

# LAW ON CONSTRUCTION

### TABLE OF CONTENTS

ROYAL KRAM	3
CHAPTER 1	3
CHAPTER 2	4
CHAPTER 3	4
CHAPTER 4	4
CHAPTER 5	5
CHAPTER 6	6
CHAPTER 7	8
CHAPTER 8	9
CHAPTER 9	10
CHAPTER 10	12
CHAPTER 11	13
CHAPTER 12	15
CHAPTER 13	
CHAPTER 14	16
CHAPTER 15	17
CHAPTER 16	17
CHAPTER 17	19
CHAPTER 18	20
CHAPTER 19	21
CHAPTER 20	24
CHAPTER 21	27
CHAPTER 22	28
GLOSSARY	29



### NS/RKM/1119/019

### WE

Preah Karuna Preah Bat Sâmdach Preah Bâromneath Norodom Sihamoni Saman Bhumichat Sasana Rakkhata Khattiya Khmeraratrat Putthintra Mohaksat Khemareacheana Samuhobhas Kampuchea Ekareacharath Bureanasanti Subheamagala Sirivibunla Khmera Sri Bireat Preah Chao Krung Kampuchea Dhibodi

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen the Royal Decree No NS/RKT/0918/925 dated 6 September 2018 on the appointment of the Royal Government of Kingdom of Cambodia;
- Having seen the Royal Kram No NS/RKM/0618/012 dated 28 june 2018 promulgating the Law on the Organization and the Functioning of the Council of Ministers;
- Having seen the Royal Kram No NS/RKM/0699/09 dated 23 june 1999 promulgating the Law on the Establishment of the Ministry of Land Management, Urban Planning and Construction;
- Having seen the Request of Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia;

### **PROMULGATE**

The Law on Construction which was enacted by the National Assembly on 7 October 2019 at its third plenary session of the sixth legislature, and entirely reviewed and approved on its form and legal concept on 18 October 2019 at its extraordinary session of the fourth legislature with the following content:

## Chapter 1 General Provisions

### Article 1

This law is intended to ensure:

- construction quality, security, and safety; the protection of property and well-being of construction owners, construction users and the public;
- aesthetics and good environment for sustainable living in order to promote public wellbeing;
- accountability for and efficiency in working and practicing professions in the construction sector;
- an increase in investors' confidence in the construction sector and the promotion of the economically and socially efficient real estate market.

### Article 2

This law aims to establish principles, building technical regulations, rules and procedures for construction sector management in the Kingdom of Cambodia.

### Article 3

This law applies to the construction sector in the Kingdom of Cambodia except for the types of construction that are governed by separate legal instruments.

### Article 4

Key terms used in this law have been defined in the glossary as an annex of this law.

### Chapter 2 Competence

### Article 5

The Minister of Land Management, Urban Planning and Construction has the competence to manage the construction sector.

The Minister of Land Management, Urban Planning and Construction can assign or delegate the competence to manage the construction sector to the Capital, provincial, municipal, district, and Khan administrations.

# Chapter 3 Principles

### Article 6

All construction work shall adhere to these principles:

- the protection of public interest and individual rights;
- efficiency, sustainability and inclusiveness;
- spatial management and urban planning;
- green development, natural resource and environmental protection;
- preservation and promotion of the national identity.

# Chapter 4 Building Technical Regulations

### Article7

All construction work shall comply with the building technical regulations.

Compliance with the building technical regulations shall be certified by a certifier who has a license or a permit granted by the Ministry of Land Management, Urban Planning and Construction.

The conditions and procedure for the construction certification shall be determined by a sub-decree.

### Article 8

Every construction shall have a structure that can safely carry all load, according to the function of the construction, as determined in the building technical regulations.

The classifications, types, and sizes of construction that requires structural safety certification shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

### Article 9

Every construction shall comply with the fire safety regulations, as determined in the building technical regulations and provisions of fire prevention and extinguishment.

The classifications, types, and sizes of construction that requires fire safety certification shall be determined by an inter-ministerial Prakas by the Minister of Land Management, Urban Planning and Construction and the Minister of Interior.

### Article 10

National building technical regulations shall be promulgated by sub-decree at the request of the National Council for Building Technical Regulations.

Other building technical regulations besides the national building technical regulations shall be promulgated by Prakas of the Minister of Land Management, Urban Planning and Construction.

Technical regulations for construction materials, equipment and products that are required to adhere to any specific standard shall be promulgated by Prakas of the Minister in charge of the industry sector at the request of the Minister of Land Management, Urban Planning and Construction and in accordance with the decision of National Standards Council.

Other technical regulations for construction materials, equipment and products that have not been set as Cambodia standards shall be promulgated by Prakas of the Minister of Land Management, Urban Planning and Construction.

### Article 11

Is created The National Council for Building Technical Regulations comprising the Minister of Land Management, Urban Planning and Construction as Chairperson and representatives of relevant ministries/institutions and the private sector as members.

The National Council for Building Technical Regulations has a Secretariat General as an operating body.

The organization and functioning of the National Council for Building Technical Regulations shall be determined by a sub-decree.

# Chapter 5 Management of Construction Professionals

### Article 12

A physical person who may function as a construction professional shall be registered at each relevant professional board of the construction sector.

The organization and functioning of each professional board related to the construction sector shall be determined by a Royal Decree.

