



Customs Techniques and Procedures in Cambodia



Korea- Cambodia Customs Forum

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I. INTRODUCTION TO GDCE

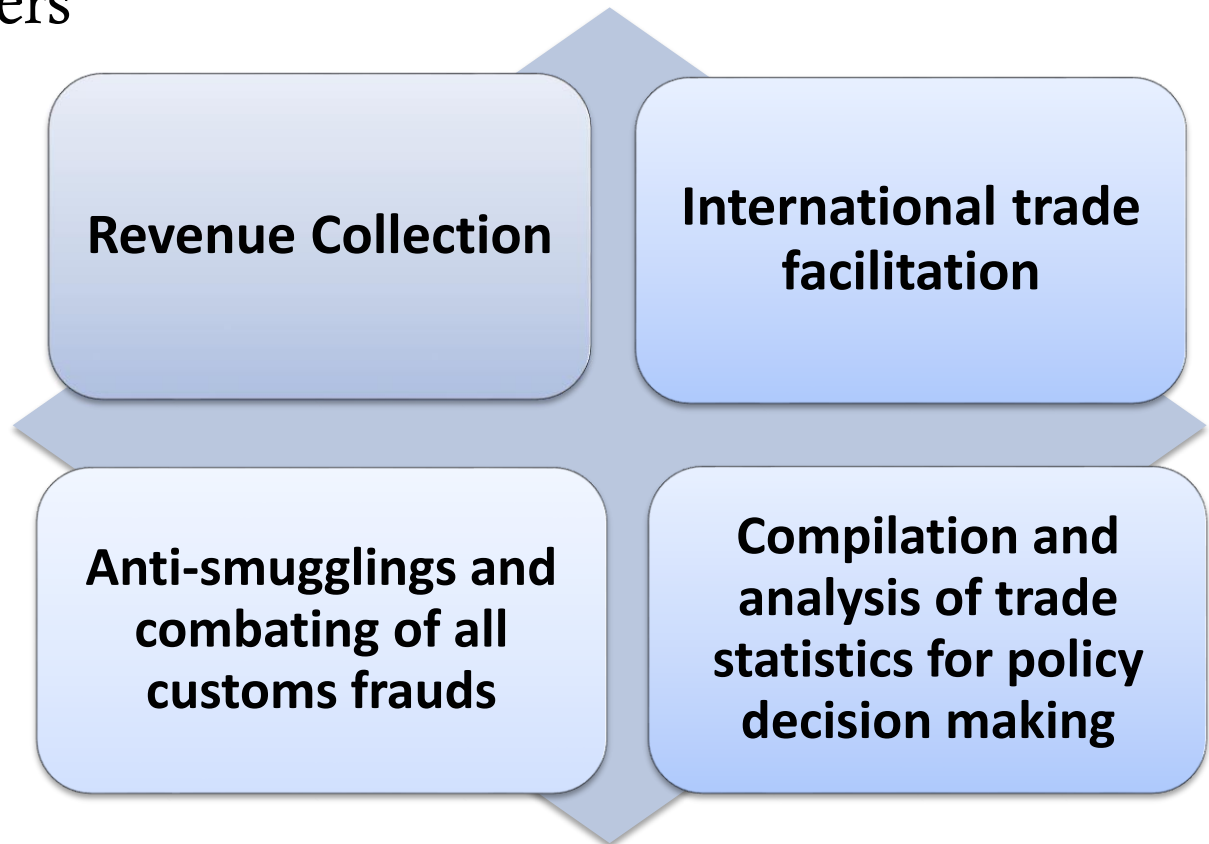




I. Introduction to the GDCE

Vision: To become a modern Customs Administration that meets international standards and is recognized for its administrative and operational efficiency and quality service to stakeholders

Missions:





