

Technical Update

November 2019



Commerce – Law on E-commerce

The Law on E-commerce was promulgated on 2 November 2019

This law governs domestic and cross-border e-commerce activities in Cambodia, establishes legal certainty for commercial and civil transactions using electronic systems, and promotes public confidence in using electronic communications.

This law does not apply to powers of attorney, wills or real estate transactions.

The law covers legal recognition of the validity of electronic communications, contract formation, e-signatures, requirements on electronic records, requirements on electronic-commerce service providers and intermediaries including permit/approval requirements, consumer protection requirements, as well as the recognition of electronic operations and transactions of Cambodian government institutions regarding electronic filing, granting approvals or permits, payments, etc.

An intermediary and an electronic commerce service provider must obtain (1) a permission or license for operating an electronic business from the Ministry of Commerce; and (2) an online service certificate from the Ministry of Posts and Telecommunications. Exceptions may be provided for by Sub-Decree. For the electronic payment service providers to the public, prior approvals/permissions from the National Bank of Cambodia is also required.

Non-compliance with the Law on E-commerce may result in disciplinary sanctions, fines and imprisonment.

The Law on E-commerce comes into effect six (6) months after its promulgation on 2 November 2019.

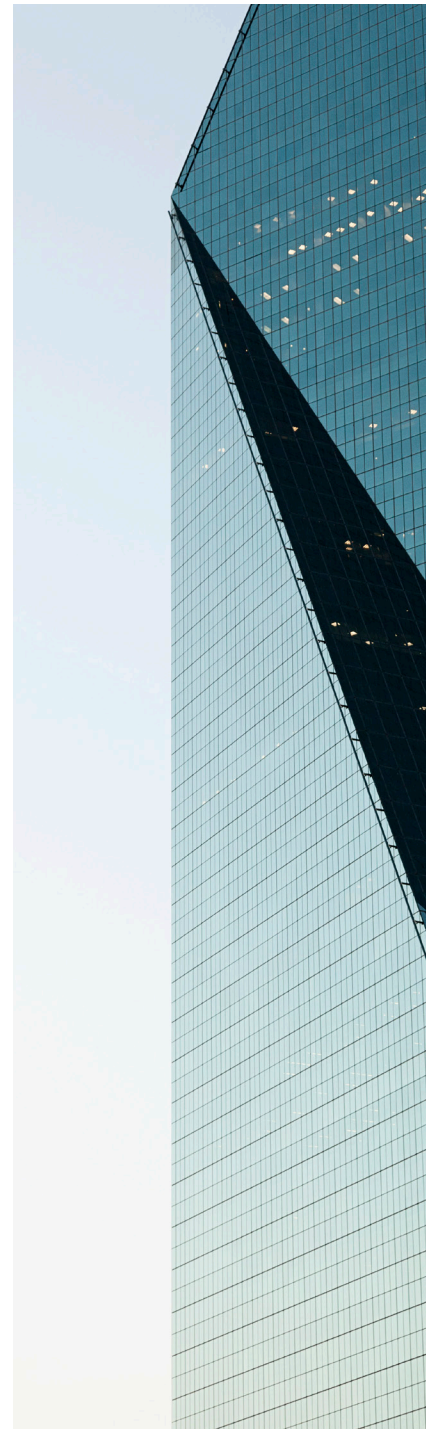
Commerce – Law on Consumer Protection

The Law on Consumer Protection was promulgated on 2 November 2019

This law aims to ensure the protection of consumers and to promote fair competition in Cambodia.

This law applies to all individuals who conduct business, whether for profit or not, including the sale of goods or services and real estate transactions with consumers in Cambodia.

A National Committee for Consumer Protection (NCCP) will be established under this law as the competent authority for consumer protection and to empower consumers in different sectors to form consumer associations to protect their interests.



The consumer association in each sector needs to register with the Ministry of Interior and also obtain the approval/permission from the ministry or institution responsible for their sector after registration. After obtaining the afore-mentioned approval/permission, the consumer association must file the approval/permission with the NCCP.

This law covers unfair trading activities and unfair practices including but not limited to false or deceptive advertisements, pyramid scheme business models, etc.

The law also covers the minimum information that businesses must disclose to consumers such as labeling requirements, the use of Khmer language, etc., which may be further elaborated by Prakas (regulation).

Furthermore, there are procedures for the NCCP to receive consumer complaints, carry out investigations and issue decisions, and there are rules for appealing the NCCP's decisions.

Non-compliance with the Consumer Protection Law may result in disciplinary sanctions, fines, and imprisonment.

The Consumer Protection Law became effective upon promulgation on 2 November 2019.

As a committed tax and corporate consultant, we welcome the opportunity to discuss the applicability of these regulations to your business at your request.

Contact us

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