

KINGDOM OF CAMBODIA

NATION RELIGION KING

ROYAL GOVERNMENT OF CAMBODIA

No.

SUB-DECREE

ON

THE FACILITATION OF TRADE THROUGH RISK MANAGEMENT

- Referring to the Constitution of the Kingdom of Cambodia;
- Referring to the Royal Decree No. 02/NS/94 dated 20 July 1994 promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Referring to the Royal Decree No. 0704/001, dated 13 July 2004, promulgating the application of the Additional Constitutional Law, aimed at normal conduct of national institutions;
- Referring to the Royal Decree No. 0704/124, dated 15 July 2004, on the Appointment of the Royal Government of the Kingdom of Cambodia;
- Referring to the Decision No.12/2004 dated March 22, 2004, on the Establishment of a Special Inter-Ministerial Task Force on Trade Facilitation and Investment Climate;
- Referring to the approval of the Policy and Strategy to Facilitate Trade through Risk Management by the Council of Ministers during its plenary meeting on 2006.

IT IS HEREBY DECIDED

CHAPTER 1: HIGH-LEVEL INTER-AGENCY COORDINATION GROUP

ARTICLE 1

A high-level Inter-Agency Coordination Group is hereby established to increase the effectiveness of border management through the application of risk management. It has the following charter:

1. To ensure that an effective risk-based balance between regulatory intervention and trade facilitation is achieved among the Ministries and agencies involved in border management;
2. To clarify agency roles and responsibilities, to ensure agencies maintain high levels of cooperation and that there is no duplication of activity;
3. To coordinate strategic plans and activities relating to border management, including agreement on common objectives;
4. To review procedures for clearing and inspecting internationally traded goods and, as necessary, develop more effective and efficient procedures for implementation in conjunction with the introduction of electronic clearance arrangements;
5. To develop and monitor administrative guidelines for the inspection and clearance of imports and exports;
6. To publicise a statement of agency roles and responsibilities to provide the international trading community with a clear understanding of border-related processes; and
7. To monitor the effectiveness and efficiency of procedures for clearing and inspecting internationally traded goods through the use of risk management and initiating corrective action where required.

ARTICLE 2

The Inter-Agency Coordination Group will be chaired by the Delegate of the Royal Government of Cambodia, Responsible for CED and membership will comprise high-ranking representatives of Customs and Excise Department (CED), Cambodian Import Export Inspection and Fraud Repression Department (CamControl), other areas of Ministry of Commerce (MOC), Ministry of Health (MOH), Ministry of Agriculture Forestry and Fisheries (MAFF), Ministry of Industry, Mines and Energy (MIME) and any other agency specified by Anu-Kret from time to time. It will report to the Sub-Steering Committee for Trade Facilitation.

ARTICLE 3

For the purposes of this Anu-Kret, members of the Inter-Agency Coordination Group are referred to as “specialized agencies”.

CHAPTER 2: ADMINISTRATIVE PROCEDURES

ARTICLE 4

Cargo and declaration information is to be submitted to CED. Prior to the introduction of electronic data submission, traders are required to submit only one copy of the Customs Declaration and of the supporting documents.

Following the availability of electronic data submission, traders providing data electronically, will not be required to submit hard copy data.

ARTICLE 5

PMO No. 90 SCD of 06 December 2005 states “the Customs and Excise Department is a single leading agency with responsibility for inspecting goods at the international border checkpoints and if there is a need for more than one agency to inspect in accordance to risk identified, this inspection must be carried out as a single, joint-agency examination under the coordination of the Customs and Excise Department.”

ARTICLE 6

Based on risk profiles and administrative guidelines that are developed under the direction of the Inter-Agency Coordination Group, CED will:

1. clear a consignment;
2. undertake specific action (e.g. further documentary checks, scanning or physical inspection) where it is within their mandate and competency to do so; or
3. refer details of the consignment to other specialized agencies for their consideration of the need for additional information, for CED to undertake inspection on their behalf or for other specific action.

ARTICLE 7

CamControl, MOC, MOH, MAFF, and MIME have overall policy responsibility for particular commodities or products, as determined from time to time by the Royal Government of Cambodia. For these products, the specialized agencies are generally responsible for ensuring compliance with international obligations, ensuring compliance with national laws and regulations governing the control of these products, and managing risks to the achievement of these objectives. These agencies will establish clear risk-based selectivity criteria for these particular commodities.

