## Client Update: Cambodia



Corporate and Commerce

# Sub-Decree 134 Implementing the Law on E-Commerce

Almost ten months after the adoption of the Law on E-Commerce in November 2019, the Royal Government of Cambodia issued on 27 August 2020 Sub-Decree No. 134 on Determination of Type, Formality and Procedure of the Issuance of Permit or Licence for Intermediaries and Online Services Providers via Electronic Platform and Its Exception ("**Sub-Decree 134**"). Sub-Decree 134 came into operation on 27 August 2020.

Sub-Decree 134 applies to natural persons, sole proprietorships, legal entities and branches of foreign companies that are engaged in business activities via the electronic platform in Cambodia. The Sub-Decree 134 provides for the different types of permits or licences for intermediaries and online service providers providing services via the electronic platform, as well as the formalities and requirements for the issuance of the relevant licence or permit.

#### Types of licences and requirements

No.	Type of	Relevant	Relevant	Requirements	Validity
	Licence /	Persons	Activities		Period
	Permit				
1.	Licence for E-Commerce	1.legal entities 2.branches of foreign companies	1.e-commerce web services 2.e-commerce platforms 3.online shop services 4.online auction services 5.other similar services provided through software or smart devices for e- commerce	1.business registration and tax registration with registered business activities relating to ecommerce 2.certificate for Online Service and Domain Name issued by the Ministry of Posts and Telecommunications 3.use of means or electronic platform for operating business 4. assurance of accuracy of the electronic platform 5.confirmation of payment method	three years, renewable

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No.	Type of Licence / Permit	Relevant Persons	Relevant Activities	Requirements	Validity Period
2.	Permit for E-Commerce	1.natural persons 2.sole proprietor- ships	1.business through electronic platform 2.use of social media or electronic platform for the supply, sale or purchase of goods and services	6. business sample and form of consumer protection 7. minimum information as required under the Law on E-Commerce such as the name, registered address and contact number/email address of the business entity, terms and conditions of the transaction, payment method, details related to order cancelling, etc.  1. business registration and tax registration; 2. request for permit to operate E-commerce from the Ministry of Commerce 3. minimum information as required by Law on E-Commerce such as the name, registered address and contact number/email address of the business entity, terms and conditions of the transaction, payment method, details related to order cancelling, etc.	two years, renewable

#### **Exemptions**

Sub-Decree 134 provides for exemption from obtaining licences or permits. The exemption applies to natural persons or sole proprietorships that are engaged in the following activities:

- Commercial advertisement of own goods or services that are not an offer to form a contract;

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- Booking services that do not require a deposit or payment by customers or consumers;
- Sales of goods or services with a turnover smaller than that of a small taxpayer (smaller than US\$ 62,500);
- Sales of goods or services through family-owned or seasonal businesses;
- Sales of own artwork (goods or services);
- Private tutoring;
- Education on the national religion; and
- Tutoring provided by associations or non-governmental organisations without earning profits, whether directly or indirectly, and activities or operations of state institutions in the provision of public services.

#### Existing e-commerce operators to apply for a permit or licence

Sub-Decree 134 requires existing e-commerce business operators carrying out business activities via electronic system prior to the coming into operation of Sub-Decree 134 to apply for a Permit or Licence within six months from the date the Sub-Decree 134 came into operation.

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