# Kingdom of Cambodia Nation Religion King

Ministry of Industry, Mines and Energy No: 607

Phnom Penh, 22 July 2009

# PRAKAS ON PROCEDURES AND FORMALITIES FOR ESTABLISHMENT OF FACTORY AND HANDICRAFT

#### Minister of Industry, Mines and Energy

- Having seen the Constitution of Cambodia;
- Having seen the Royal Decree No. NS/RKT/0908/1055, dated September 25, 2008, on Appointment of the Royal Government of Cambodia;
- Having seen the Royal Kram No. NS/RKM/O196/05, dated January 24,1996, Promulgating the Law on Establishment of Ministry of Industry. Mines and Energy
- Having seen the Royal Kram No. NS/RKM/0606/018, dated June 23,2006, Promulgating the Law on Management of Factories and Handicrafts;
- Having seen the Law on Quality Control and Safety of Goods and Services,
- Having seen the Sub-Decree No. 35 ANKr.BK, dated April 26, 1999, on Organization and Functioning of the Ministry of Industry, Mines and Energy (MIME);
- Pursuant to the necessity of the Ministry;

#### HEREBY DECIDES

#### SECTION ONE: INTRODUCTORY TERMS

# Article 1: Objective

The prakas herewith (hereafter the "Establishment Prakas" or "this prakas") is issued pursuant to the Law on Management of Factories and Handicrafts promulgated by Royal Kram No. NS/RKM/0606/018, dated June 23,2006 (the "Law") to further the following goals:

- 1. Protect the public health by ensuring that natural and legal persons who establish new factories and handicrafts in Cambodia do so in compliance with the Law.
- 2. Provide clear guidance to national and sub-national government on how to satisfy their duties to register new handicrafts or permit new factories under the Law.
- 3. Encourage expeditious establishment of responsible, new factories and handicrafts in Cambodia by:
- a. Providing clear, standardized and comprehensive guidance on how to register new handicrafts and permit new factories under the Law.
- b. Providing clear standards for granting national permits for factories and permitted handicrafts under the Law, with authority to MIME to coordinate and expedite action by other agencies involved with permitting to be accountable and transparent.
- c. Providing handicrafts and factories with potentially permanent establishment permits under the Law, provided that the owners continue to comply with Law and other applicable laws and regulations, including the Operation Prakas or other regulations requiring payment of public service fees

for regulated services,

- d. Exempting certain very small-scale handicrafts facilities from all registration requirements,
- e. Harmonizing the requirements of this prakas with the requirements of the other ministries and institutions to avoid conflicting or needlessly duplicative requirements.
- 4. Encourage the establishment of world-class manufacturing facilities, by providing a voluntary process for facilities to be certified as Premium

Manufacturing Facilities, which meet internationally acknowledged standards of safety and product quality.

#### **Article 2: Definitions**

Manufacturing Facility: Any Factory or Handicrafts, that must be registered or permitted under the Law is deemed to be a Manufacturing Facility, subject to the requirements of this Prakas. For purposes of the Law and this prakas, the terms "factory" or "handicraft" are understood in their customary, normal usage.

<u>Handicrafts Facility</u>: A handicrafts facility is a Manufacturing Facility, which contains, or is expected to contain, tools, machines, equipment and furniture to be used in the facility to produce manufactured products, which have a total replacement value of less than \$50,000.

<u>Factory</u>: A Factory is a Manufacturing Facility, which contains, or is expected to contain, tools, machines, equipment and furniture to be used in the facility to produce manufactured products, which have a total replacement value of equal to or more than \$50,000.

<u>Required Documents:</u> Every Applicant for a Permit or Registration under this prakas must submit the documents specified in this prakas as Required Documents for the specific kind of Permit or Registration in question.

<u>Establishment Permit Application</u>: An Establishment Permit Application is a formal and written request through relevant offices to the MIME to issue a permit, authorizing establishment or initial operation for a new Manufacturing Facility subject to the Permit requirements of this prakas. The Establishment Permit Application includes the Application Form plus all the Required Documents specified for that Permit.

