

## **Commerce – Name Reservation of Company or Enterprise**

### **Ministry of Commerce (MoC) – Notification No. 2963, dated 1 October 2020, on the Name Reservation of Company or Enterprise**

The Ministry of Commerce issued a notification on the procedures for name reservation in new business registration. The applicant can reserve the new entity's name in advance or apply for new entity's name together with the application for business registration via online application form.

The applicants can only reserve three (3) names at a time, each of which will be valid for only two (2) weeks. The name's validity can be extended for another two (2) weeks. This extension can only be made once, and the applicant must apply for it at least one (1) day before the expiry date.

## **Commerce – Types, Formalities and Procedures for Granting E-Commerce Licence or Permit to Intermediaries and E-Commerce Service Providers and Exemptions**

### **Royal Government of Cambodia (RGC) – Sub-Decree No. 134, dated 27 August 2020, on Determination of Types, Formalities and Procedures for Granting Permit or Licence to Intermediaries and Individuals Providing E-Commerce Services and Exemptions**

After adopting the Law on E-commerce in November 2019, the Royal Government of Cambodia has issued a Sub-Decree to determine certain types of e-commerce services that need to be registered with the Ministry of Commerce and to obtain a licence or permit to operate e-commerce activities in Cambodia or offer services from Cambodia to overseas, and vice versa.

E-commerce licence is required for legal entities and branches of foreign companies that operate any of the following services:

- e-commerce via web services;
- e-commerce via platform services;
- online marketing services;
- online auction on website services;
- other similar services provided through computer software or smart devices for the promotion of e-commerce.

E-commerce permit is required for the individual or sole proprietorship conducting e-commerce in Cambodia, including those using social media or electronic systems as a means of supplying or buying goods and/or services. However, e-commerce permit is not required for the following activities :

- advertising of goods or services that are not subject to a contract;
- booking services that do not require any deposit or payment by customers or users;
- sale of goods or services of individual or sole proprietorship with a turnover of less than the turnover limit of a small taxpayer;
- sale of family-owned or seasonal businesses;
- sale of own artwork;
- private tutoring; and
- training or education of the national religion.

E-commerce permit is also not required for training conducted by an association or non-governmental organisation that does not operate for the profits directly or indirectly and activities/operations of the governmental organisations in providing public services.

The licence for legal entities and branches of foreign companies will be valid for three (3) years and the permit for individual and sole proprietorship will be valid for two (2) years.

The Sub-Decree is effective from 27 August 2020. Existing e-commerce business operators before the Sub-Decree came into effect will have a six-month period to apply for a licence.

## Contact us

### KPMG Cambodia Ltd.

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