

## KINGDOM OF CAMBODIA

# Ministry of Mines and Energy General Department of Mineral Resources

Presents

Mineral Development, Trade and Investment in Cambodia

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## 1- Current Mineral Development

- Before September 2013, there were 93 companies licensed to conduct mineral exploration in 148 areas to find gold, iron, copper, coal, silica sand, limestone and bauxite.
- After September 2013, to re-strengthen the management and development of mineral resources in Cambodia, the Ministry has stopped temporarily issuing new license to companies and go to the fields to inspect and evaluate their activities of mineral exploration under the given 6/7 years exploration period.
- As results, 71 mineral exploration licenses were revoked and 77 exploration licenses are allowed to continue their exploration activities.

## Mineral Exploration Licenses

Type of Minerals to be explored for	Number of License
1. Gold	48
2. Iron	7
3. Cooper	6
4. Bauxite	3
5. Coal	11
6. Limestone	1
7. Silica Sand	1

## Mining Licenses

Type of Minerals	Number of License
1. Gold	4 (Suspended)
2. Iron	1
3. Copper	ı (Revoked)
4. Coal	1
5. Silica sand	2
6. Limestone for Cement Production	6

#### 2. MINERAL TRADE

- Companies shall apply for other licenses to the concerned ministries and competent institutions of the Royal Government to export or sell all or a portion of finished (mineral) products.
- Mineral resources mined in Cambodia are not allowed for export and shall be reserved to supply the demands of domestic factories to produce finished products. Only finished products, manufactured in factories in Cambodia, can be allowed for export.
- They are required to pay export-import tax for mineral products.

## 3. MINERAL INVESTMENT

- High risk business
- No Incentives and pay tax and fees concerned
- Develop mineral resources with sustainable way and environmental considerations

## 3.1 Mineral Policy

Cambodia's Mineral Policy was formulated to focus on 6 main key elements as follows:

- 1. Promoting economic growth and local development;
- 2. Promoting Geo-Science-Knowledge Base;
- 3. Establishing a transparent, effective and efficient mining administration based on good governance
- 4. Establishing sustainable mineral development with environmental considerations;
- 5. Establishing Health/ Safety; and
- 6. Developing communities and employment

## 3. Mineral Investment (Cont'd)

3.2 Law on Management and Exploitation of Mineral Resources

It defines six categories of mineral licenses:

- 1. Artisanal Mining License
- 2. Pits and Quarries Mining License
- 3. Gem Mining License
- 4. Mineral (Gemstone) Cutting License
- 5. Mineral Exploration License
- 6. Industrial Mining License

### 3- Mineral Investment (Cont'd)

- 3.3 Procedure for Business Registration First of all, a director or shareholder of a company must come to complete a registration form, in person, at the Legal Affairs Division of the Ministry of Commerce.
- 3.4 Procedure for mineral exploration license After the business registration done at the Ministry of Commerce, he/she can apply for Mineral Exploration License at the Ministry of Mines and Energy.
  - The first mineral exploration license is valid for 3 years.
  - It can be renewed up to 2 times for a period of 2 years, provided that the concessionaire has applied for renewal at least 90 days prior to the expiry date of exploration license.
  - Under this license, a concessionaire has to pay the State for (1) surface rental, (2) tax and other fees concerned.
  - He/ she is required to provide the Ministry with a bank guarantee issued by a selected bank in Cambodia within 30 days after getting a exploration license to ensure his/ her approved work program and budget for mineral exploration shall be completed during the validity of mineral exploration license.

## 3- Mineral Investment (Cont'd)

- **3.5 Procedure for mining license** Concessionaire, holding a mineral exploration license, may apply for mining license at any time during the exploration period.
  - The first mining license is valid for 5 years.
  - It can be renewed up under the mining period, provided that the concessionaire has applied for renewal at least 90 days prior to the expiry date of the mining license and submit the following reports and plans to the Minister for review and approval.
  - Under the mining license, a concessionaire has to pay the State for (1) mining surface rental, (2) mineral royalties, (3) profit tax and other tax and fees concerned.
  - He/ she is also required to deposit (1) mines restoration fund at the bank selected by him/ her and managed by the Ministry of Mines and Energy and a concessionaire and (2) development fund for local communities managed by a concessionaire under the direction from the Ministry of Environment.

Thank you for your attention