

## CHAPTER 2: INVESTMENT

### Relevant Laws:

- Law on Investment 2021
- Law on Public and Private Partnership 2021
- Sub-Decree 139 on the Implementation of the Law on Investment 2023
- Various sectoral laws and many regulations for implementing the above laws

### I. RESPONSIBLE INSTITUTIONS AND KEY FUNCTIONS

Name of Institution	Key Functions and Services
*CDC *CIB (see main text below)	<ul style="list-style-type: none"> <li>• The main function of the CIB is to deal with investment projects outside the special economic zones (SEZs). The CIB and the CSEZB work together to review investment applications and grant investment incentives to investment projects meeting the requirements laid out in the Investment Law.</li> </ul>
CDC **CSEZB (see main text below)	<ul style="list-style-type: none"> <li>• To promptly settle all issues occurring in an SEZ, whether pertaining to technical or legal aspects, or issues under the joint jurisdiction of ministries or institutions and beyond the competence of the SEZ Administration (the State administration management unit at the SEZ) or the CSEZB.</li> <li>• To be a mechanism to receive any complaint and find solutions to such complaints filed by Zone Developers as well as by Zone Investors.</li> </ul>

The \*CDC has \*Cambodian Investment Board (CIB) and \*\*Cambodian Special Economic Zone Board (CSEZB) as its operational Boards in providing private sector investment incentives. CIB grants investment projects out of special economic zones (SEZs) whereas CSEZB offers investment projects in SEZs. They review investment proposals and grant incentives to investment projects per the 2021 Investment Law.

### II. REGISTRATION PROCEDURE FOR QUALIFIED INVESTMENT PROJECTS

The CDC is the sole and one-stop service responsible for approving a QIP and issuing the registration certificate of such QIP (a “**Registration Certificate**”). A QIP refers to a project registered with the CDC or the Municipal Provincial Investment Sub-Committees (“**MPISC**”) through hard copy or online application. In addition, investment projects classified as QIPs are eligible for incentives provided by the Royal Government of Cambodia, including tax exemption, special depreciation or other benefits.

A QIP can commence automatically on the date of issuance of the Registration Certificate for that QIP. However, it does not exempt eligible investors from obtaining other approvals and permits as required by the law and other regulations.

Furthermore, the timeframe for the issuance of a Registration Certificate is no more than twenty (20) working days considering that the proposed investment project is not listed in the Negative List or below the threshold capital in Annex 1 of Sub-Decree 139. The Registration Certificate will be affixed with a barcode, identification number, QR code, or another identifier.

### **III. SECTORS AND ACTIVITIES QUALIFIED FOR INVESTMENT INCENTIVES**

The Investment Law sets forth key industries and activities to be eligible for investment incentives upon obtaining the Registration Certificate:

- High-tech industries involving innovation or research and development;
- Innovative or highly competitive new industries or manufacturing with high added value;
- Industries supplying regional and global production chains;
- Industries supporting agriculture, tourism, manufacturing, regional and global production chains, and supply chains;
- Electrical and electronic industries;
- Spare parts, assembly, and installation industries;
- Mechanical and machinery industries;
- Agriculture, agro-industry, agro-processing industry, and food processing industries serving the domestic market or export market;
- Small and medium-sized enterprises in priority sectors and small and medium-sized enterprise cluster development, industrial parks, and science, technology, and innovation parks;
- Tourism and tourism-related activities;
- Special economic zones;
- Digital industries;
- Education, vocational training, and product promotion;
- Health;
- Physical infrastructure;
- Logistics;
- Environmental management and protection, biodiversity conservation, and the circular economy;
- Green energy and technology contribute to climate change adaptation and mitigation;
- Other sectors and investment activities deemed by the RGC to have the potential for socio-economic development.