I. Introduction to the GDCE (Cont'd)

HQ Level

DG

4 DDGs

Dept of
Administration
and
Management

Dept of
Planning,
Technique,
and Intl'
Affairs

Dept of
Customs
Regime

Dept of Legal
Affairs, Audit,
and Public
Relation

Dept of
Prevention
and
Suppression

Dept of Excise

Dept of Free
Zone
Management

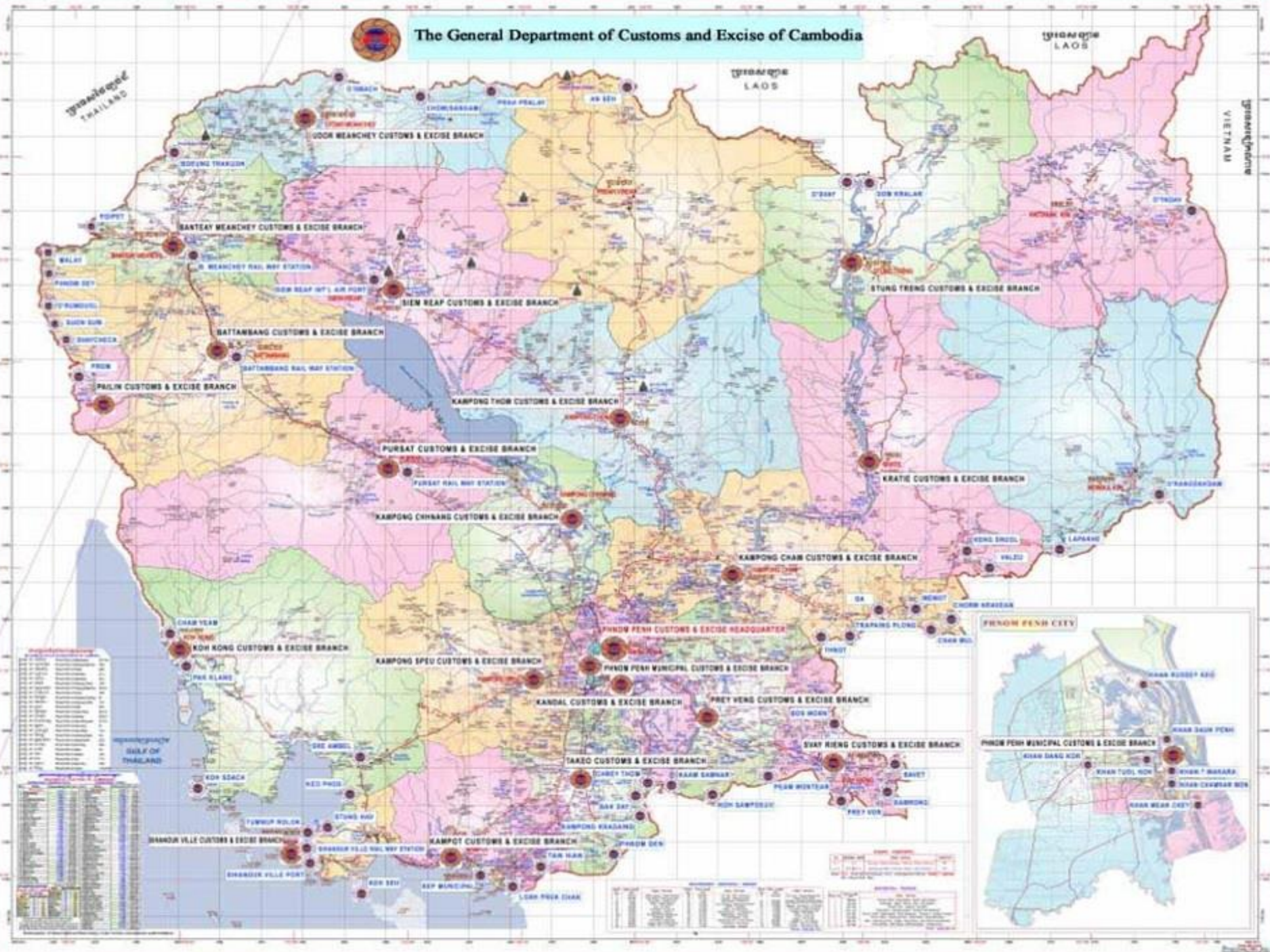
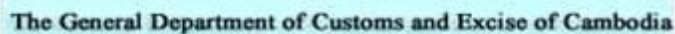


Local Customs Units

Local Customs Formality Units (6): Export
Branch, Sea Port, River Port, Airport, Dry
Port, Post Office

All Municipal and Provincial Customs
Branches (25)

Customs Offices at Checkpoint (50)