### Article 13

Construction professionals shall strictly follow their professional codes of conduct.

The code of conduct for each category of construction professionals shall be determined by a sub-decree.

### Article 14

The management of other construction tradespersons whose professional boards have not yet been established shall be determined by a sub-decree.

# Chapter 6 Management of the Professional and Business Practices in the Construction Sector

### Article 15

Any construction professional allowed to practice a construction profession independently shall have a license granted by the Minister of Land Management, Urban Planning and Construction.

Any construction professional who functions as a technical director of a construction business company is not required to have a license granted by the Minister of Land Management, Urban Planning and Construction.

The technical director of a construction business company shall carry out his/her function independently in accordance with the existing professional code of conduct and technical regulations.

### Article 16

A construction professional shall be disqualified from professional practice in any of the following cases:

- S/he no longer fulfills the required conditions related to the professional practice;
- S/he has committed a professional wrongdoing which leads to the suspension or revocation of the professional practice license;
- S/he has a health problem(s) that potentially affects his/her professional practice, as certified by a specialized doctor; or has received a declaration of commencement of general guardianship or a declaration of commencement of curatorship by the court;
- S/he has been declared bankrupt by the court;
- S/he has been convicted of a felony in the Kingdom of Cambodia or in any country where he/she had resided.

Suspension of a license for construction-sector professional practice must not exceed 6 (six) months, starting from the day of license suspension.

Rehabilitation of construction-sector professional practice may be provided after 5 years, starting from the day of the license revocation.

In the case of disqualification for professional practice because of a felony in the Kingdom of Cambodia or in any country he/she had resided, the rehabilitation of professional practice may

be granted after s/he has received rehabilitation pursuant to the provisions of the Criminal Procedure Code.

### Article 17

Every construction business practice shall have a license granted by the Minister of Land Management, Urban Planning and Construction or a permit from capital/provincial administration, according to the type of business.

### Article 18

A construction business company shall be disqualified from professional practice in any of the following cases :

- It no longer fulfills any of the required conditions which permits a company to get a business license;
- It has been removed from the commercial register;
- It has been dissolved or nullified by the court;
- It has been declared bankrupt or liquidated by the court;
- It has a governor or a technical director has received a declaration of commencement of general guardianship or a declaration of commencement of curatorship by the court, except when the governor or the technical director is replaced within 30 (thirty) days, from the day of declaration by the court.
- It has a governor or a technical director has been declared bankrupt or liquidated by the court, except when the governor or the technical director is replaced within 30 (thirty) days, from the day of declaration by the court.
- It has a governor or a technical director who has been convicted of a felony in the Kingdom of Cambodia or in any country where he/she has resided, except when the governor or the technical director is replaced within 30 (thirty) days, starting from the day of final judgment of a trial court or a court of appeals.

Suspension of a license for construction-sector professional practice must not exceed 1 (one) year, starting from the day of license suspension.

Rehabilitation of construction-sector professional practice may be provided after 5 years, starting from the day of license revocation.

Any person or professional who has been declared bankrupt or whose company has been liquidated by the court can receive rehabilitation as a governor or a technical director of a construction business company after 5 (five) years, starting from the day of judicial declaration of bankruptcy or judicial liquidation.

Any person or professional who has been convicted of a felony in the Kingdom of Cambodia or any country s/he has resided may be rehabilitated as a governor or a technical director of a construction business company after s/he has received a rehabilitation pursuant to the provisions of the Criminal Procedure Code.

### Article 19

Any person who holds a license for construction professional or business practice shall enter into an insurance contract with an insurance company operating in the Kingdom of Cambodia and have an insurance certificate to assure liability for his/her professional or business practice.

The object of an insurance contract guarantees the fulfillment of the obligations stipulated in a contract between a professional or businessperson and his/her customers.

The minimum amount of money for guaranteeing liability for construction professional or business practice shall be determined by a sub-decree.

### Article 20

The terms and conditions and procedure for granting, suspending and revoking licenses for professional practice and other licenses or permits for construction business practice shall be determined by a sub-decree.

### Article 21

Application for licenses or other permits for construction professional or business practice shall incur service fees.

Service fees for licenses or other permits for construction professional or business practice shall be determined by an inter-ministerial Prakas between the Minister of Economy and Finance and the Minister of Land Management, Urban Planning and Construction.

Service fees for licenses or other permits for construction professional or business practice shall go to the national and sub-national coffers.

### Chapter 7

### Use of Construction Material, Equipment and Product and Construction Laboratory

### Article 22

Construction material, equipment, and product required to assure construction quality and construction users' safety shall be accredited or certified for compliance with the building technical regulations by the Ministry of Land Management, Urban Planning and Construction or with Cambodian Standard by the National Standards Council by having the Cambodian Standard Mark affixed or printed on them and by having a license to use the Cambodian Standard Mark.

The formality and procedure for compliance certification and the types of construction material, equipment, and products required to assure construction quality and construction users' safety shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

### Article 23

The production, distribution, import, sale, supply, and use of any construction material, equipment or product without Cambodian Standard mark affixed on them, or without accreditation or compliance certification with the building technical regulations shall be prohibited in the case where the construction material, equipment or product is required to have the

Cambodia Standards mark affixed, or to have accreditation or compliance certification with the building technical regulations .

The use of construction material, equipment, and product that does not comply with building technical regulations shall be prohibited.