<u>Establishment Permit:</u> An Establishment Permit is a permanent, written permission from MIME to establish a new Factory or new Permitted Handicrafts Facility, including the detailed terms of the permission granted. When the Factory or Facility is completed, an Operating License is required to begin initial operation.

Operating License Application: For Factories and Permitted Handicrafts Facilities, an Operating License Application is a written statement from an Applicant that a Facility for which an Establishment Permit was granted, has been completed and is ready to manufacture according to the technical standard determined by the Ministry in accordance with Establishment Permit requirements, and ready to submit a request for MIME to issue an Operating

License. For Registered Handicrafts Facilities, there is no Operating License Application separate from the Registration Application, which serves a combined function.

Operating License: An Operating License is a written acknowledgement from Department of Industry, Mine and Energy (DIME) that a Registered Handicrafts Facility has registered properly, or from MIME that a new Factory or Permitted Handicrafts Facility has been completed in accordance with its Establishment Permit or MIME applicable technical standards, and that the owner can start manufacturing. The Operating License is valid for three (03) years from date of issuance, and shall be automatically renewed by the relevant MIME office on payment of the annual fee and submission of an annual report. The Operating License will be posed at an open place in the Manufacturing Facility, in accordance with Article 16 of the Law.

<u>Establishment Permit Requirement</u>: The minimum compliance standards set by MIME to receive a particular kind of Permit under this Prakas.

Registration Application: A Registration Application is formal notification to the DIME and the relevant MIME office that a new non-exempt Handicrafts Facility will be opened. The Registration Application includes the Application Form plus all the Required Documents.

<u>Registration:</u> Registration of a Handicrafts Facility is completed when the DIME and the relevant MIME office records the Registration Application, issues the initial Operating License and assigns the Permanent Number to the Facility.

<u>Applicant</u>: Is the legal entity or person signing an Application Form under this prakas. Any Applicant is free to retain any third party agent of its, his or her choice to file and manage the application process.

<u>Application Form</u>: The initial pages of either an Establishment Permit Application, Operating License Application or a Registration Application, in the form specified in Attachment A to this prakas.

<u>Registered Handicrafts Facility</u>: All Handicrafts Facilities that are subject to provisions of the Law and this prakas, except for the Exempt Handicrafts Facility and Permitted Handicrafts Facility, shall be properly registered with the DIME.

Exempt Handicrafts Facility: Is a Handicrafts Facility, which contains, or is expected to contain, tools, machines, equipment and furniture to be used in the facility for manufacture, with a total replacement value of less than \$3,000, and is not manufacturing products on the list for Permitted Handicrafts Facilities. To administer this type of handicraft facility, DIME can arrange their staff to collect the information and record them for statistical use, as needed; but the owners of the exempt handicraft facilities are not required to register.

<u>Permitted Handicrafts Facility</u>: In order to protect the public health, certain Handicrafts Facilities which manufacture food or drinks for human consumption, chemical products or other potentially dangerous substances shall request for the Establishment Permit and Operating License in advance from MIME in order to be considered a legal Handicraft Facility.

<u>Premium Manufacturing Facility</u>: Is a Factory or Permitted Handicrafts Facility, which voluntarily opts to be certified by MIME as a Facility, which meets strict, internationally recognized standards for safety and product quality.

<u>Permanent Number</u>: Every Manufacturing Facility, which receives its first Operating Certificate under this prakas will simultaneously receive a unique Permanent Number for the Facility, to assist in tracking all records about it. Establishment Prakas: This prakas only specifies how legal and natural persons who plan to open and operate a Manufacturing Facility must register or request for the Establishment Permit or

Operating License. It does not apply to ongoing operation of existing facilities that are subject to provisions of the Operating Prakas.

Operation Prakas: MIME will issue a separate prakas on Factory and Handicrafts Operation and Administration, known as the "Operation Prakas".

