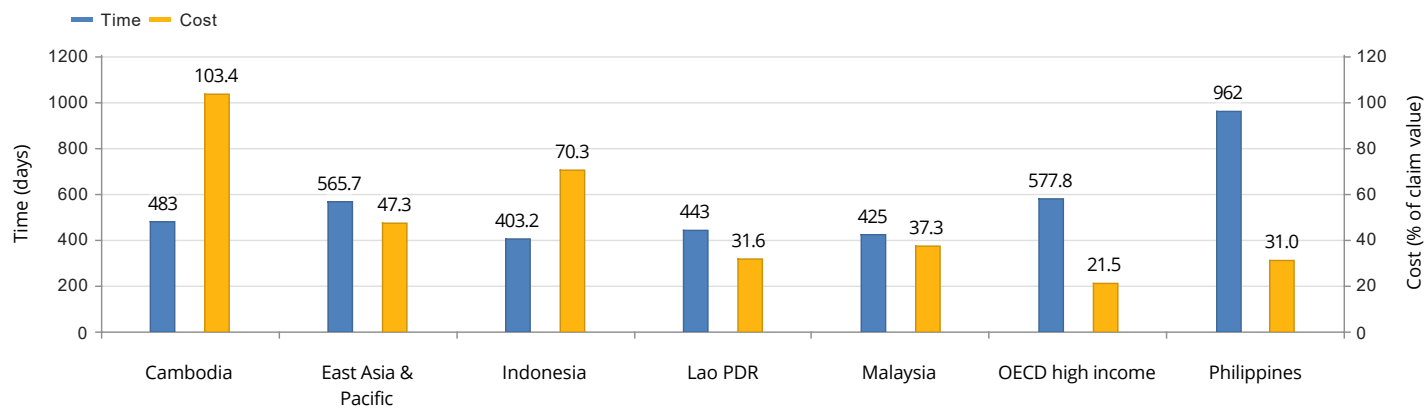
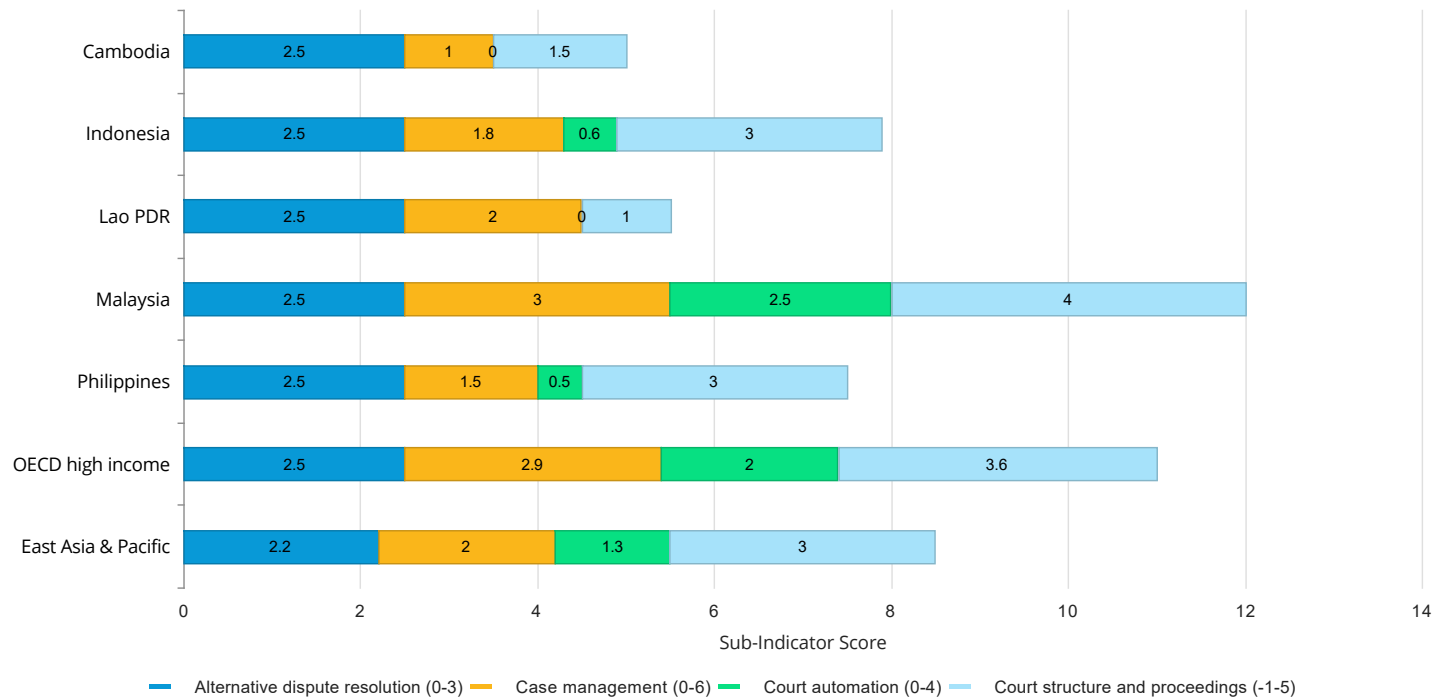