The formality and procedure for checking compliance of the use of construction material, equipment, and product with the building technical regulations shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

### Article 24

The Ministry of Land Management, Urban Planning and Construction shall establish a National Construction Laboratory.

The organization and functioning of the National Construction Laboratory shall be determined by a sub-decree.

### Article 25

Any construction laboratory for business purposes shall have a license granted by the Minister of Land Management, Urban Planning and Construction.

The establishment of a construction laboratory for learning, research, and training purposes shall have a permit from the Minister of Land Management, Urban Planning and Construction.

The terms and conditions and procedure for granting, suspending, and revoking a permit for establishing a construction laboratory for learning, research, and training purposes shall be determined by a sub-decree.

# Chapter 8 Building, Repair or Demolition Permit

### Article 26

All building or demolition work shall have prior permission by the competent authority.

### Article 27

Building or demolition work in emergency or in disaster situations in order to save or protect lives or to prevent serious impact or damage to health or property in emergency situations shall not require a prior permit.

Within a period of 30 (thirty) days, at the latest, after the emergency situation ends, the owner of the construction built in the emergency situation shall apply for an certificate of occupancy according to the existing conditions and procedures.

Within a period of 30 (thirty) days, at the latest, after the emergency situation ends, the owner of the construction demolished in the emergency situation shall notify in writing the competent authority.

### Article 28

The building or demolition works that do not require permission are as follows:

- Small constructions that do not affect public security, safety, and order;
- Wooden houses, houses with concrete ground floor and wooden upper floor, wooden or concrete ground-houses in rural or farming areas that do not affect tourist destinations, heritage sites, conservation sites, or protected areas;
- A construction which serves national security and national defense.

The types and sizes of building or demolition works which do not require permission shall be determined by a sub-decree.

### Article 29

Repair, modification, or installation of construction equipment does not require permission if the work does not affect its load support structure, exterior aesthetics, or the function of the whole building or any part of the building and does not affect public security, safety, and order. In this case, the construction owner shall give the competent authority prior notice.

The types and sizes of repair, modification/alteration or installation of construction equipment that do not require permission shall be determined by a sub-decree.

The formality and procedure for prior notices concerning repairs, modifications or installations of construction equipment which do not require permission shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

### Article 30

The conditions and procedure for granting, suspending and revoking building, repair, or demolition permits shall be determined by a sub-decree.

### Article 31

A building, repair, or demolition permit does not absolve the individual who is granted the permit from any obligation and responsibility according to the building technical regulations and other existing regulations.

The carrying out of building or demolition work for the construction that does not require a permit does not absolve the construction owner from any obligation and responsibility according to other existing laws and regulations.

# Chapter 9 Management of Design Documents

### Article 32

Every design document used for building or demolition work shall be responsibly signed by a designer who holds a license or permit granted by the Minister of Land Management, Urban Planning and Construction.

### Article 33

Every design document used for building or demolition work shall comply with the building technical regulations and spatial and urban regulations.

A design document used for the building or demolition work of any type of construction, except for a construction for personal use, shall be built with infrastructure, equipment, and services for people with disabilities, namely roads and ramps for mobility, rails, elevators, toilets, parking lots specially designed for people with disabilities as well as signposts.

Compliance of a design document with the building technical regulations and spatial and urban regulations shall be certified by a certifier who has a license or permit granted by the Minister of Land Management, Urban Planning and Construction.

A design document for building or demolishing a construction which requires a permit shall be certified for compliance with the building technical regulations by a certifier who has a license or permit granted by the Minister of Land Management, Urban Planning and Construction.

### Article 34

A construction owner shall ensure that building or demolition work which requires a permit is properly carried out according to the design document approved by the competent authority through a permit.

Before building or demolition work is carried out, The competent authority may grant permission for modification of the approved design document.

Permission to modify a design document shall be given in the form of a permit for design document modification.

The conditions and procedure for permission for design document modification shall be determined by a sub-decree.

### Article 35

Every work of a designer, either entirely or partially original, approved by the competent authority through a building permit shall be protected from plagiarism or piracy, according to the existing regulations.

A single design document cannot be used at other site(s) without permission from the designer who has already signed the design document and from the construction owner.

The use of a design document that has a special architectural value at other site(s) shall be prohibited. Design documents that have special architectural values shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

# Chapter 10 Management of Building or Demolition Work

### Article 36

Every building or demolition work shall be carried out by a builder who has a license granted by the Minister of Land Management, Urban Planning and Construction or a permit granted by a capital/provincial administration.

A builder is not required to have a license granted by the Minister of Land Management, Urban Planning and Construction or a permit granted by a capital/provincial administration provided that the builder has satisfied all the following requirements:

- Being a construction professional;
- Building or demolishing a construction that is his/her personal home; and
- Building or demolishing a construction according to his/her professional skill.

### Article 37

Every building or demolition work shall be carried out according to:

- A design document
- The building technical regulations
- Other existing regulations.

Every building or demolition work which requires a permit shall follow a design document approved by the competent authority through a permit.

### Article 38

Every building work which requires a permit shall have a prior permit for construction site opening.

The conditions and procedure for issuing a permit of construction site opening shall be determined by a sub-decree.

### Article 39

Builders shall ensure public security, safety, order and environment at their construction sites.