Article 3: What this Prakas Covers Before anyone establishes, expands or relocates a manufacturing facility in Cambodia, the facility must first be exempt, registered or permitted as provided in this prakas. Procedures and formalities herein shall apply to any natural person or legal person who wishes to establish a Manufacturing Facility, which will manufacture and sell products in any of the following industrial sectors:

- Foods, beverage and tobacco;
- · Textile, wearing apparel and leather products:
- Paper product sector;
- Chemical, rubber and plastic products, except oil and gas;
- Non-metallic mineral based product;
- Basic metal:
- Fabricated metal, machinery and equipment;
- Other sectors such as: production of jewelry, decoration material, musical instrument, sport equipment, toy and office equipment;

The following activities are not Manufacturing Facilities for which a Permit or Registration may be required under this prakas:

- 1. Restaurants, cafés, bars, hotels or other locations where food and beverage is prepared to be served and eaten on the premises;
- 2. Buildings, places or vehicles for the growing and harvesting of food and other agricultural products;
- 3. Warehouses, which are not otherwise an integral part of a factory or handicrafts facility;
- 4. Auto, truck, or vehicle equipment repair facilities, including body shops;
- 5. Buildings, places or vehicles for production of computer software, internet services, computer network service firms or other places providing computer related services which do not require fabrication;
- 6. Offices and professional services of any kind.
- 7. Other buildings, places or vehicles which the General Department of Industry of MIME may from time to time determine not to be a Factory or Handicraft Facility, for which the Law or this prakas require Registration or a Permit under this prakas. This Establishment Prakas does not apply to any registered or permitted Manufacturing Facilities before the date it becomes effective, except that Permits under this Prakas will apply to expansions, branch establishments or relocations of Factories under Article 11 and Article 12 of the Law.

#### Article 4: Application, Registration and Permitting Process: Summary

- 1. Before any legal or physical person can establish and start manufacturing a Handicrafts Facility subject to Registration under this Establishment Prakas, that person or its agent must:
- file Registration Application,
- pay the fee for it, and
- receive its Operating License as of right.

- 2. Before any legal or physical person can establish and start manufacturing in a new Permitted Handicrafts Facility, that person must:
- first submit a Permit Application,
- pay the fee,
- have the Establishment Permit approved, and
- receive its Operating License.
- 3. Before any legal or physical person can establish and start manufacturing in a new Factory, that person must:
- first submit an Establishment Permit Application,
- pay the fee,
- have the Establishment Permit approved,
- complete the establishment of the Factory, and
- receive its Operating License.
- 4. MIME may from to time update standard Application forms for each kind of Permit or Registration under this prakas.
- 5. Every Application must be submitted with the correct Application form and correct Required Documents for that specific kind of Application.
- 6. Every Application must be screened and reviewed for formal compliance with this prakas and directions issued under it, before it is accepted for processing.
- 7. All compliant Applications must be accepted for processing. Once accepted, the Applicant must pay the required fee.
- 8. Registrations must be issued as per the rights within seven days after an Application is accepted for processing, along with the Operating License.
- 9. Establishment Permits shall be issued for the applicant no later than seven working days after review and assessment by the relevant office of MIME. To get an Establishment Permit, the Applicant must submit required information and documents on the Manufacturing Facility that the Applicant wishes to operate.
- 10. The Permit and Registration requirements of this Prakas shall not be applied to any person or legal entity conducting activities not explicitly regulated by this prakas.

#### SECTION TWO: APPLICATION PROCESS - GENERAL TERMS

## **Article 5: Application Forms**

The Application Form is available from:

- 1. The Provincial-Municipal Department of MIME
- 2. The one-stop service secretariat of MIME, or
- 3. The website of the MIME at www.mime.gov.kh

# Article 6: Where and When to File Applications

Handicrafts Registration Applications shall be filed with the Provincial Department of MIME in the province where the Facility is located. Factory and Handicraft Permit Applications shall be filed and accepted for processing with the one-stop service secretariat of MIME, or with the Provincial Department of Industry, Mine and Energy in the province where the Facility will be located, or with the Phnom Penh's one-stop service for Facility located in Phnom Penh.

