LAW ON STANDARDS OF CAMBODIA

Introduction

The Law on Standards of Cambodia (the "Standards Law") was adopted by the National Assembly on 25 April 2007, approved by the Senate on 28 May 2007, and promulgated by Royal Kram No. NS/RKM/0607/013, dated 24 June 2007. The law was one of the legal instruments required to be passed by Cambodia in accordance with its World Trade Organization ("WTO") accession.

The goals of the Law on Standards of Cambodia are to improve the quality of products, services and management, to raise and rationalize production efficiency, to ensure fair and simplified trade, to rationalize product use, and to enhance consumer protection and public welfare. The scope of the law covers all the activities related to standardization, quality assurance and related activities within Cambodia.

Some key policy objectives of the law are to increase the safety and quality of Cambodian goods, thereby increasing national, regional and international competition; to serve the national interest by reducing imports; and to consequently promote the reputation of Cambodian products and services abroad.

Summary of the Key Attributes of the Law on Standards of Cambodia

The Law provides for the establishment of an Institute of Standards of Cambodia, a National Standards

Council and sets out the procedure s for the adoption of Cambodian Standards and Standard Marks, the

procedures for product licensing and system certification, and the procedure of application for

accreditation and registration certificates.

Institute of Standards of Cambodia

The Institute of Standards of Cambodia shall be established under the Ministry of Industry, Mines and Energy (the "MIME") and its organization and function shall be determined by Sub-decree.

The main functions and duties of the Institute are as follows:

- To develop national standards for products, commodities, materials, services, practices and operations and promote to ensure the adoption of such standards;
- To establish and maintain laboratories, libraries, facilities and other equipment for the purpose of furthering standardization and increase the quality of goods and services;
- To certify the compliance of products, commodities, substances, materials and equipment with standards for local consumption or export;
- To certify the conformity to safety standards for products, commodities, substances, materials
 and equipment for local consumption or export;
- To certify compliance with management system standards for production and services;
- To suspend, withdraw and cancel licenses, product standard marks or certificates of conformity,
 certificates of registration or management systems, certificates of registration or accreditations; and
- To collaborate with authorities involved in industry, commerce and trade and other organizations
 to ensure the implementation of standards.

National Standards Council

The National Standards Council shall be established, with the Institute of Standards of Cambodia as the appointed secretariat. It shall be composed of the following:

- a representative of the MIME, as Chairman;
- Director of the Institute of Standards of Cambodia, as permanent Vice-Chairman;
- a representative of the Ministry of Commerce ("MOC"), as Vice-Chairman;
- a representative of the Ministry of Agriculture, Forestry and Fisheries ("MAFF"), as Vice-Chairman;
- a representative of Ministry of Health ("MOH"), as Vice-Chairman; and
- representatives of other relevant ministries, as members.

The Chairman, Vice-Chairmen and members of the Council shall be designated by way of a regulation of the MIME.

The Council shall mainly have the duties to:

- approve, amend and cancel any national standards;
- approve, amend and cancel any standards marks;
- determine voluntary or mandatory standards or standards marks;
- advise and make recommendations to MIME for the effective implementation of standards for products, processes, practices, testing and services, and approve programs, planning, projects and activities in order to promote industrial development and effectiveness, and to protect consumers through standardization; and
- advise the Institute in respect of criteria and procedures relating to the preparation, approval,
 acceptance and selection of standards.

The council may establish a number of committees for the discharge of its functions and duties or for any other purposes arising out or concerning its functions and duties.

Procedure for Approval of Cambodian Standards and Standard Marks

Prior to the issuance of any standard determined by Ministerial regulation, the Institute shall publish an announcement stating the purpose of the standard and a summary of its content so that any interested person may protest or make recommendations in relation to this standard draft.

Cambodian Standards are determined by a ministerial regulation (Prakas) of the MIME after approval by the National Standards Council. A standard may be determined as a mandatory standard according to the proposal of the relevant ministries or institutions and with the Council's approval.

A similar procedure is applicable to the issuance of standard marks.

Issuance of Product License, Systems Certification, Accreditation and Registration Certificates

Every application for a license, a systems certificate, an accreditation or registration shall be made to the Institute of Standards of Cambodia.

These licenses and certificates are valid for a period of 3 years and are renewable.

The Institute shall produce a registry in which the details of all certificates granted are recorded. Such registry shall be located at the Institute and shall be open for examination by the public.