

## SARACHOR NERNOAM (INSTRUCTING CIRCULAR) ON THE MANAGEMENT AND USAGE OF CDC/CIB INVESTMENT INCENTIVES BY INVESTMENT ENTERPRISES

Previously, some Investment Enterprises have transferred imported materials or goods which were customs duties exempted or paid for by the State for purposes unrelated to the activities as granted by CDC/CIB. This situation which is entirely contrary to the meanings of Anukret No. 88/ANK/BK of December 29, 1997, Chapter 7, Article 20, Paragraph 20.2 shall subject the enterprise to liability under the existing laws.

In order to resolve this issue, the CDC hereby instructs the followings:

1. any material or goods imported under customs duty exemption or paid for by the State shall be used for activities as stipulated in the project as approved by CDC/CIB.
2. to assist any Investment Enterprise which has been operating for a short-term but which met financial hardship or other difficulties, the CDC/CIB may review on the proposed request for transfer of materials or goods in accordance to the following criteria:
  - the Investment Enterprise has been operating already for a short term;
  - the transferee shall be an Investment Enterprise which was previously qualified for custom duty exemption or paid for by the State both in terms of quantity and specifications;
  - the CDC/CIB may calculate the quantity to be transferred pursuant to the capacity of the Transferees.
3. any transfer which took place without the consent of CDC/CIB and any material or goods imported under customs duty exemption or paid for by the State which are not used for activities stipulated in the approved project or sold or used in any building construction or leased to another enterprises shall be subject to immediate repayment of customs duties and penalties as stipulated under the Financial Law.
4. For any Investment Enterprise which has moved its office without prior consent for the purpose of avoiding their obligations to the State, the CDC shall publish in the media and inform other institutions in order to take measures against them.

As such, all concerned Investment Enterprises are hereby informed and requested to collaborate to ensure the effective implementation of this circular from the date of its signature.

Senior Minister  
Minister of Economy and Finance  
and acting Vice-Chairman of CDC

Keat Chhon