If any Permit Application is filed provincially, the office receiving the Application must copy it and immediately submit the original to the one-stop service secretariat of MIME in Phnom Penh.

Applications may be filed at the specified MIME office during working days from 07:30 to 11:00 and from 14:30 to 17:00. Registration Applications shall be filed no later than seven days after the Applicant has begun operation at any Handicrafts Facility subject to registration.

# **Article 7: Decisions of MIME**

MIME shall respond to all Establishment Permit Application requests after the Application is accepted for processing with:

- 1. An acceptance and Establishment Permit, without conditions
- 2. An acceptance and Establishment Permit, subject to the condition that MIME will not issue an Operating Certificate until the Applicant has received:
- a. A location permission from the local or district authorities;
- b. A permit from the Ministry of the Environment for evaluation and protection plan to prevent environment impact:
- c. Confirmation from the Council for the Development of Cambodia or the relevant provincial authority.
- 3. A request for further clarification, modification or amendment to the Application
- 4. A rejection.

If MIME takes any action other than granting the Permit without conditions, it shall clearly explain in writing the reasons for its decision, and in cases 2 and 3,

above, provide instructions in sufficient detail to enable the Applicant pursue its Application effectively.

# Article 8: Checking, Categorizing and Correcting Applications

The officer responsible for accepting Applications will review each Application (including the Required Documents for it) to verify its completeness and correctness before the Application is accepted for processing.

When an officer reviews the Application for processing, such officer shall not judge the merits of the Application, but must accept for processing all Applications that meet minimum standards for submission for the kind of Application in question. The review of the merits of Permit Applications shall only be conducted after the Applications are accepted for processing and only by responsible officer.

There is no review of the merits of proposed Registered Handicrafts Facilities. The officer accepting the Application shall, however confirm, based on the Application, whether the planned Registered Handicrafts Facility is required to register, or:

- 1. Cannot be Registered because it will manufacture products listed as ones for which Permits are required, or
- 2. Will be too large to qualify as a Registered Handicrafts Facility and must be permitted as a Factory.

If an officer rejects an Application, he or she shall immediately provide the Applicant with specific reasons for the rejection and advice on what changes must be made for the Application to be accepted for processing.

Any Applicant may contact the SME Secretariat of MIME during working hours for explanation or clarification regarding the completion of any Application free of charge, or for assistance with local officers whom the Applicant believes have incorrectly rejected an Application.

# **Article 9: Required Documents**

Before an Application is accepted for processing, the Applicant must submit the Required Documents in full and correct form for that kind of Application.

The following documents must be submitted as Required Documents for the various Permit or Registration Applications under this Establishment Prakas.

Applicants may choose to provide additional documents, but no other documents shall be required:

All required documents:

- 1. One copy of the Application Form, completed and including the statement of value for the Manufacturing Facility and signed by the owner or authorized representative of the legal entity,
- 2. One copy of the identification card or passport of the person signing the Application Form, and
- 3. One copy of Receipt of commercial registration, if the application is being filed by a legal entity, or receipt of payment for commercial registration, if the final registration is not yet complete.

For All Permitted Handicrafts Facilities and Factories:

- 1. One copy of the location approval from the local communal authorities, (if any)
- 2. One copy of design plan and schematic layout of the operation and production lines

- 3. One copy of environmental impact table, (if any)
- 4. One copy of approval in principle of the Council for the Development of Cambodia, (if any)
- 5. One copy of each document which the Applicant wishes MIME to consider in deciding whether or not the Applicant has met the Permit Requirements (if any).

#### For Premium Manufacturing Facilities Only:

1. One copy of additional documents required by MIME to confirm that the Facility, if completed as proposed, will comply with the specific, international standards applicable to that kind of Facility.

