



NEW REGULATORY SCHEME FOR THE MANAGEMENT OF CLEAN WATER SUPPLY SERVICES IN CAMBODIA

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The Law on Clean Water Management (the “**Law**”) was just adopted on 11 March 2023. The Law is a new regulatory scheme for the management of clean water supply services in Cambodia and contains the following important features.

This Law defines the legal framework for the management and development of clean water supply in Cambodia in order to ensure quality, safety, and affordability of clean water supply services as well as contribute to enhancing the public welfare and the living conditions of the citizens in an inclusive manner. This Law applies to the commercial supply of clean water throughout Cambodia.

The supply of clean water is the competency and direct responsibility of the State. The State may grant the right to the private sector to supply clean water to the citizens and to the production or service sector in accordance with the Law and regulations in force. The management of clean water supply services shall be under the jurisdiction of the ministry in charge of the clean water sector. It should be noted that the Law does not specify the competent ministry in charge of the clean water sector.

The clean water supply service shall be based on the following principles:

- Ensuring transparency and equity in the water supply service.
- Ensuring equality and no discrimination between the clean water supply service providers and the users.
- Encouraging national and international investors to invest in the clean water sector.
- Providing the clean water supply service based on four criteria that the clean water shall be of quality, safe, sustainable and affordable.

The Clean Water Development Fund is established to ensure the maintenance, improvement, and development of clean water supply services in an effective and sustainable manner, especially in developing and remote areas.

The Clean Water Development Fund is derived from the national budget, fund, donation, contribution of development partners and other lawful sources.

A natural or legal person that wishes to operate clean water supply services in a specific area of Cambodia shall apply for a license to conduct such services from the ministry in charge of the clean water sector in accordance with the Law and regulations in force.

The clean water supply service license shall be valid for a specific period to be determined by Prakas of the ministry in charge of the clean water sector.

In addition to the clean water supply service license, the clean water supply service licensee shall apply for a clean water supply service certificate from the ministry in charge of the clean water sector before operating the clean water supply service.

The clean water supply service certificate shall be valid for a specific period to be determined by the minister of the ministry in charge of the clean water sector.

Furthermore, any person that wishes to operate a clean water supply service shall apply for a permit for conducting the pre-feasibility of the project in a specific area determined by the ministry in charge of the clean water sector.

With that being said, the Law only provides an overall legal framework for the management of the clean water supply services in Cambodia. It is expected that in the near future detailed procedures and requirements to support the implementation of the Law will be issued in the form of Sub-Decree and Prakas.

AUTHORS' PROFILES



Mustafa KOCADAG
Partner/Head of
Capital Market and M&A



Phanna SOK
Senior Associate