

PRAKAS NO. 117 DATED 09 DECEMBER 2025 ON “THE SIMPLIFICATION OF BUSINESS REGISTRATION” ISSUED BY THE MINISTRY OF COMMERCE: ANNUAL DECLARATION FOR COMMERCIAL ENTERPRISE (the “ADCE”)

06 February 2026 – Phnom Penh – Cambodia

On 09 December 2025, the Ministry of Commerce (the “**MoC**”) issued Prakas No. 117 regarding the Simplification of Business Registration (the “**Prakas**”). This Prakas consolidates and clarifies the legal instruments under various laws governing business registration. Its main goal is to improve the efficiency, accessibility, and effectiveness of business registration procedures in Cambodia.

In particular, Chapter 8 of the Prakas outlines obligations concerning the filing of annual declarations. All companies, branches of foreign companies, and representative offices of foreign companies registered with the MoC must file an annual declaration regarding their operational status. This declaration must be submitted through the MoC’s automated online system.

Additionally, the MoC issued an Announcement regarding The Waiver of Penalty for Companies Failing to File Annual Declaration, Limiting the Penalty to the Last One Year (the “**Announcement**”) – its encourage the company for re-filing the application for ADCE. The Announcement establishes a penalty-waiver policy under the following conditions: 1. Companies must pay the penalty for the annual declaration for the previous year to the MoC within 60 days from 8 January 2026, and 2. Companies must participate in the shareholder background check process to support anti-money laundering efforts. This article covers the following points: 1. Required documents for the ADCE; 2. Grace periods and consequences for companies that fail to submit their annual declaration; and 3. Penalties for companies that do not file their annual declaration on time.

1. What are the Required Documents?

The information and supporting documents required for the filing of annual declarations, which must be submitted electronically through the website of the MOC via www.businessregistration.moc.gov.kh, are as follows:

(a) Annual declaration filing for private limited companies, partnerships, branches of foreign companies, and representative offices of foreign companies:

1. Tax Identification Number (the “**TIN**”);
2. Date of tax registration;
3. Patent tax certificate for the year in which the annual declaration is filed, covering all ongoing business activities;
4. Number of employees, together with supporting documents specifying the actual positions of employees; and
5. Company email address and telephone number currently in use.

(b) Annual declaration filing for public limited companies:

1. Tax Identification Number (the “**TIN**”);
2. Date of tax registration;
3. Patent tax certificate for the year in which the annual declaration is filed, covering all ongoing business activities;
4. Number of employees, together with supporting documents specifying employee positions;

5. Company email address and telephone number currently in use; and
6. Financial statements and the list of shareholders.

2. What are the Grace Periods, and Consequences for Late Submission?

All companies, branches of foreign companies, and representative offices of foreign companies are required to file their annual declaration. This declaration must be submitted within three **(3) months** prior to the anniversary date of their commercial registration.

If a company, branch of a foreign company, or representative office fails to file the annual declaration within this period, the Ministry will grant an additional fifteen **(15) days** as a grace period for submission.

3. What are the Penalties and Consequences for Late Filing?

Any company, branch of a foreign company, or representative office of a foreign company that fails to file its annual declaration by the prescribed deadline shall be subject to a **monetary fine of KHR 2,000,000 (two million riels)**.

Where a company, branch of a foreign company, or representative office of a foreign company fails to file its annual declaration for **one (1) year or more**, it shall be required to pay the applicable fine in addition to the annual declaration fees for each year of non-compliance.

Where a company, branch of a foreign company, or representative office of a foreign company fails to file its annual declaration for **three (3) consecutive years**, it shall be classified as an **inactive company**.

Shareholders and directors of an inactive company shall be placed on a **watchlist**, which restricts access to public services provided by the Ministry of Commerce, including applications for company incorporation and applications for registration of any changes or amendments to company information.

An inactive company may be subject to further legal procedures for **dissolution and removal from the commercial register**, in accordance with applicable laws, after fulfilling all tax obligations through a tax audit conducted by the General Department of Taxation and obtaining an official confirmation letter evidencing the permanent closure of the company.

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