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Committee on Trade in Industrial Products
Group 4 - Licensing

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REPLIES TO THE QUESTIONNAIRE ON LICENSING

Addendum

CAMBODIA

1 and 2. The importation of foreign commodities to Cambodia must be covered by a permit issued in the form of a licence or import certificate except in the case of commodities subject to complete prohibition.

There are different import régimes:

Importation against "national official" foreign currency, by which is meant foreign currency which is unblocked from the reserves of the National Bank of Cambodia. Imports of this kind are made by the National Export and Import Company (SONEXIM).

Imports against foreign currency received through United States economic assistance (AID); this currency is considered as official, and imports on this basis are also made by SONEXIM.

Imports against "external credits", by which is meant imports financed through a credit granted by friendly countries in the form of a long-term loan or as a gift to assist in building up the national equipment (factory, dam, etc.).

Imports through counterbalanced exchange, by which is meant imports in exchange for exports by private importers and exporters.

Imports paid for out of 10 per cent EMP (exports of raw materials) or under the EFAC procedure (exportation and incidental costs), by which is meant imports by local exporters who have credits in EFAC or EMP accounts which they have obtained through exports on which a certain amount was refunded in foreign currency. These amounts are rebates for the benefit of the exporters, who are then entitled to use the money to finance imports of certain commodities, lists of which are published by the Department of Foreign Trade.

Imports "without foreign currency", which is an exceptional measure involving no financial settlement.

3. The system of import licences and certificates applies to all commodities irrespective of their source or country of origin.

4. The system is intended on the one hand to keep down the volume of imports so that they do not exceed the possibilities of payment and on the other hand to restrict the quantity of imports so as to protect local infant industries. In no case are they intended to restrict the consumption of imported products which are in general use. That is why the balance of payments of Cambodia is practically always a debit balance.

5. The system of licences is based on an act (Kram No. 929-NS of 10 February 1955) concerning the control of exchanges and of foreign trade. On the basis of this act regulations have been issued by the Department of Commerce and the National Exchange Office in the form of notifications, communiqués, orders or decisions. The legislation leaves the executive authorities free to amend their lists of products which may be imported or which may not be imported.

6(a) The above information is brought to the notice of the public through notifications of the Ministry of Trade in the Official Journal and the local press and is also posted up in the Department of Foreign Trade (DCE), the National Exchange Office (ONG), the Mixed Chamber of Commerce, Agriculture and Industry, the banks and SOMEXIM.

(b) As a general rule licences for imports against foreign currency are without limitation of volume up to the value of the credit which is available. There is no limitation in the case of EFAC licences, counterbalanced exchanges or 10 per cent EMP. In the case of licences without foreign exchange, imports are restricted to personal requirements.

Requests for licences may be submitted either by national producers of similar goods or by traders or commercial firms.

In making application for a licence the importer must fill up seven copies of the licence (DCE, ONG, the authorized agent, the customer, the customs, DCE customs and ONG customs). The application must indicate the nature of the proposed imports and must be accompanied by the contract drawn up with the approved agent. The authorizations which are granted are countersigned by the ONG, which keeps one copy, sends a second copy to the approved agent and sends the others to the DCE. As soon as the approved agent receives the import licence with the visa of the ONG, he can proceed to make the necessary payment for the operation. The documents to be submitted must include a final bill and a copy of the bill of lading, both of which must be kept by the approved agent after the goods have been imported so that he can prove to the ONG that the credit has in fact been used. The copy for ONG customs must be sent directly to that body for customs clearance.

Any sum left over because the whole credit was not used may be employed within the limits of the validity of the import licence.

The names of importers who receive an import licence are not communicated abroad. This is considered to be a domestic matter.

(d) Applications for import licences may be submitted at any time when the necessary credits are available. Licences which do not require the granting of "official" foreign exchange - that is, licences for counterbalanced exchanges, EFAC, 10 per cent EMP and licences not requiring any exchange may be submitted at any time.

(e) The granting of an import licence takes place immediately or may require approximately one week's delay according to the particular nature of the goods for which the request is submitted.

(f) Import licences are valid as from the date on which they are issued. As a general rule the period of validity is determined according to the country of origin of the goods. It is three months for countries in Asia and six months for countries in Europe and America.

(g) Applications for licences are as a general rule examined by some administrative body to which power is delegated by the Ministry of Commerce, and then by the DCE, which transmits the application to the ONC for visa (cf. paragraph 6(c) above).

(h) If it is not possible to grant all applications for licences in full, the allocation is made in proportion to the requests and within the limit of the credit in foreign exchange which is available for any given product. New importers who are recognized by the trade associations of importers may obtain their share of import licences.

Requests are dealt with as soon as they are received.

(i) (j) (k): Not applicable in Cambodia.

7. See reply above.

8. The reasons for refusal of an application for licences are indicated by the reply to question 4 above. They are always communicated to the applicant.

9. The right to import is enjoyed by all individuals or corporate bodies duly registered in the commercial register of Cambodia and engaged in an occupation which involves the utilization or sale of the product to be imported.

10. In addition to the information mentioned in paragraph 6(c) pro forma bills are required. These should be as detailed as possible from the point of view of the description, price and date of delivery.

11. At the time of actual importation all the documents required for clearing the goods through the customs must be submitted.
12. A charge of between US\$9 and US\$73 is made for applications for licences according to the value of the imports in question.
13. No deposit or advance payment is required except in the case of licences against US AID credits which involve a payment in advance of the war equalization adjustment of 50 per cent to the National Bank of Cambodia.
14. The period of validity of a licence is generally six months for countries in Europe and America and three months for countries in Asia. This period can be extended only by an exceptional decision taken jointly by the DCE and the ONC.
15. Failure to use an import licence (before the credit has been granted) does not involve any penalty. After the credit has been granted the ONC demands a refund of the foreign exchange which has not been used.
16. Licences are personal and not transferable.
17. The grant of a licence is subject to other conditions in the case of products governed by special regulations and requiring the previous agreement of the technical services concerned (health, agriculture, police and army).
18. Supplementary certificates are required if the products to be imported must comply with certain standards as regards consumption or utilization.
19. The approval given for an import licence is deemed to be an authorization enabling the person concerned to obtain the necessary foreign exchange from the ONC and to proceed to open a documentary credit.