II. Trade facilitation by GDCE



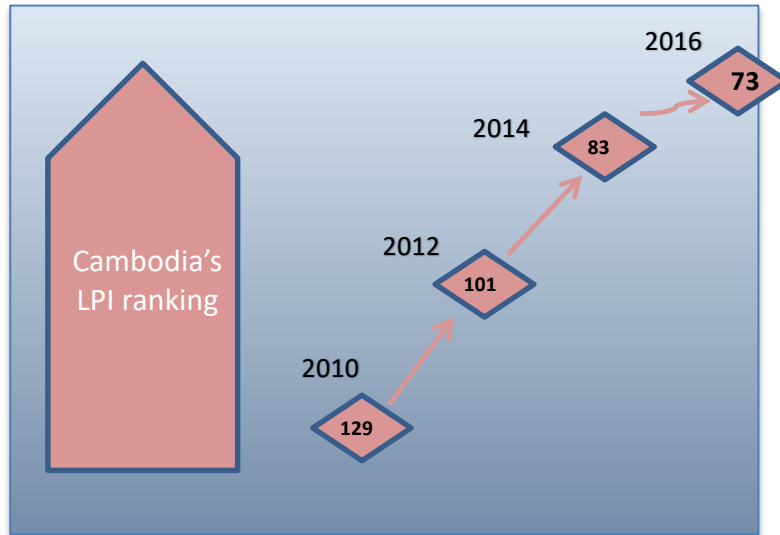


II. Trade Facilitation

1. Customs Automation System
2. Risk Management System
3. Post Clearance Audit
4. Customs-Private Sector Partnership Mechanism
5. Best Trader Program
6. Advance Ruling
7. National Single Window (NSW) in Cambodia



II. Trade Facilitation (Cont'd)



Cambodia's ranking in the World Bank's Logistics Performance Index (LPI)

From 129 in 2010 – to 83 in 2014- to 73 in 2016

- Physical inspection reduced to below 20% of import and export shipments
- 90% of SAD lodged are processed and cleared within 1 day (based on TRS)
- Clearance procedures become more expeditious and transparent
- Cambodia's LPI 2016 Rank 73 from 129 in 2010