### Article 40

An owner of a construction required to have a permit shall provide a progress report on building or demolition works to the competent authority.

Progress reports on building or demolition works shall be prepared by the builder and agreed upon by a construction owner.

The formality and procedure for reporting progress on building or demolition works to the the competent authority shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

### Article 41

When the site is under operation, every building or demolition work which requires a permit shall be checked and certified by a certifier who holds a license or permission granted the Minister of Land Management, Urban Planning and Construction.

The certifier of building or demolition work shall produce a report and issue a certificate certifying the work's compliance with the design document approved by the the competent authority and according to the building technical provisions.

### Article 42

If it is necessary to ensure public security, safety, and order, the the competent authority can assign a construction controller to check building or demolition works.

The construction owner, construction users, persons involved in building works, including a real estate developer, a builder and a construction certifier shall give cooperation to the construction controller.

The competent authority may decide to suspend, modify, halt, or require the demolition of a construction, or take other necessary measures if the building or demolition work has been found not to comply with the building technical regulations and other existing regulations.

### Article 43

The conditions and procedure for managing and controlling building or demolition works shall be determined by a sub-decree.

# Chapter 11 Construction Occupancy

### Article 44

The occupancy of a construction which requires a building permit shall be permitted by the competent authority through an certificate of occupancy.

A construction owner shall apply for an certificate of occupancy before using it or having it used.

Every construction which requires a building permit shall be checked and certified for compliance with the building technical regulations by a certifier who holds a license or a permit granted by the Minister of Land Management, Urban Planning and Construction before the competent authority permits occupancy.

### Article 45

The competent authority may permit temporary occupancy for a certain period of time of an entire construction or any part of a building project in the case where the entire construction or any part of the building project can be occupied safely.

### Article 46

The conditions and procedure for granting, suspending, and revoking an certificate of occupancy shall be determined by a sub-decree.

### Article 47

A construction which is used for non-residential purposes requires a quality and safety control within a maximum period of 5 (five) years from the day when the certificate of occupancy is issued. Quality and safety control shall be further conducted regularly once every 5 (five) years, at the latest.

A construction which is used for residential purposes requires a quality and safety control within a maximum period of 10 (ten) years from the day when the certificate of occupancy is issued. Quality and safety control shall be further conducted regularly once every 10 (ten) years, at the latest.

Quality control and certification of the quality and effectiveness of the construction's fire prevention and extinguishment system shall be conducted once every 2 (two) years.

Hazardous construction equipment requires a control once a year. The types of hazardous construction equipment shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

A construction owner or a building manager has an obligation to hand over the result of the construction's safety and quality control to the competent authority within a period of 1 (one) month, after the deadline for the conduct of the construction's quality and safety control.

### Article 48

The competent authority may require a quality and safety control if there exists a risk to human life, property or effect on public security or order.

### Article 49

Construction safety and quality control shall be conducted by construction controllers or certifiers who hold a license granted by the Minister of Land Management, Urban Planning and Construction.

Every expense for construction safety and quality control shall be borne by a construction owner.

For a co-owned building, the owners of all private units shall be jointly responsible for every expense for construction safety and quality control, in proportion to the sizes of private units.

### Article 50

The formality and procedure for construction safety and quality control shall be determined by an inter-ministerial Prakas between the Minister of Land Management, Urban Planning and Construction and the Minister of Interior.

### Chapter 12 Dangerous Buildings

### Article 51

The Ministry of Land Management, Urban Planning and Construction and capital, provincial, municipal, district, Khan administrations have duties to control and monitor any dangerous construction in order to take necessary measures for ensuring public safety, security, and order.

### Article 52

For a dangerous building, the building owner and building manager have an obligation to report to the competent authority and follow all measures to avoid accidents as determined by the competent authority.

When it is necessary to avoid an accident, the competent authority shall take such urgent measures as cordoning off the building and requiring it to be demolished.

Every expense for avoiding the accident shall be borne by the building owner.

### Article 53

The levels of danger, the issuance of measures for avoiding accidents, and the procedure for managing dangerous buildings shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

### Chapter 13

### Constructions Built or Demolished Without or In Breach of the Building Permit

### Article 54

The competent authority shall take measures to halt any building or demolition works without a building permit if the building or demolition work requires a permit.

### Article 55

The competent authority shall take measures to suspend any building or demolition works which are carried out in breach of the permit and shall require the construction owner to make corrections according to the permit.

### Article 56

The competent authority shall take measures for adjusting or demolishing a construction built without or in breach of the permit if the building work requires a permit.

The competent authority shall take measures for banning occupancy, business practice, disposal, and transactions related to a construction without or in breach of the permit if the building work requires a permit.

# Chapter 14 Construction Inspection

### Article 57

The Minister of Land Management, Urban Planning and Construction shall appoint construction inspectors to conduct monitoring, observation, research, and control; collect evidence; and enforce this law.

Construction inspectors are qualified as judicial police to examine offences as stated in this law pursuant to the provisions of the Criminal Procedure Code.

The formality and procedure for qualifying construction inspectors shall be determined by an inter-ministerial Prakas of the Minister of Justice and the Minister of Land Management, Urban Planning and Construction.

### Article 58

During law enforcement operations, construction inspectors shall wear a uniform with insignia and have a mission order.

The uniforms, insignias, and decorations of construction inspectors shall be defined by a sub-decree.