# Article 10: Recording Applications, Fees and Receipts:

As soon as they are accepted for processing, all Applications will be recorded as received by the relevant office, with the date and time received noted on the Application. The Applicant shall then pay the service fees for filing the Application as determined. If an Application is rejected, the Applicant may revise it and re-submit it for reconsideration repeatedly without having to pay any additional Application fees.

Fees for various Permits and Registrations under this prakas will be determined by an inter-ministerial Prakas of MIME and Ministry of Economics and Finance.

Two receipts of payment will be issued: one copy is to be kept by Applicant and the other one is to be kept in the application file. The Applicant might use his/her receipt to track the application, if necessary.

# **Article 11: Permanent Number and Operating License:**

The DIME responsible for Registration or Operating License or MIME shall provide a Permanent Number to Manufacturing Facility that has requested. This Number is unique for one Facility and is permanent. If the Manufacturing Facility already has a tax identification number assigned by the Ministry of Economy and Finance, then the MIME Registration or Permit number shall be the same as the tax identification number.

The Operating License is a one page document in the form determined by MIME and which contains the following information:

- 1. The name of the Applicant and Owner of the Manufacturing Facility,
- 2. Contact address and location of the Manufacturing Facility,
- 3. The categories of goods produced in the Facility:
- 4. The Permanent Number for the Facility.
- 5. The issuance date of the Operating License.
- 6. The expiration date of the Operating License

# SECTION THREE: REGISTRATION AND EXEMPTION OF HANDICRAFTS FACILITIES

#### **Article 12: Registered Handicrafts Facilities**

The owner or agent of a new Handicrafts Facility subject to Registration has the right and obligation to submit a Registration Application for it and have the Facility registered. The DIME must accept and register all properly submitted Registration Applications.

Registration Applications shall not be required from any Exempt Handicrafts Facility or from any Handicrafts Facility, which is required to be a Permitted Handicrafts Facility.

When submitting the Application, the Applicant must pay an application fee in the amount set by interministerial prakas of MIME and the Ministry of Economics and Finance.

The relevant Provincial or Municipal Department of MIME must issue an Operating License to the Applicant within 07 (Seven) working days from the date of receiving the Application. No further fees, Receipts or Permits will be required from Registered Handicrafts Facilities from MIME except as specifically provided in the Operation Prakas.

#### SECTION FOUR: PERMITTING IN GENERAL

#### **Article 13: Permit Requirements:**

Permits are not issued as per the rights, but only after an applicant has satisfied the applicable Permit Requirements. MIME can update or improve the terms and conditions of the Permit, by lowering Permit Requirements for small and medium enterprises and by setting separate standards for Facilities, which voluntarily opt to be certified as Premium Manufacturing Facilities under this prakas.

# Minimum Standards for Providing Permit:

- Minimum standards to ensure the basic safety of the Factory or Permitted Handicraft Facility, for the environment and the workers and/or
- Minimum standards for systems to monitor and ensure product quality and hygiene.

#### **Article 14: Principles for Permit Decisions:**

MIME may from time to time issue specific Permit Requirements for particular categories of Manufacturing Facilities. When there are no existing specific Permit Requirements, MIME will follow these general principles in exercising its discretion to grant or deny a Permit Application:

- 1. MIME will promote the effectiveness, transparency, expedience and simplicity of the processing of Permit Applications to encourage maximum investment in the continued development of responsible Manufacturing Handicrafts and Industry in Cambodia.
- 2. MIME shall use its best efforts to assist Permit Applicants as needed to prepare acceptable Applications.
- 3. MIME shall promote the protection of fair competitiveness and unless Applicants are seeking certification as an Premium Manufacturing Facility, Permit Applications shall be judged for ability to

demonstrate minimal compliance with the typical production practices and standards followed by well-run, comparably sized, existing Cambodian Handicrafts or Factories which make products like those proposed.