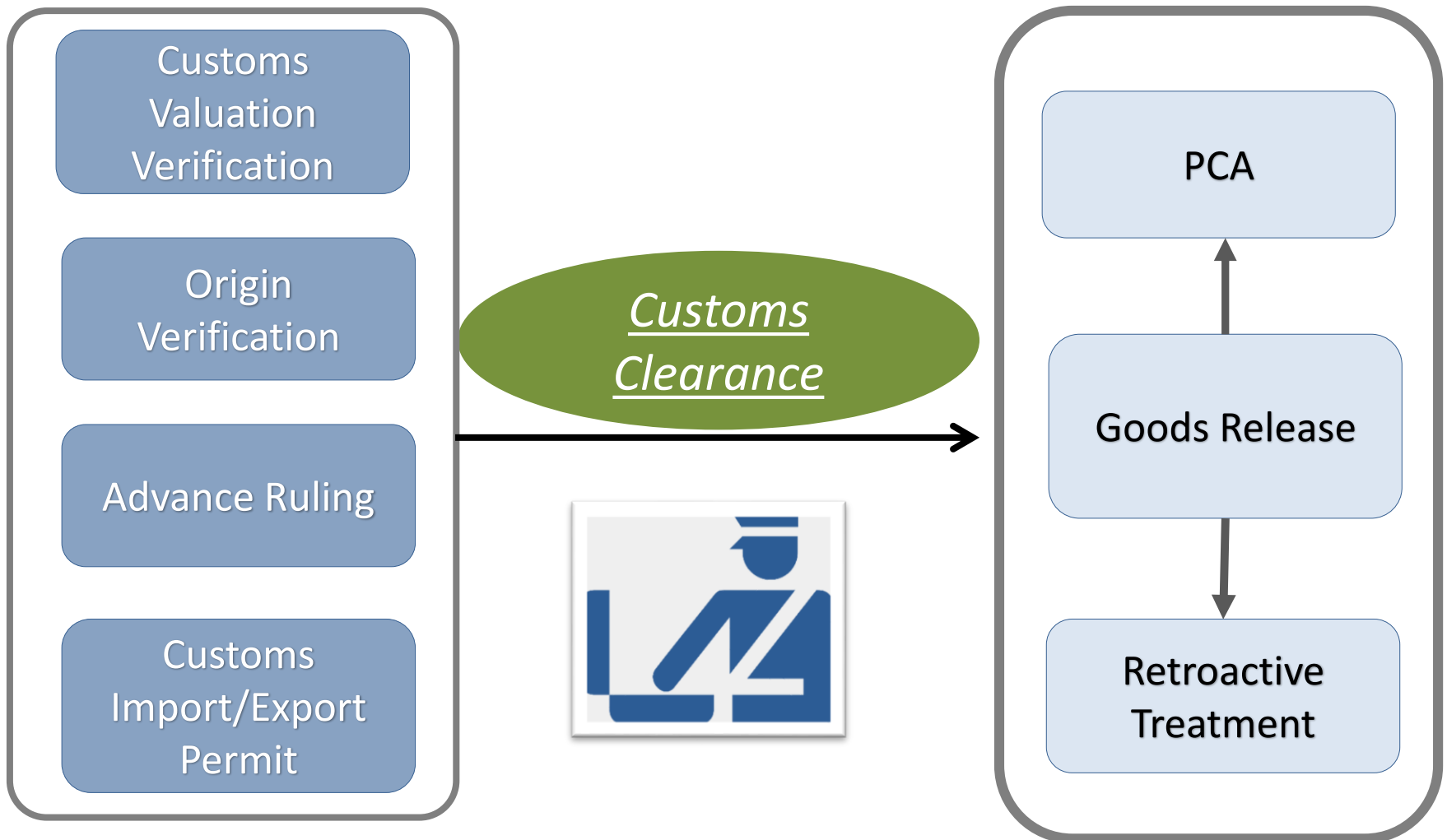
III. Customs Procedures in Cambodia



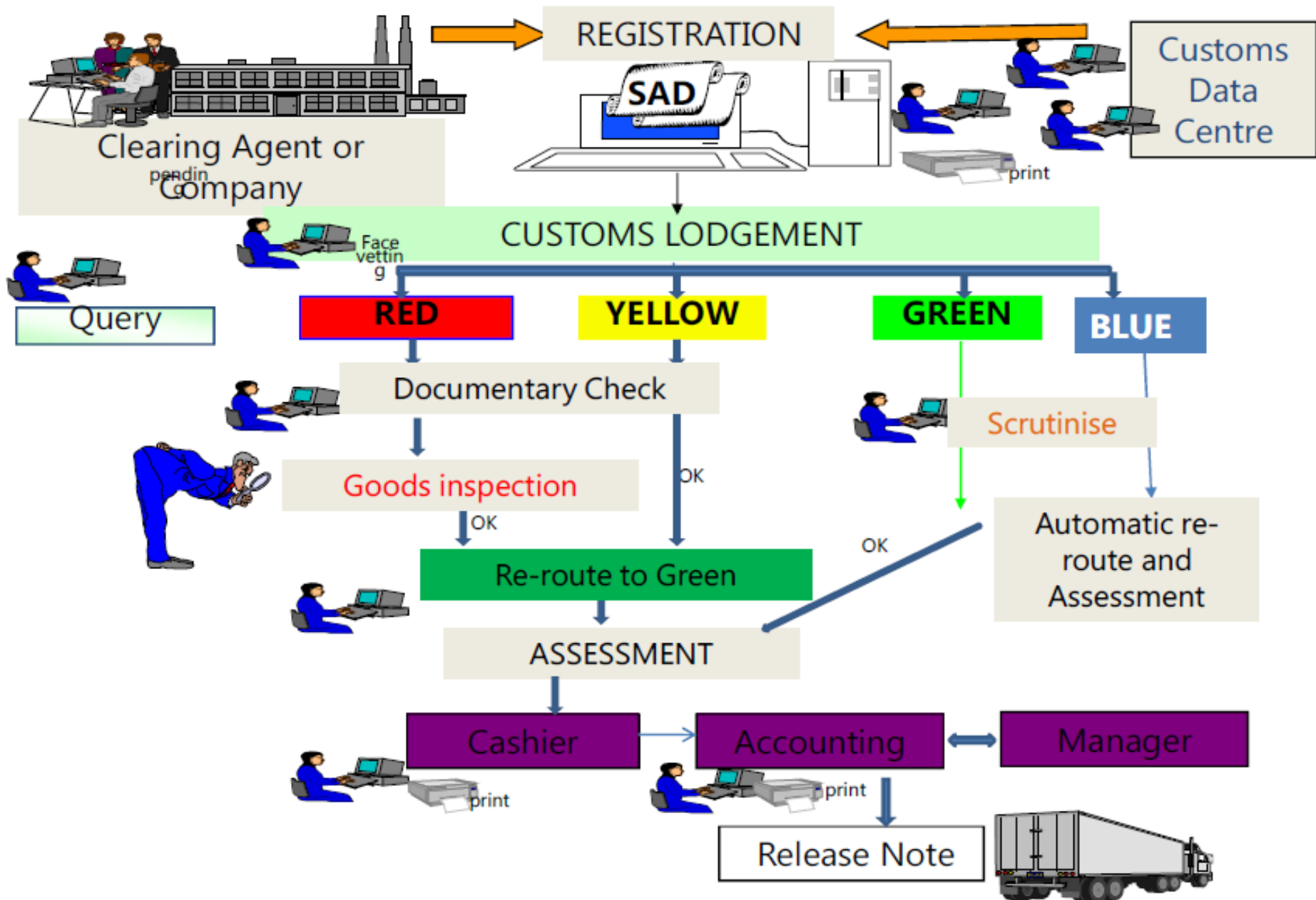


III. Customs Procedures

Stages of Customs Procedures in Cambodia



Flowchart of Customs Clearance for Import- Export





III. Customs Procedures (Cont'd)

- **Documents to be attached to Customs Declaration:**
 - Commercial Invoice
 - Packing List
 - VAT and Patent Certificates
 - Customs Permit (If applicable)
 - Certificate of origin (for preferential tariff)
 - Transport Documents (HAWB, MAWB or B/L)
 - Other necessary documents (If required)



III. Customs Procedures (Cont'd)

- How to access to the information on Customs procedures in Cambodia?

1.The Handbook on Customs Clearance