ARTICLE 8

Where it has been determined that goods are:

- Prohibited or restricted goods;
- Goods determined to be high risk, in accordance with the administrative guidelines; or,
- Goods subject to other agency requirements; and,

the goods are required to be inspected prior to clearance and release, the requirements of all agencies must be satisfied through a single inspection. There must be no duplication of the inspection process.

ARTICLE 9

In all cases, any decision to examine consignments must be based on identified risk, conducted as a single inspection and an inspection report must be prepared.

CHAPTER 3: INTER-AGENCY AGREEMENTS

ARTICLE 10

Administrative agreements are to be introduced between CED and other specialised agencies, including CamControl, MOC, MOH, MAFF and MIME, which detail their respective roles and responsibilities and identify how areas of potential overlap are to be managed.

ARTICLE 11

The administrative agreements must address the circumstances under which CED should refer details of the consignment to specialized agencies and the way in which such referrals are to be made.

ARTICLE 12

The administrative agreements will identify the specific products and commodities for which specialized agencies have been given policy responsibility by the RGC through reference to their tariff classification at the eight-digit level (the latest version of the Customs Tariff of Cambodia published by the Ministry of Economy and Finance).

ARTICLE 13

The administrative agreements must ensure that any decision to examine consignments is based on identified risk, in accordance with this Anu-Kret.

ARTICLE 14

Where specialized agencies have border management responsibilities requiring particular expertise not available within CED, experts from the relevant agency shall be made available to CED on request.

CHAPTER 4: RISK-BASED OPERATING PROCEDURES

ARTICLE 15

All relevant agencies are to develop and adopt risk based operating procedures relating to the import, export, transport and storage of goods in accordance with the following principles:

1. Only those consignments that have been identified as presenting a high risk should be selected for examination. The examination should not proceed beyond that which is necessary to confirm or refute the initial assessment.
2. In relation to trade documentation:
 - Documentation requirements should be the minimum necessary for authorities to carry out their responsibilities;
 - Documents should only be required to be lodged once; and
 - Traders should be able to lodge clearance documentation at the point of import, export or clearance.
3. Examination of import or export documentation should precede any physical inspection of cargo, as this may confirm or refute concerns about potential risks.
4. Pre-arrival screening and clearance should be implemented where traders have the ability to provide relevant documentation prior to the arrival of goods.
5. Post clearance audit should be utilised wherever possible.
6. Cargo may be inspected away from the border Control Point where appropriate.

ARTICLE 16

To support the effective management of risk, all specialized agencies are to be provided with access to import and export statistics collected by CED and relating to the import and export of goods for which they have responsibility.

CHAPTER 5: IMPLEMENTATION, MONITORING AND EVALUATION ARRANGEMENTS

ARTICLE 17

All specialized agencies will:

1. Undertake border management situation assessments and develop action plans that address potential areas of cooperation and coordination between relevant agencies;
2. Develop, implement and publicise inter-agency guidelines and support these through formal inter-agency agreements;

3. Revise their operational procedures to ensure that all clearances are based on the principles of risk management, thereby reducing the number of inspections conducted, and
4. Consult with industry in relation to these initiatives.

ARTICLE 18

The Sub-Steering Committee for Trade Facilitation, under the Steering Committee for Private Sector Development, shall be responsible for monitoring and evaluating the implementation of this Anu-Kret.

CHAPTER 6: FINAL DISPOSITIONS

ARTICLE 19

The Royal Government of Cambodia shall ensure that any future regulations in respect to inspections and clearances of goods for import and export are consistent with the Policy and Strategy to Facilitate Trade through Risk Management.

ARTICLE 20

Guidelines for Implementation for Risk Management in Royal Government of Cambodia ministries and agencies involved in importation and exportation formalities are at Appendix 1.

ARTICLE 21

This Anu-Kret shall prevail if provisions in other regulations are not consistent with this Anu-Kret.

ARTICLE 22

The Minister of the Office of the Council of Ministers, relevant ministers, ministries, and institutions, secretaries of state, provincial/municipal governors and relevant institutions shall implement this Anu-Kret according to their respective responsibilities.

ARTICLE 23

This Anu-Kret shall become valid from the date of its signatures.

Phnom Penh,

Prime Minister