
General Corporate Commercial

MPWT Issues Prakas Requiring Companies to Apply for Registration and Permit for Digital Hailing Services for Road Transport Operation

The Ministry of Public Works and Transport ("**MPWT**") has issued Prakas No. 100 Pr.K.PW.RT dated 21 June 2021 on the Conditions and Procedures of Issuance of Permit to Companies Conducting Digital Hailing Services for Road Transport Operation in Cambodia ("**Prakas**").

Purpose and Scope of the Prakas

The Prakas aims to regulate companies that provide hailing services through digital platforms for road transport operation ("**Services**"). It sets out the conditions and procedures for the registration of companies providing these Services with the MPWT and for the grant of the permit to operate the business.

Registration Requirements

From the date of issuance of the Prakas onwards, all companies providing the Services shall register and apply for a Licence of Domestic Digital Hailing Service for Road Transport Operation ("**Licence**") and a Certificate of Domestic Digital Hailing Service for Road Transport Operation ("**Certificate**") with MPWT.

The Licence and the Certificate will be issued to the applicants upon satisfaction of the requirements set out herein and they may then carry out the Services in Cambodia.

Interested companies must apply for the Licence and Certificate online via <https://lts.mpwt.gov.kh> (currently not live but will be activated in due course), before proceeding to apply for a Certificate for their local branches ("**Branch Certificate**") using the same platform.

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Required Documents for Application and Validity	Licence and Certificate		
	Issuance and Change of Licence	Issuance and Extension of Certificate	Issuance, Extension and Change of Branch Certificate
Cambodian ID Card (certified by authority) or Passport & Valid Visa (copy)	✓	✓	✓
Certified Residency Letter (if Director or Branch Manager is foreign national)	✓	✓	✓
Certificate of Incorporation	✓	✓	
Memorandum and Articles of Association	✓		
Online Service Certificate issued by the Ministry of Post and Telecommunications	✓	✓	
Location of the Company or Branch approved by the local authorities	✓	✓	✓
Lease agreement over the Company's or Branch's office (if the property is not owned by the owner of the Company)	✓	✓	✓
Patent Tax Certificate of the Company or Branch	✓	✓	✓
Company's Licence issued by MPWT		✓	✓
List of transport vehicles registered under the name of the Company or Branch		✓	✓
Company's Certificate issued by MPWT			✓
Validity	Permanent	Two years	Two years

Continuing Obligations Post-Registration

After obtaining the Licence and the Certificates, the companies and their local branches carrying out the Services must comply with various requirements including the following:

1. Train drivers on the Law on Road Traffic, driving and customer service' morality and ethics;
2. Require all drivers to bring along their driving licences for Cambodian national, vehicle ID Card and plate number, Certificate of Vehicle Technical Inspection (except motorcycle), Certificate of Domestic Transport Operation (except motorcycle, tricycle and motorcycle with trailers), Company's logo on vehicles, and staff ID card issued by the Company; and
3. Ensure customers' security by: (i) allowing the customer to see the driver's photo and to share his/her location with relatives, friends or competent authority in case of emergency via mobile app; and (ii) taking serious actions against drivers reported to have been driving under the influence of alcohol or drug, or conducting violence and committing sexual harassment.

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Breach of Obligations and Penalties

Failure to comply with the above requirements or MPWT's instructions will subject errant companies or branches to withdrawal of the Certificates or suspension of business for a duration of three to six months.

The Licence, Certificate or Branch Certificate will be automatically invalidated in the following events:

1. Court's judgment disallowing the business operation of a company or its branch;
2. De-registration of the company from the commercial register;
3. Withdrawal of the company's Online Service Certificate;
4. Expiration of the company's Certificate of Domestic Transport Operation; and
5. Closure of a branch of the company.

If you have any queries on the above development, please feel free to contact our team below who will be happy to assist.

Client Update: Cambodia

2021 JULY

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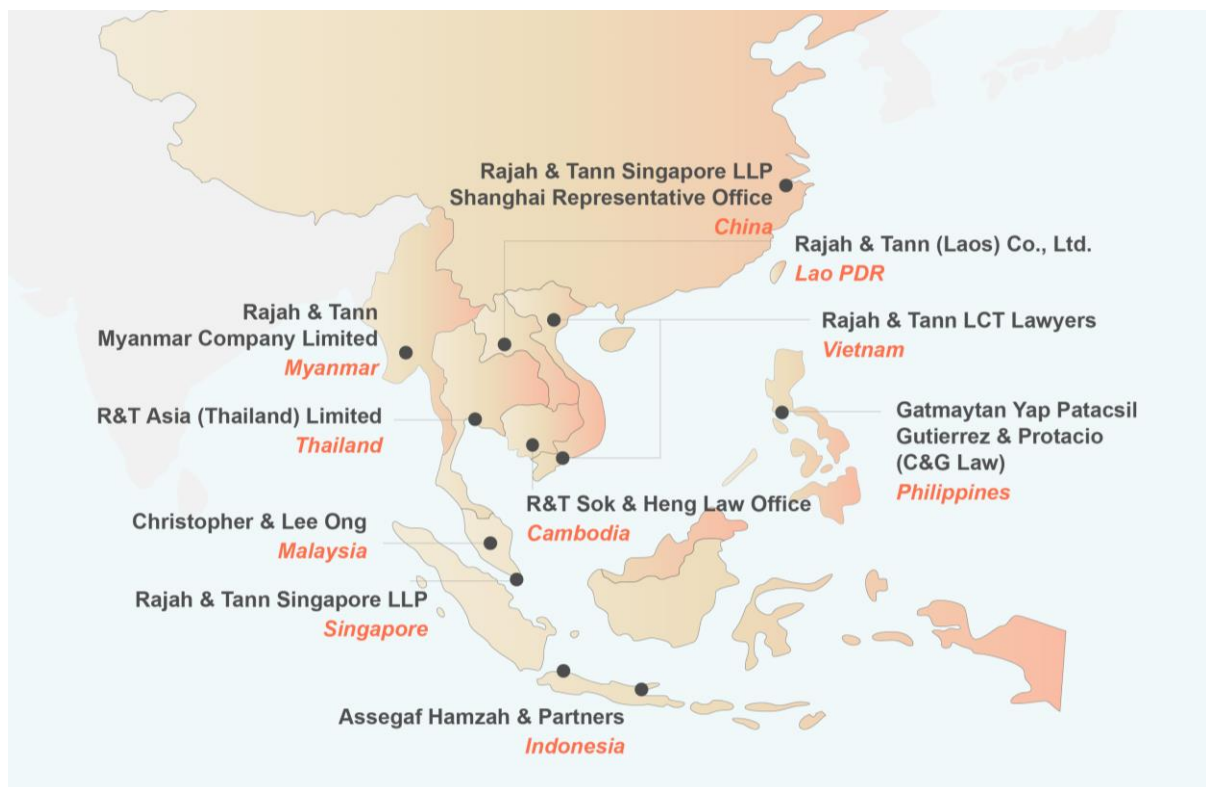
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Client Update: Cambodia

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