2.GDCE's official Website:

<http://www.customs.gov.kh>

3.National Trade Repository:

<http://www.cambodiantr.gov.kh>





IV. Customs Valuation



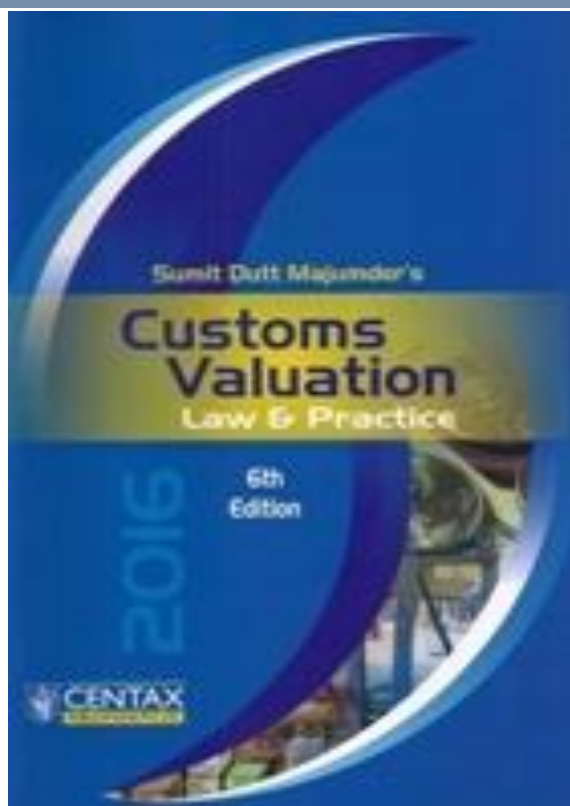
WTO OMC

WTO Customs Valuation





IV. Customs Valuation



- Compliant with the **WTO Valuation Agreement**.
- Customs valuation verification is required prior to customs clearance at border check- points.
- Customs valuation verification is done at HQs or at customs check-points



IV. Customs Valuation (cont'd)

Decentralization of Customs Valuation

(CV verified at customs check-point)

- by commodities
- by Traders
- by customs offices
- by price/duty and tax amount



IV. Customs Valuation (cont'd)

Decentralization of CV by commodities:

