



ការិយាល័យមេធាវី ស៊ីថាលី
SETHALAY LAW OFFICE

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ដើម្បីជំរុញនូវសិទ្ធិសេដ្ឋកិច្ច និងសេដ្ឋកិច្ច
Legal and Economic Empowerment

LAW ON AMENDMENT TO THE LAW ON COMMERCIAL ENTERPRISE

On 6 January 2022, the Law on Amendment to the Law on Commercial Enterprise has been promulgated to amend certain provisions of the Law on Commercial Enterprise promulgated by Royal Kram No. Ns/RKM/0605/019 dated 19 June 2005 (“**Law on Commercial Enterprise**”) as below.

Matters	Descriptions
Derogation	Article 166, 175, 182, 182, 183, 184, 185, 186, 187, 188, 189, 190, 196 of the Law on Commercial Enterprise is derogated.
Form of Commercial Enterprise	1. Sole Proprietorship, 2. Partnership, 3. Limited Liability company
Sole Proprietorship	<ul style="list-style-type: none"> - Sole proprietorship is an enterprise formed by one natural person and the assets of the sole proprietor, which is the trader, are the capital of the sole proprietorship. - Name of sole proprietorship must include “sole proprietorship” or abbreviation at the end or bottom. - Sole proprietorship does not have a separate legal personality from the sole proprietor. Therefore, there is no separate responsibilities between sole proprietorship and sole proprietor. - Sole proprietorship, which is classified as taxpayer under the self-declaration regime, is obliged to register in the commercial registration. - Sole proprietorship can be dissolved any time by (i) freewill; (ii) death of enterprise; or (iii) court’s decision.
Company Secretary (“Secretary”)	<ul style="list-style-type: none"> - Secretary means any natural person assigned by the limited liability company and shall have the rights to receive and keep the documents in relation to the affairs of the limited liability company. - Secretary must be physically fit and competent to perform such position as a legally competent natural person. - Secretary has the right to receive official letters and documents as well as summons from the court on behalf of limited company. - For the case of limited liability company, the information about the secretary shall be provided to the registrar and any change of such information shall also be notified to the same registrar.
Shareholder Representative Contract	The appointment of shareholder’s representative might be made through shareholder representative contract between the shareholder and its legal representative, which can be a natural or legal person. Information of shareholder and shareholder’s representative contract shall be kept with Ministry of Commerce. Condition and Procedure for keeping information and contract of shareholder representative must be determined by a sub-decree.
Local Branch	Local branch is an agent of original company, which is established under the Law on Commercial Enterprise, and has no separate legal personality from the original company. Name of the local branch shall be the name of original company affixed or prefixed with “local company branch”. Local branch shall be managed by one or more manager appointed and/or removed by the original company. It can be dissolved by a decision of the original company and shall be registered with the Ministry of Commerce.

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ប្រតិភូ G ជាន់ទី៧ អគារមីសេនត្រូល(លេខ១២) វិថីសម្ព័ន្ធម៉ែនឌុត (២៨៩) ភូមិ១៣ សង្កាត់បឹងកក់១ ខណ្ឌទួលគោក រាជធានីភ្នំពេញ ព្រះរាជាណាចក្រកម្ពុជា - ១២១៥១

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