4. MIME shall not use its power to issue Permits to limit market entry by qualified applicants.

## Article 15: Kinds of Handicrafts Facilities for which Permits are Required:

All Handicrafts Facilities which will manufacture the following products in the minimum amounts stated must first receive Permits from MIME as Permitted Handicrafts Facilities before they can establish and begin operations. MIME may update or amend the list of Permitted Handicrafts in this Article by publishing changes to it in a notification of the Ministry. The list of Handicrafts Facilities producing products that requires the permit form the Ministry:

- 1. Foodstuff, food and beverage
- a. Food processing (above 250 tons a year)
- b. Ice and drinking water (above one ton a year)
- c. Orange juice, Siro water, Soda (all sizes)
- d. Alcohol production and processing (all sizes)
- e. Beer and alcohol processing (all sizes)
- f. Soy sauce- fermented yellow bean sauce, chilly sauce, tomato sauce (all sizes)
- g. Fish sauce (more than 500,000 liters per year)
- h. Water treatment and clean water supply and distribution (all sizes)
- i. Cooking oil (all sizes)
- j. Steam oven baked bread and cakes (all sizes)
- 2. Textile, Clothes and leather products
- a. Leather tanning and processing (all sizes)
- b. Traditional Cambodian glue (known as Kav Spek Kor Krabei) (all sizes)
- 3. Production of paper
- a. Paper powder and paper (all sizes)
- 4. Chemistry products:
- Chemistry products, organ, non-organ (all sizes)
- Chemical fertilizers, and medicines for insecticide (All sizes)
- Painting, varnish and Cambodian traditional painting known as Khmok Mrak (all sizes)
- Soaps, toilet perfume and other products (all sizes)
- Plastic products and rubber wheels (all sizes).
- Batteries and small batteries (all sizes)
- Synthesis and frozen wood glue (all sizes)
- Gas products and fluorine (Thmor Sauy) (all sizes)
- Diesel (all sizes)

# Article 16: Discretion of MIME in the Review of Establishment Permit Application

Within four working days after a Permit Application has been received by MIME, the General Department of Industry shall review the Permit Application and Required Documents and prepare its written recommendation to the Minister of MIME on whether or not the proposed Factory complies with

the minimum Permit Requirements. With the discretion to examine and decide on the Application, MIME has the following alternatives:

#### Alternative One:

MIME shall review and evaluate the Handicraft Facility Establishment Application based the comments and approval of the relevant competent authority and the Ministry of Environment as necessary.

However, the decision whether to approve or not approve the Establishment Permit shall be the sole discretion of the MIME based on the technical requirements for the establishment of the Factory-Handicrafts Facilities, which have been determined and published. In this regard, MIME may choose to decide on the application without waiting for comments from the relevant competent authority or evaluation on the environment impact or protect from the Ministry of Environment. Based on its discretion, MIME shall decide to issue the Establishment Permit according to the request but may set requirements before issuing Operating License by requiring the Applicant to provide the confirmation of receiving approval of the location from the local authority, other permits from other relevant competent authorities or approval letters from the Ministry of Environment for related issues and environment impacts and protection.

#### Alternative Two:

Before MIME decides to issue an Establishment Permit, the Applicant must first provide a written permission from the local authorities or MoE for the Applicant to establish the Factory or Permitted Handicraft Facility in the location for which it is proposed. To receive the Establishment Permit, the Applicant need not demonstrate its ownership or legal right to use the land where the Facility will be built. The determination of the requirements to have approval from other institutions or local authorities shall be determined solely by MIME as per its necessity.

## Article 17: Handicrafts Facility Operation and Operating License

At any time when the holder of an Establishment Permit has completed or nearly completed building the Facility, the holder shall file a License Application with the MIME office as stated in Article 6 where the Establishment Permit Application was filed. This Application shall be forwarded to the MIME for review and decision to issue the Operating License before the Factory-Handicrafts Facility start its operation.

Within five business days of receiving the Operating License Application, the General Department of Industry or it agents shall conduct its investigation, if any, to confirm that the Factory was completed in substantial compliance with the plans submitted with the Establishment Permit Application, or otherwise in compliance with applicable MIME Minimum Standards. The Ministry shall issue the Operating License no later than seven working days of receiving Operating License Application of the owner of the Factory-Handicrafts Facility and after the General Department of Industry has confirmed that the Factory-Handicrafts Facility was built and completed in accordance with its requirements.