- Sensitive goods (centralized): Vehicle, Telecommunication, Gambling, Drinks
- Non- sensitive goods (Decentralized)

Decentralization of CV by traders:

- Low compliance (centralized)
- High compliance (Decentralized)



IV. Customs Valuation (cont'd)

Decentralization of CV by customs offices:

- Customs branches and offices along the border with V/N, Lao and Thailand
- International Airport customs branch
- Remote provinces: Ratanakiri, Mondulhiri, Kratie, Stoeuntreng, Preah Vihear

Decentralization of CV by Value and Duty & tax amount:

- CV not exceeding USD1000 (Decentralized) or
- Duty & Tax not exceeding USD 500 (Decentralized)



IV. Customs Valuation (cont'd)

Exception of Customs Value Verification

- Duty and tax burdened by the government
- Best Traders
- Non commercial value shipment



V. Tariff Classification in Cambodia



ព្រះរាជាណាចក្រកម្ពុជា

KINGDOM OF CAMBODIA

ក្រសួងសេដ្ឋកិច្ច និងហិរញ្ញវត្ថុ
MINISTRY OF ECONOMY AND FINANCE

តារាងពន្ធគយកម្ពុជាឆ្នាំ២០១៧ CUSTOMS TARIFF OF CAMBODIA 2017

ចេញផ្សាយលើកទី១
1st Edition
October 2016



ក្រសួងសេដ្ឋកិច្ច
MINISTRY OF ECONOMY



សហគមន៍ប្រជាជាតិអាស៊ីអាគ្នេយ៍
ASSOCIATION OF SOUTHEAST ASIAN NATIONS



អគ្គនាយកដ្ឋានពន្ធដារ
DIRECTORATE GENERAL OF CUSTOMS AND TAXATION

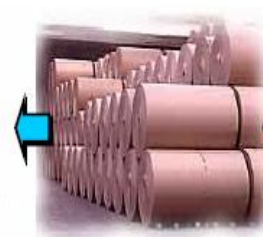
Chapter 06 - Live trees

Chapter 44 - Wood and articles
of wood

Chapter 47 - Pulp of wood

Chapter 48 - Paper and paperboard

Chapter 49 - Printed books,
newspapers



Heading 72.01 Pig Iron

Heading 72.07 Billets

Heading 72.13 Wire Rods

Heading 72.17 G.I. Wire





V. Tariff Classification in Cambodia

Customs Tariff of Cambodia

- **ASEAN Harmonized Tariff Nomenclature (AHTN)**
8-digit code (Consistent with WCO HS): Currently AHTN 2017.
- All of Cambodia's import tariffs are applied on an *ad valorem* basis.
- Customs collect **1.Customs Duty, 2.Excise Tax and 3.VAT** on imported goods, as well as **Export Tax** on exported goods.



V. Tariff Classification in Cambodia (Cont'd)

The Customs duty rates on imported goods:

0%

- for goods such as primary products, raw materials, medical products, educational materials

7%

- for semi-finished products as raw materials, foodstuff and some construction materials ...

15%

- for machinery and equipment and Electronics

35%

- for finished products, alcohol, petroleum products, vehicles, precious metals and gambling items.



V. Tariff Classification in Cambodia (Cont'd)

Comparison of MFN Tariff Structure (2012 and 2017)

No.	Tariff Band	2012		2017	
		Tariff lines	Average Rate	Tariff lines	Average Rate
1	0%	1,304	11.86	1,507	12.21
2	7%	3,836		4,148	
3	15%	3,418		3,850	
4	35%	980		1,302	



VI. Tax Policies in 2018



យុទ្ធសាស្ត្រ និងកម្មវិធីការងារកែលម្អនិងទំនើបកម្ម របស់អគ្គនាយកដ្ឋានគយនិងរដ្ឋាករកម្ពុជា (២០១៤-២០១៨)

Strategy and Work Programs on Reform and Modernization of
the General Department of Customs and Excise of Cambodia (2014-2018)





VI. Tax Policies in 2018

Excise tax on certain goods

No.	Type of Goods	Existing Excise Rate
1	Beverage	10%
2	Beer	30%
3	All types of alcoholic drinks	35%
4	Cigarettes	20%
5	Cigars	25%
6	Petroleum products	From 10 to 25%
7	Cosmetic products	10%
8	Perfume	15%
9	Plastic products and rubber	10%
10	Tires	15%