Figure – Enforcing Contracts in Cambodia and comparator economies – Measure of Quality



Details – Enforcing Contracts in Cambodia

		Indicator
Time (days)		483
Filing and service		63
Trial and judgment		250
Enforcement of judgment		170
Cost (% of claim value)		103.4
Attorney fees		95.8
Court fees		1
Enforcement fees		6.6
Quality of judicial processes index (0-18)		5.0
Court structure and proceedings (-1-5)		1.5
Case management (0-6)		1.0
Court automation (0-4)		0.0
Alternative dispute resolution (0-3)		2.5

Details – Enforcing Contracts in Cambodia – Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		5.0
Court structure and proceedings (-1-5)		1.5
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	No	0.0
2. Small claims court		0.0
2.a. Is there a small claims court or a fast-track procedure for small claims?	No	
2.b. If yes, is self-representation allowed?	n.a.	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, but manual	0.5
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		1.0
1. Time standards		0.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	No	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	Yes	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	No	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	No	0.0
4. Is a pretrial conference among the case management techniques used before the competent court?	Yes	1.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
Court automation (0-4)		0.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	No	0.0

2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	No	0.0
4. Publication of judgments		0.0
4.a Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
Alternative dispute resolution (0-3)		2.5
1. Arbitration		1.5
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		1.0
2.a. Is voluntary mediation or conciliation available?	Yes	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	No	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes	

Resolving Insolvency

Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, Doing Business uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit.

The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

What the indicators measure

Time required to recover debt (years)

- Measured in calendar years
- Appeals and requests for extension are included

Cost required to recover debt (% of debtor's estate)

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- Other related fees

Outcome

- Whether business continues operating as a going concern or business assets are sold piecemeal

Recovery rate for creditors

- Measures the cents on the dollar recovered by secured creditors
- Outcome for the business (survival or not) determines the maximum value that can be recovered
- Official costs of the insolvency proceedings are deducted
- Depreciation of furniture is taken into account
- Present value of debt recovered

Strength of insolvency framework index (0- 16)

- Sum of the scores of four component indices:
- Commencement of proceedings index (0-3)
- Management of debtor's assets index (0-6)
- Reorganization proceedings index (0-3)
- Creditor participation index (0-4)

Case study assumptions

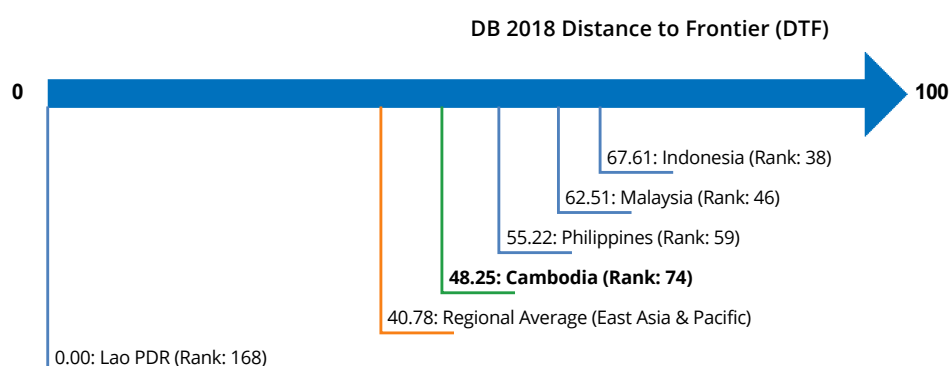
To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:

- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.
- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.
- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.

In addition, Doing Business evaluates the adequacy and integrity of the existing legal framework applicable to liquidation and reorganization proceedings through the strength of insolvency framework index. The index tests whether economies adopted internationally accepted good practices in four areas: commencement of proceedings, management of debtor's assets, reorganization proceedings and creditor participation.