If the General Department of Industry finds that the Factory-Handicrafts Facility was not completed substantially in compliance with the plans submitted with the Establishment Permit Application, or otherwise in compliance with applicable MIME Minimum Standards, it will contact the Applicant within seven working days of receiving the Operating License Application with specific, written recommendations on actions which the Applicant should take to bring the Factory-Handicrafts Facility

into substantial compliance. MIME will not require any actions from the Applicant other than those specified.

At any time when the Applicant completes the actions recommended, he/she or it may submit proof of actions taken, and request again in writing that MIME issue a Operating License.

# Section 5: Voluntary Permit for Premium Manufacturing Facilities Article 18: Premium Manufacturing Facilities:

MIME may, from time to time, publish Permit Requirements for the establishment of specific kinds of Premium Manufacturing Facilities as requested by their owner, and which the owners wish to have certified as Premium Manufacturing Facilities. The Premium Manufacturing Facility designation is intended as a special honor, to help:

- Establish the credibility of the products from that Facility;
- The owner of the Facility to gain market access to export markets with stricter quality control standards than those generally required in Cambodia;
- The RGC to encourage gradual improvement of domestic Manufacturing Facilities, by recognizing a class of globally competitive, local Premium Manufacturing Facilities;
- The RGC to focus its export promotion efforts on supporting local enterprises which have voluntarily submitted to inspection, control and permitting requirements which conform with practices established by international standard setting bodies.

No owner shall be required to have a Premium Manufacturing Facility permitted as an Premium Manufacturing Facility as a condition of receiving any Permit under this prakas. This certification shall be followed the voluntary mechanism for Facility wishing to get that certificate only.

#### SECTION 6: Miscellaneous Provisions and Final Provisions

#### Article 19: Value

For purposes of this Establishment Prakas, the value of a planned Manufacturing Facility will be initially established as the value certified in writing signed by the owner or qualified agent in the Application Form

The minimum value set for Factories, Handicrafts and Exempt Handicrafts Facilities in Article 2: Definitions is equal to the amount in US dollars for the year 2008. This value and will be automatically adjusted on February 15 of each year for changes in the published Cambodian dollar price index during the preceding calendar year.

**Article 20: Permanence of Permits and Registrations:** All Permits and Registrations given under this prakas will be permanent, provided the Permit or Registration holder:

- 1. Provides regular reports and pays fees which might be required by the Operation Prakas;
- 2. Operates the Manufacturing Facility in compliance with the Law on the Management of Factory-Handicrafts Facilities, Law on the Quality Control, Safety of Goods and Services, the Law on Environment Protection and other then applicable laws or regulations of the Royal Government,
- 3. For Factories and Permitted Handicrafts Facilities, completed the Facility accordance with the specific requirements of the Permit allowing its establishment.

# Article 21: Operation Prakas:

To ensure that ongoing operations of existing factories and handicrafts comply with the Law on the Management of Factory-Handicrafts Facilities the Ministry shall issue a separate prakas on the regulation of the functioning and operation of Factory-Handicrafts Facilities. The Operation Prakas shall determine the requirements for providing information, various reports, fees and renewal of Operating License.

# **Article 22: Final Provision**

General Departments, Departments and Provincial-Municipal Departments of Industry, Mines and Energy shall effectively implement this Prakas for the date of its signature.

Minister Suy Sem

# CC:

- Ministry of Royal Palace
- General Secretariat of the Senate
- General Secretariat of the National Assembly
- Ministry of Environment
- Ministry of Commerce
- Ministry of Work and Vocational Training
- Cabinet of Samdech Akka Maha Senapadei Dechor HUN Sen, Prime Minister
- Provincial-Municipal Halls
- As in Article 12 "For Implementation"
- Archive Chronicle