VI. Tax Policies in 2018 (cont'd)

No.	Type of Goods	Existing Excise Rate
11	Glass	10%
12	Air conditioners and electrical appliances (including camera)	10%
13	Motorcycles and its spare parts	From 10 to 15%
14	Vehicles	From 30 to 65%
15	Auto spare parts	25%
16	Trailer, semi-trailer,	20%
17	Inflatable yachts and other vessels for pleasure or sports, motorboats	45%
18	Articles for Christmas and Carnival, travelling circuses and travelling menageries	15%
19	Playing card, mahjong tiles and other gambling equipment	45%
20	Guns and swords	45%



VI. Tax Policies in 2018 (cont'd)

Existing duty and tax rates on automobile:

TYPE of VEHICLE		DUTY	SPECIAL TAX	VAT
BUS (87.04)		15%	40%	10%
TRUCK (87.02)		15%	40%	10%
PERSONAL CAR (87.03)	OF ENGINE > 3000cc	35%	65%	10%
	OF ENGINE ≤ 3000cc	35%	60%	10%
	ATV, GO KART, MOTOR CARS OF ENGINE ≤ 1000cc	35%	30%	10%
	ELECTRIC CAR	35%	40%	10%
AMBULANCE, PRISON VANS, HEARSEs		0%	0%	10%



VI. Tax Policies in 2018 (cont'd)

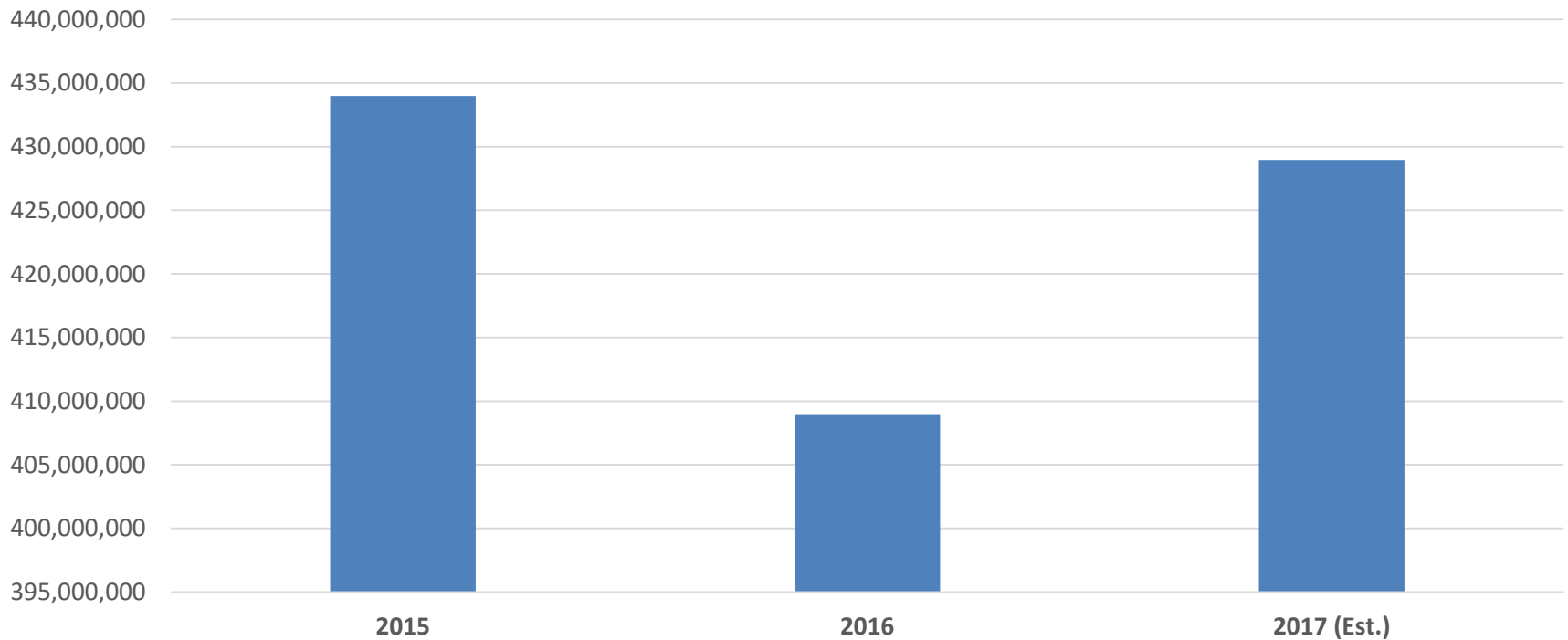
Possible Main Changes in Tax Policies for 2018