### Article 59

Construction inspectors have duties and rights as follows:

- Examining, halting, taking temporary measures against, and giving transitional fines for construction offences as stated in this law;
- Temporarily revoking a permit or a related license if the permit or license holder breaks this law;
- Seizing evidence and building case files of construction offences;
- Taking other measures in the framework of implementing this law.

The formality and the procedure for conducting construction inspections shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction.

### Article 60

Construction inspectors can enter a construction site at any time while it is in operation or enter a building during working hours in order to perform their duties.

### Article 61

Every operation of construction inspection in examining an offence shall follow the Criminal Procedure Code.

Construction inspectors can apply for assistance from every level of local authority and armed forces unit or other relevant competent authorities in order to contribute to repress offences as stated in this law.

If there is an actual offence or if there is no building or demolition permit, relevant competent authorities shall immediately inform competent construction inspectors in the closest proximity in order to take action according to the procedure.

### Chapter 15 Incompatibility

### Article 62

A public servant who has the competence to review and/or approve a design document may not serve as a designer or a certifier of a design document that s/he has prepared or certified.

### Article 63

A construction inspection officer, construction controller, and certifier may not be a construction owner; his or her spouse, directive relative, relative within the third degree of consanguinity, or relative within the third degree of affinity; or a person with a financial vested interest in the building project.

### Article 64

Performing the function of a designer shall be incompatible with performing the function of a certifier of his or her own design document.

### Article 65

Performing the function of a builder shall be incompatible with performing the function of a certifier of his or her own building work.

### Article 66

A certifier of a design document or building works may not be the construction owner's spouse, direct relative, or relative within the third degree of consanguinity.

A shareholder of a company that owns a construction, a staff member of a company that owns a construction, or a person with a financial vested interest in the building project may not perform as a certifier of the construction's design document or building work.

# Chapter 16 Construction or Demolition Contract

### Article 67

A construction or demolition contract shall be made in writing and shall stipulate the following minimum clauses:

- Identity of contract parties
- Location, size and type of work
- Contract fee, date and mode of payment
- Assurance of the contract parties about fulfilling the obligations in the contract

- Technical requirements and work safety requirements
- Requirements for the supply of construction materials, equipment or tools, and machinery to be used for building or demolition works and for installation on the construction
- Conditions for contract amendment and cancellation
- Insurance or other provisions related to liability for damage caused by work
- Confirmation of compliance of a design document, as the object of the construction or demolition contract, with the existing regulations
- Work commencement and completion dates and handover date
- Conditions for force majeure
- Dispute resolution related to the contract.

### Article 68

For construction or demolition contracts for private residential buildings, abusive clauses shall be considered null and void.

Abusive clauses in construction or demolition contracts for private residential buildings are as follows:

- 1. A clause requiring the construction owner to give a mandate to the contractor to seek a necessary loan to finance the building work.
- 2. A clause requiring the construction owner to pay off the contract fee in advance in order for the contractor to hand over the construction to the construction owner.
- 3. A clause prohibiting the construction owner or his/her representative from entering to check a construction site before the payment of the contract fee at each stage and before the handover of the construction.
- 4. A clause requiring the contractor to carry out building or demolition work according to a building, repair, or demolition permit attached with technical requirements that have changed significantly from the technical requirements of the building, repair, or demolition project, which are the object of the original contract.
- 5. A clause relieving the contractor of obligations to effect subsequent completion within the time set in the contract by acknowledging the reasons for delays, except for force majeure and reasons caused by the construction owner him/herself.

### Article 69

The parties to a construction or demolition contract can set conditions precedent on obligations or rights arising from the contract as follows:

- 1. Acquisition of land or real right which allow for building in the event of the construction owner obtaining a sale contract.
- 2. Receipt of a building, repair, or demolition permit or other permits of the competent authority. In this case, the construction owner shall clearly specify the date of the application for permits.
- 3. Receipt of a loan to finance building or demolition work.
- 4. Receipt of insurance for damages caused by building or demolition work.

5. Receipt of a guarantee for supply of construction material, equipment, or product for a construction site.

### Article 70

Duties to complete the work that is the object of the construction or demolition contract without defect are as follows:

- 1. Building works are carried out according to the permits, building technical regulations, existing regulations and instructions;
- 2. Building works are carried out by using an appropriate method and with specialized competence;
- 3. Construction material, equipment or product for supplying the works shall fit with the functions, comply with the design document, and be of good quality according to technical regulations;
- 4. Construction material, equipment or product for supplying the works shall be new unless stated otherwise in the contract;

### Article 71

The period of warranty on defect of work that is the object of a construction contract from the day of handover of construction shall be determined as follows:

- a. At least 10 (ten) years for a construction structure made of reinforced concrete, concrete-steel composite, or steel.
- b. At least 5 (five) years for exterior walls, windows, doors and roofs of the building
- c. At least 2 (two) years for electrical, plumbing, and mechanical works, and other related works.

The parties to a construction contract may agree to set a longer period of warranty on defect of works than that set in the paragraph above.

It is considered null and void to set a shorter period of warranty on defects of works than that set in the paragraph above .

# Chapter 17 Insurance

### Article 72

A construction or demolition contractor shall have a site liability insurance for building or demolition work which is the object of the construction or demolition contract to give compensation for any damage, loss of property, injury, disability, or death caused by the work to the workers and to the third party.