Indicator	Cambodia	East Asia & Pacific	OECD high income	Overall Best Performer
Recovery rate (cents on the dollar)	14.2	35.4	71.2	93.1 (Norway)
Time (years)	6.0	2.6	1.7	0.4 (Ireland)
Cost (% of estate)	18.0	20.6	9.1	1.00 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0
Strength of insolvency framework index (0-16)	13.0	7.0	12.1	15.00 (6 Economies)

Figure – Resolving Insolvency in Cambodia and comparator economies – Ranking and DTF



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their distance to frontier scores for resolving insolvency. These scores are the simple average of the distance to frontier scores for the recovery rate and the strength of insolvency framework index.

Figure – Resolving Insolvency in Cambodia – Time and Cost

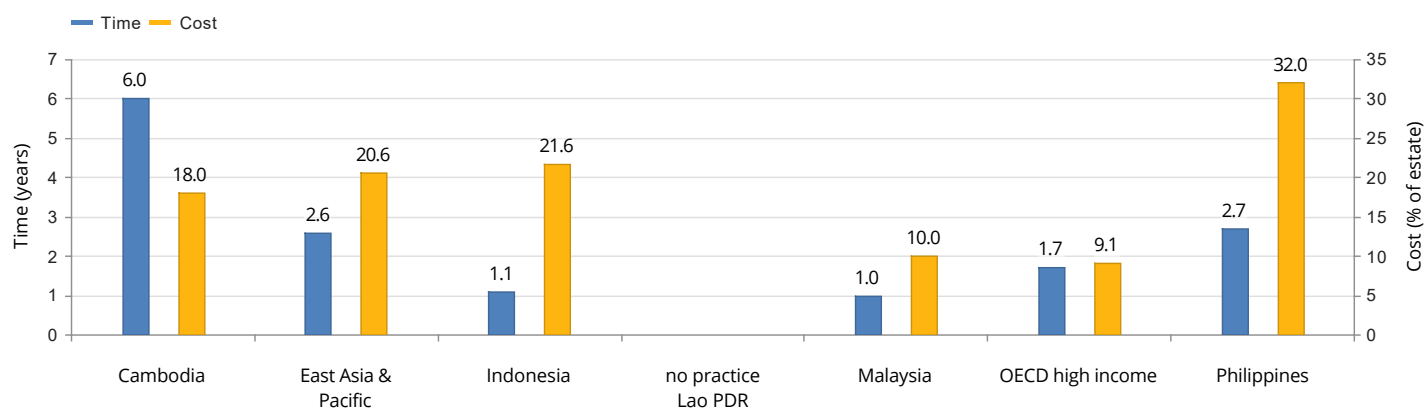


Figure – Resolving Insolvency in Cambodia and comparator economies – Measure of Quality