- Increase **export tax** on sand, rock, marble, woods.
- Increase **Special Tax** on some cars diesel or gasoline (not hybrid) with engine larger than 2500cc
- Reduce **Special Tax** on Boat, Bowling, and snookers
- Reduce **Customs Duty** rates on agriculture produce (live animals), Foodstuff (meats, fruits, vegetables, crustaceans, milk, wheat flour...), boats, ...



Trade Statistic

Import from Korea (USD)

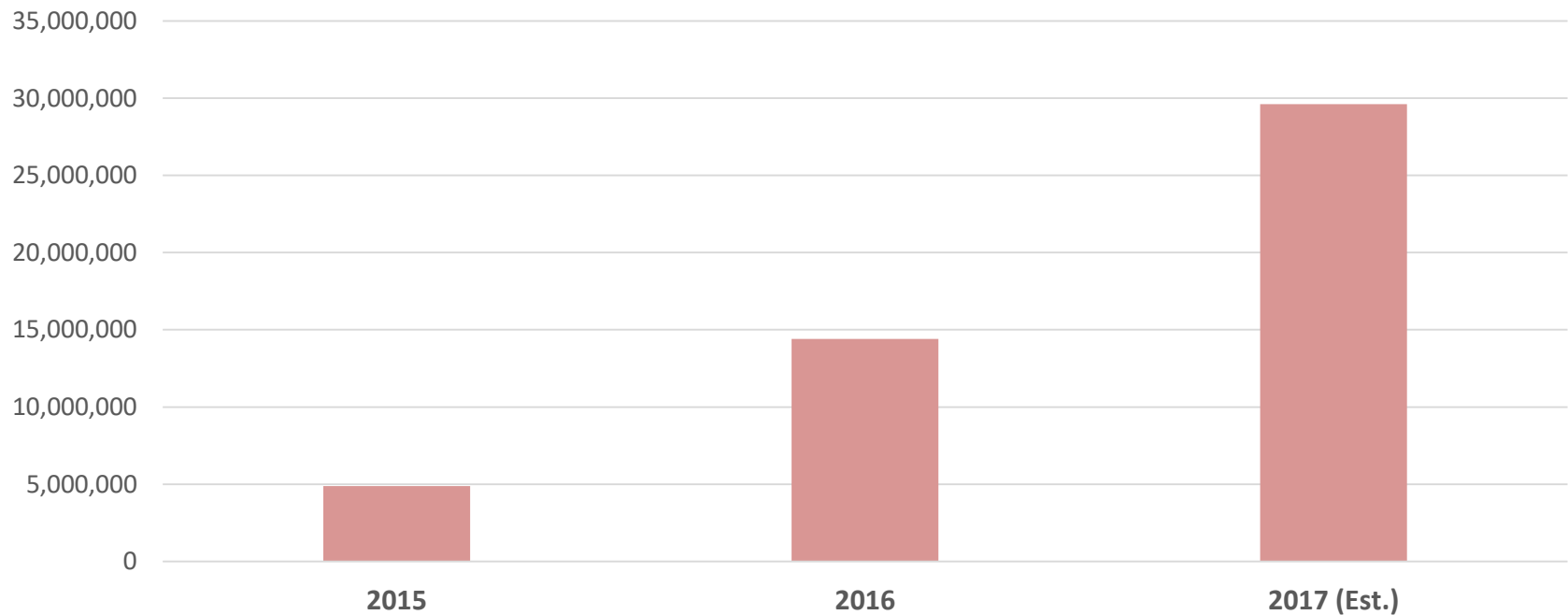


The main imported commodities are: Aluminium, used clothing, vehicles, drinks, and machinery.



Trade Statistic

Export to Korea (USD)



The main exported commodities are: Rubber, Undenatured ethyl alcohol, aluminium, garments, and food stuff.



Thank You Very Much