The competent authority shall ensure that the construction contractor has signed an insurance contract with an insurance company prior to granting permission for a groundbreaking ceremony.

### Article 73

In the case where the construction contractor signs a construction or demolition sub-contract, the obligation to sign a site liability insurance contract is the burden of the construction or demolition contractor. The site liability insurance shall cover operation of works of all construction or demolition sub-contractors.

In the case where the construction owner signs a construction or demolition contract with multiple construction or demolition contractors for carrying out building or demolition works of the same construction, all construction or demolition contractors shall sign separate contracts for site liability insurance.

### Article 74

In the case of operation of building or demolition works of a real estate development project, the real estate developer shall sign a contract for site liability insurance with an insurance company directly.

### Article 75

The types and sizes of construction which require insurance for building or demolition work shall be determined by a sub-decree.

### Chapter 18 Liability of Construction Stakeholder

### Article 76

A designer shall be liable for paying compensation for any damage caused to other person(s) if the design document of the construction has defect except that the designer can show evidence that his/her design document complies with the existing required regulations.

### Article 77

While the building or demolition work is being carried out, the construction owner and the builder or demolisher shall be jointly liable for paying compensation for any damage caused to other person(s) in the case where building or demolition works or construction site management has defect.

### Article 78

A construction certifier shall be liable for paying compensation for any damage caused to other person(s) due to defect of his/her certification work.

### Article 79

A construction owner, building manager, and construction lessee shall be jointly liable for paying compensation for any damage caused to other person(s) in the case where the occupancy or management of the construction has defect.

### Article 80

The right to claim compensation for damage arising from defect in design work, building or demolition, construction site management, certification work, construction occupancy and construction management shall expire by prescription if:

- A period of 3 (three) years has elapsed after the victim or his or her legal representative was aware that s/he may claim compensation for damage, or
- A period of 10 (ten) years has elapsed after the damage occurred.

### Article 81

A producer of construction material, equipment, and product shall be liable for paying compensation for damage to others caused by defect in their products, except when the producer can show any of the following evidence:

- 1. At the time the construction material, equipment or product were put on sale or distributed, the hitherto scientific and technical knowledge was unable to find the defect, which caused the damage;
- 2. The construction material, equipment or product were produced according to the required technical regulations.

### Article 82

The right to claim compensation for damage arising from defect in construction material, equipment, and product shall expire by prescription if:

- 1. A period of 3 (three) years has elapsed after the victim or his or her legal representative was aware that s/he may claim compensation for damage, or
- 2. A period of 10 (ten) years has elapsed after the construction material, equipment, and product were handed over for the first time by the producer. In the case where the construction material, equipment, and product contain a substance that affects human health, this period shall be added 20 (twenty) years.

# Chapter 19 Dispute Resolution in the Construction Sector

# Section 1 Complaints in the Construction Sector

### Article 83

A person with a vested interest in a decision of a competent authority in the construction sector has the right to complain in writing within 60 (sixty) days, from the day when a notification of the decision is received, to the authority which has issued the decision, or to the Ministry of Land Management, Urban Planning and Construction.

The competent authority which has received the complaint shall issue a written decision, with clear reasons, about the complaint within 30 (thirty) working days, from the day when the complaint is received.

In the case where the competent authority which has received the complaint does not decide about the complaint within the period specified in the paragraph above, the complainant can complain to the Ministry of Land Management, Urban Planning and Construction within 60 (sixty) days, from the day when that period ends.

The Minister of Land Management, Urban Planning and Construction shall issue a written decision with clear reasons within 30 (thirty) working days, from the day when the complaint is received.

Any person who is not satisfied with the decision about the complaint has the right to complain to the court within 30 (thirty) days from the day when the notification about the decision is received.

In the case where the Minister of Land Management, Urban Planning and Construction does not decide about the complaint within the period specified in the paragraph above, the complainant may complain to the court within 30 (thirty) days, from the day when that period ends.

### Article 84

A person with a vested interest in a decision of a competent authority in the construction sector shall complain in writing within 60 (sixty) days, from the day when a notification of the decision is received, to the Ministry of Land Management, Urban Planning and Construction, before complaining to the court.

The Minister of Land Management, Urban Planning and Construction shall issue a written decision with clear reasons within 30 (thirty) working days, from the day when the complaint is received.

In the case where any person is not satisfied with the decision of the Minister of Land Management, Urban Planning and Construction, s/he has the right to complain to the court according to the established procedure within 30 (thirty) days from the day when the notification about the decision is received.

### Article 85

Any person who is not satisfied with any measure of a construction inspector may complain in writing to the Ministry of Land Management, Urban Planning and Construction within 60 (sixty) days from the day when the notification about the measure is received, or may complain to the court according to the existing procedure within 30 (thirty) days from the day when the notification about the measure is received.

The Minister of Land Management, Urban Planning and Construction shall issue a written decision with clear reasons about the complaint within 30 (thirty) working days, from the day when the complaint is received.

In the case where any person is not satisfied with the decision of the Minister of Land Management, Urban Planning and Construction, s/he has the right to complain to the court according to the established procedure within 30 (thirty) days, at the longest, from the day when the notification about the decision is received.

In the case where the Minister of Land Management, Urban Planning and Construction does not decide about the complaint within the period specified in the paragraph above, the complainant may complain to the court within 30 (thirty) days, from the day when that period ends.