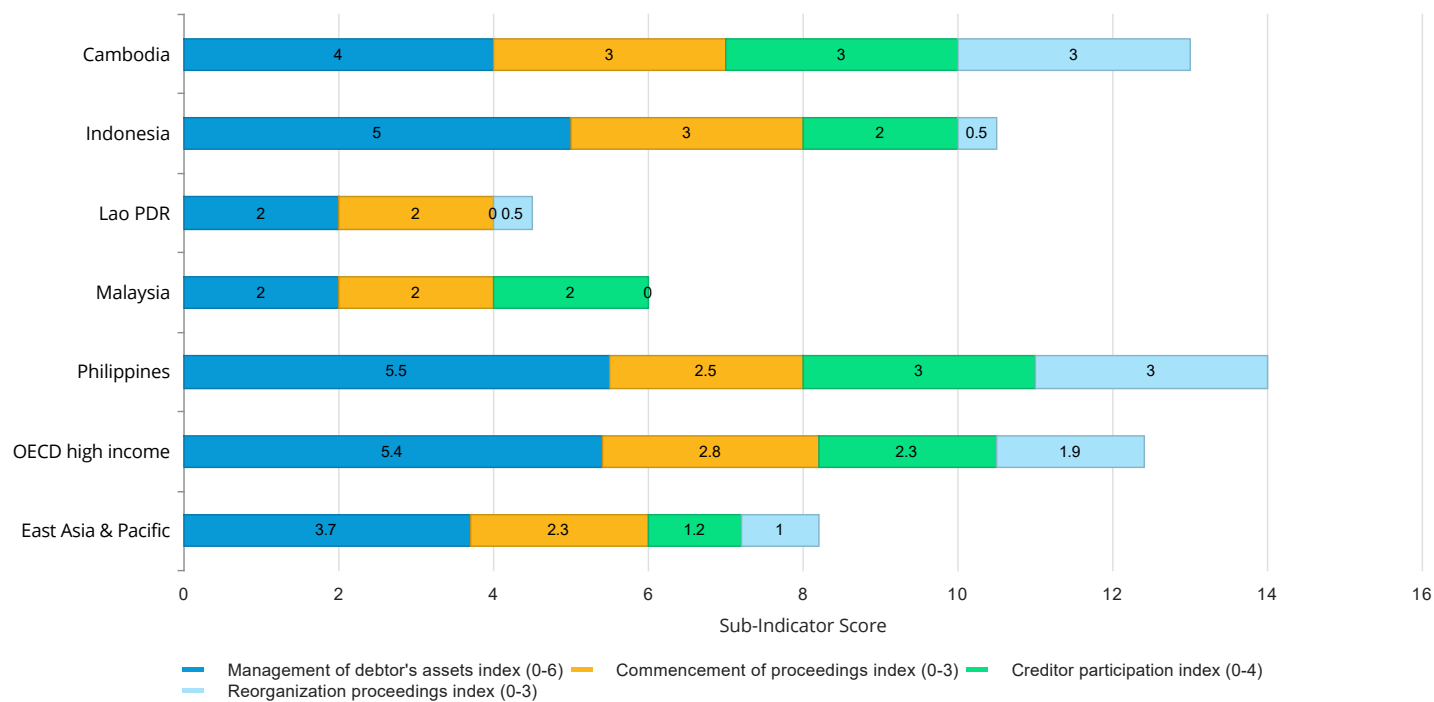
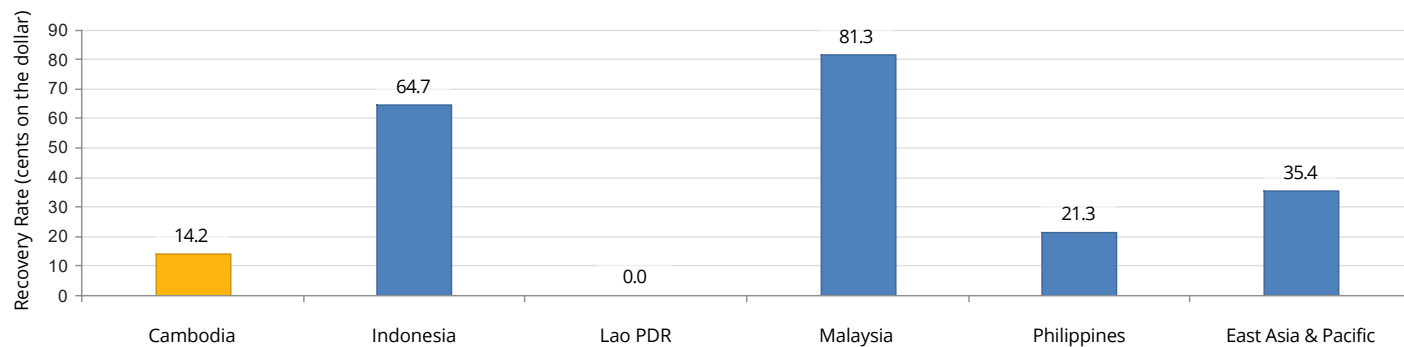


Figure – Resolving Insolvency in Cambodia and comparator economies – Recovery Rate



Details – Resolving Insolvency in Cambodia

Indicator	Answer	Explanation
Proceeding	foreclosure	BizBank would initiate foreclosing proceedings to avail itself of his security right by filing an application to the Court of First Instance. The Court invites the parties to negotiate, in the preparatory meeting. Because Mirage cannot repay, the court will rule in favor of BizBank. To enforce the judgment, a real estate company will assess the value of the property; then the sale will be announced. Other creditors, particularly the workers, may file claims. The sale will be organized and if no buyer is found, another auction will be needed.
Outcome	piecemeal sale	The hotel will stop operating and Mirage assets will be sold piecemeal either through a public sale.
Time (in years)	6.0	A foreclosure procedure will approximately take 6 years in total. This delay is largely due to judicial inefficiency.
Cost (% of estate)	18.0	The costs associated with the case would amount to approximately 18% of the value of the debtor's estate. Cost incurred during the entire insolvency process mainly include attorneys' fees (10%), court fees (1%), and enforcement fees (7%), which include fees of auctioneers, publication costs, the real estate evaluation.
Recovery rate (cents on the dollar)		14.2

Details – Resolving Insolvency in Cambodia – Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		13.0
Commencement of proceedings index (0-3)		3.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(a) Yes, a creditor may file for both liquidation and reorganization	1.0
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		4.0
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	No	0.0
Does the insolvency framework assign priority to post-commencement credit?	(c) No priority is assigned to post-commencement creditors	0.0
Reorganization proceedings index (0-3)		3.0
Which creditors vote on the proposed reorganization plan?	(b) Only creditors whose rights are affected by the proposed plan	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	Yes	1.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	Yes	1.0

Creditor participation index (0-4)	3.0
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Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	No	0.0
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Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	Yes	1.0
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Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	Yes	1.0
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Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0
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Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice".

