



# Cambodia.

Cambodia has transformed from a planned economy to a free market regime in the late 1990s. Tourism, garment manufacturing, construction and agriculture are the most significant contributors to the country's gross domestic product. With the availability of relatively cheap labour and an open foreign investment policy, encouraged by The Council for the Development of Cambodia, Cambodia is becoming an ideal place for foreign investors, large and small.

## Basic requirements when setting up your business in Cambodia.

<b>Company Name</b>	The company name must be unique and not used by others. Whilst it must be in Khmer, it can also be in another language (most commonly in English).
<b>Registered Address</b>	Must have a registered office address.
<b>Registered Capital</b>	At least US\$1,000 initial paid-up capital. Certain activities might require higher amount.
<b>Financial Year End</b>	31 December, though an alternative year-end may be selected, subject to Ministry of Commerce approval (eg to align with offshore parent company year-end)
<b>Shareholders</b>	At least one shareholder, can either be an individual or corporate entity.
<b>Directors</b>	At least one natural person as director, can either be a Cambodian or foreigner. A directors meeting must be held once every quarter.
<b>Company Secretary</b>	A company secretary is not required by law.
<b>Registered Agent</b>	Need to maintain a registered agent who must be a legally competent natural person residing in Cambodia.
<b>Auditor</b>	<p>A company that meets two of the following criteria is required to appoint an independent external auditor registered with the Kampuchea Institute of Certified Public Accountants and Auditors to carry out annual financial audit:</p> <ul style="list-style-type: none"><li>• Annual turnover more than KHR4 billion (US\$1 million)</li><li>• Total assets more than KHR3 billion (US\$750,000)</li><li>• More than 100 employees</li></ul>
<b>Annual General Meeting (AGM)</b>	An AGM is required within 12 months of the establishment of the company and then each year thereafter. An annual financial statement must be presented at the AGM.
<b>Annual Filing</b>	Must file an annual declaration to the Ministry of Commerce at the end of each year concerning the status of the company.
<b>Taxation</b>	The standard corporate income tax rate is 20%. The standard rate of VAT is 10%.