### Section 2

# Resolution of Disputes over the Exercise of Individual Rights in the Construction Sector and over Construction or Demolition Contracts

### Article 86

A person who suffers damage or has a genuine concern that s/he will suffer damage caused by the exercise of any individual's rights or obligation in the construction sector may submit a

request to a Commission for Construction Dispute Resolution for mediation before filing a complaint to the court.

The request for mediation shall be made in writing within 60 (sixty) days, from the day when s/he suffers the damage.

The Commission for Construction Dispute Resolution shall mediate between the parties to the dispute within 60 (sixty) days, from the day when the request is received.

In the case where the Commission for Construction Dispute Resolution decides to reject the request for mediation, the Commission shall send a written notice to the requester. In this case, the requester has the right to complain to the court according to the existing procedure.

In the case where the Commission for Construction Dispute Resolution does not implement the mediation procedure within the period specified in the paragraph above, the requester has the right to complain to the court according to the existing procedure.

In the case where the parties to the dispute do not reach a unanimous agreement to end the dispute according to the mediation of the Commission for Construction Dispute Resolution, the requester may complain to the court according to the existing procedure from the day when that period ends.

### Article 87

Any party or both parties to a construction or demolition contract can request a Commission for Construction Dispute Resolution for mediation and resolution of a dispute over the implementation of that construction or demolition contract.

The request for mediation shall be made in writing within 30 (thirty) days, from the day when the dispute arises.

The Commission for Construction Dispute Resolution shall mediate between both parties to the dispute and issue a written decision with clear reasons within 30 (thirty) working days from the day when the request for mediation is received.

The parties to the dispute may decide to stop accepting dispute mediation and resolution of the Commission for Construction Dispute Resolution at any stage of mediation; but the parties to the dispute shall submit a written notice to the Commission for Construction Dispute Resolution about their intention to stop receiving dispute mediation and resolution of the Commission for Construction Dispute Resolution before filing a complaint to the court.

### Article 88

The extinctive prescription regarding claims shall be paused in the case where there is a request for mediation to the Commission for Construction Dispute Resolution.

### Article 89

The Commissions for Construction Dispute Resolution have the following structure:

- 1. The National Commission for Construction Dispute Resolution
- 2. Capital/provincial Commissions for Construction Dispute Resolution
- 3. Municipal/district/Khan Commissions for Construction Dispute Resolution

The organization and functioning of the Commissions for Construction Dispute Resolution shall be determined by a sub-decree.

# Chapter 20 Penalty Provisions

### Article 90

Punishments in this law include a written warning, suspension or revocation of a license or a permit for construction professional practice or business practice, transitional penalty, prohibition against professional practice, forced demolition and/or rebuilding to the original condition, fine, and imprisonment.

### Article 91

A written warning, suspension or revocation of a license or a permit for construction professional practice or business practice is the competence of the Minister of Land Management, Urban Planning and Construction.

The Minister of Land Management, Urban Planning and Construction can assign or delegate the competence as stated in this article to Capital, provincial, municipal, district, Khan governors.

### Article 92

Transitional penalty is the competence of construction inspectors.

Payment of transitional penalty leads to the extinguishment of the criminal action.

In the event the offender refuses to pay the transitional penalty, a construction inspector can build a case of the offense to submit to a competent court.

The offenses punishable by transitional penalty shall be determined by a sub-decree.

The procedure for transitional penalty, penalty payment, management of penalty receipts and management of revenues from the penalty as stated in the provisions of this law shall be determined by an inter-ministerial Prakas of the Minister of Land Management, Urban Planning and Construction, the Minister of Justice, and the Minister of Economy and Finance.

The Royal Government can choose to offer rewards to any official for their involvement in suppressing construction offenses.

### Article 93

Any person who is not an engineer, architect, and any other tradesperson who functions as a construction professional shall be punished with a fine from 5,000,000 (five million) riels to 20,000,000 (twenty million) riels .

The person in question shall be punished by imprisonment from 1 (one) month to 1 (one) year and fined double the amount indicated above in the case of committing the same offense again within one year.

### Article 94

Any engineer, architect and any other tradesperson who functions as a construction professional without being registered at a professional board shall be punished with a fine from 4,000,000 (four million) riels to 10,000,000 (ten million) riels.

The person in question shall be punished by imprisonment from 1 (one) month to 1 (one) year and fined double the amount indicated above in the case of committing the same offense again within one year.

### Article 95

Any person who practices a profession in the construction sector independently without a license shall be punished with a fine from 20,000,000 (twenty million) riels to 40,000,000 (forty million) riels.

The person in question shall be punished by imprisonment from 1 (one) year to 3 (three) years and fined double the amount indicated above in the case of committing the same offense again within one year.

### Article 96

Any person who conducts construction business without a permit and causes an injury to or damages the health of others shall be punished by imprisonment from 1 (one) year to 3 (three) years and with a fine from 10,000,000 (ten million) riels to 20,000,000 (twenty million) riels.

### Article 97

Any person who opposes the decision of a competent authority to suspend, alter, halt, or demolish a construction, or prohibit occupancy shall be punished with a fine from 20,000,000 (twenty million) riels to 40,000,000 (forty million) riels.