Labor Market Regulation

Doing Business presents the data for the labor market regulation indicators in an annex. The report does not present rankings of economies on these indicators or include the topic in the aggregate distance to frontier score or ranking on the ease of doing business. Detailed data collected on labor market regulation are available on the Doing Business website (<http://www.doingbusiness.org/data/exploretopics/labor-market-regulation>).

The most recent round of data collection was completed in June 2017. [See the methodology for more information.](#)

What the indicators measure

Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

Job quality

(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Details – Labor Market Regulation in Cambodia

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	24.0
Maximum length of fixed-term contracts, including renewals (months)	24.0
Minimum wage applicable to the worker assumed in the case study (US\$/month)	0.0
Ratio of minimum wage to value added per worker	0.0
Maximum length of probationary period (months)	1.0
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	30.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	50.0
Restrictions on night work?	No
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	18.0
Paid annual leave for a worker with 5 years of tenure (working days)	19.0
Paid annual leave for a worker with 10 years of tenure (working days)	21.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	19.3
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	Yes
Third-party approval if nine workers are dismissed?	No

Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	Yes
Priority rules for reemployment?	Yes
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	2.1
Notice period for redundancy dismissal for a worker with 5 years of tenure	8.7
Notice period for redundancy dismissal for a worker with 10 years of tenure	13.0
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	7.9
Severance pay for redundancy dismissal for a worker with 1 year of tenure	2.1
Severance pay for redundancy dismissal for a worker with 5 years of tenure	10.7
Severance pay for redundancy dismissal for a worker with 10 years of tenure	21.4
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	11.4
Job quality	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	90.0
Receive 100% of wages on maternity leave?	No
Five fully paid days of sick leave a year?	No
Unemployment protection after one year of employment?	No
Minimum contribution period for unemployment protection (months)?	n.a.

Business Reforms in Cambodia

In the year ending June 1, 2017, 119 economies implemented 264 total reforms across the different areas measured by Doing Business. Doing Business has recorded more than 2,900 regulatory reforms making it easier to do business since 2004. Reforms inspired by Doing Business have been implemented by economies in all regions. The following are the reforms for Cambodia implemented since Doing Business 2008.

✓ = Doing Business reform making it easier to do business. ✕ = Change making it more difficult to do business.

DB2017

✕ **Starting a Business:** Cambodia made starting a business more difficult by increasing the time required to register and by requiring companies to submit evidence of capital deposit after registration.

✓ **Getting Credit:** In Cambodia the credit bureau started to provide credit scores to banks and financial institutions, improving access to credit information.

DB2016

✓ **Starting a Business:** Cambodia made starting a business easier by simplifying company name checks, streamlining tax registration and eliminating the requirement to publish information on the new company's incorporation in the official gazette.

✓ **Getting Electricity:** Cambodia reduced the average frequency and duration of power outages experienced by a customer over the course of a year in Phnom Penh by increasing power generation capacity.

DB2014

✕ **Starting a Business:** Cambodia made starting a business more difficult by introducing a requirement for a company name check at the Department of Intellectual Property and by increasing the costs both for getting registration documents approved and stamped by the Phnom Penh Tax Department and for completing incorporation with the commercial registrar.

DB2013

✓ **Getting Credit:** Cambodia improved access to credit information by establishing its first private credit bureau.

✕ **Paying Taxes:** Cambodia introduced a new tax on immovable property.

DB2012

✓ **Getting Credit:** Cambodia strengthened its credit information system through a new regulation allowing credit bureaus to collect and distribute positive as well as negative credit information.

DB2011

✓ **Trading across Borders:** Cambodia eliminated preshipment inspections, reducing the time and number of documents required for importing and exporting.

DB2010

✕ **Paying Taxes:** Cambodia made paying taxes more costly for companies by introducing a social security contribution based on employees' average monthly wage.

DB2009

✓ **Getting Credit:** Cambodia adopted its first secured transactions law—enabling the use of movable property as collateral and ensuring that secured creditors' claims have priority in case of debtor default—and launched an online unified collateral registry.

✓ **Resolving Insolvency:** Cambodia adopted its first law regulating the bankruptcy of private enterprises (the 2007 Bankruptcy Law), which introduced a reorganization procedure to restructure insolvent companies.

Doing Business 2018 is the 15th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.



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