Any person who opposes for a second time the decision of a competent authority to suspend, alter, halt, or demolish a construction, or prohibit occupancy shall be punished by imprisonment from 1 (one) month to 3 (three) months and fined double the amount indicated above .

### Article 98

Any person who uses or installs, for building work, construction material, equipment, and product which are required to ensure construction quality and users' safety without compliance with the building technical regulations or without compliance with the technical regulations on construction material, equipment, and product which are required to meet a certain standard and causes an injury to or damages the health of others shall be punished by imprisonment from 1 (one) year to 3 (three) years and with a fine from 20,000,000 (twenty million) riels to 40,000,000 (forty million) riels.

### Article 99

Any designer who develops a design document without compliance with the building technical regulations, and the carrying out of the design document causes an injury to or damages the health of others shall be punished by imprisonment from 1 (one) year to 3 (three) years and with a fine from 20,000,000 (twenty million) riels to 40,000,000 (forty million) riels.

### Article 100

Any builder who builds or demolishes a construction without compliance with the design document and building technical regulations, and causes an injury to or damages the health of others shall be punished by imprisonment from 1 (one) year to 3 (three) years and with a fine from 20,000,000 (twenty million) riels to 40,000,000 (forty million) riels.

### Article 101

Any certifier who has certified the compliance of a design document or the building or demolition work; yet in fact, the design document or the building or demolition work does not comply with the building technical regulations and/or the approved design document, and causes an injury to or damages the health of others shall be punished by imprisonment from 2 (two) years to 5 (five) years and with a fine from 30,000,000 (thirty million) riels to 60,000,000 (sixty million) riels.

### Article 102

Any person who uses or puts for use, for business purposes, a construction which has no certificate of occupancy, and causes an injury to or damages the health of others shall be punished by imprisonment from 1 (one) year to 3 (three) years and with a fine from 20,000,000 (twenty million) riels to 40,000,000 (forty million) riels.

### Article 103

Offending acts stated in Articles 95, 96, 97, 98, 99, 100, 101 and 102 of this law shall be punishable by imprisonment from 5 (five) years to 10 (ten) years if such acts cause amputation of a limb(s) or permanent disability to the victim.

Offending acts stated in Articles 95, 96, 97, 98, 99, 100, 101 and 102 of this law shall be punishable by imprisonment from 7 (seven) years to 15 (fifteen) years if such acts cause the death of a person(s).

### Article 104

The punishments stated in Articles 97, 98, 99, 100, 101, 102 and 103 of this law also apply to the offending acts stated in these articles if any of these acts is committed by the technical director of a construction business company.

### Article 105

Any legal entity that conducts construction business without a license shall be punished with a fine from 40,000,000 (forty million) riels to 80,000,000 (eighty million) riels.

A legal entity may be held criminally responsible based on the condition stated in Article 42 (Criminal Responsibilities of Legal Entities) of the Criminal Code for the offenses stated in Articles 97, 98, 99, 100, 101, 102 and 103 of this law.

A legal entity shall be punished with a fine from 60,000,000 (sixty million) riels to 100,000,000 (one hundred million) riels as well as by one or more additional penalties as follows:

- 1. Dissolution according to modalities determined by Article 170 (Dissolution and Liquidation of Legal Entities) of the Criminal Code;
- 2. Placement under judicial supervision according to modalities determined by Article 171 (Placement under judicial supervision) of the Criminal Code;
- 3. Prohibition from carrying on one or more activities according to modalities determined by Article 172 (Prohibition from Carrying on Activities) of the Criminal Code;
- 4. Disqualification from public tenders according to modalities determined by Article 173 (Disqualification from Public Tenders) of the Criminal Code;
- 5. Publication of decisions on the punishment according to modalities determined by Article 180 (Publication of Decisions) of the Criminal Code;

6. Broadcasting of decisions by audio-visual Communication according to modalities determined by Article 181 (Broadcasting of Decisions by Audio-Visual Communication) of the Criminal Code.

# Chapter 21 Transitional Provisions

### Article 106

Within a period of 2 (two) years after this law coming into force, the owner of any construction that has already been built without a permit or built in breach of a permit prior to this law coming into force shall apply for a certificate of occupancy for his/her construction from the competent authority if the construction requires a building permit.

During this above period, all the existing penalty provisions related to the construction sector shall continue to apply to any construction that has already been built without a permit or built in breach of a permit prior to this law coming into force.

### Article 107

The competent authority may provide an occupancy certificate for any construction that has already been built without a permit or built in breach of a permit prior to this law coming into force if that construction does not cause danger to users and the public and does not affect public order.

The formality and procedure for granting certificate of occupancy for construction that has already been built prior to this law coming into force shall be determined by a Prakas of the Minister of Land Management, Urban Planning and Construction .

### Article 108

Within 2 (two) years after this law comes into force, any construction laboratory which has been operating or doing business shall apply for a permit or a business license according to the provisions of this law.

### Article 109

If necessary, the Royal Government of Cambodia may require construction professional or construction business company to deposit money at the National Bank of Cambodia to insure liability for his/her professional or business practice. Construction professional or construction business company may withdraw their deposits when they end their professional or business practice, and when their license expires or is revoked by the competent authority.

Customers of construction professionals or construction business companies who have suffered damage shall be entitled to a lien in second priority after employees' wages on the deposits stated in the above paragraph.

The conditions and procedure for money depositing, deposit withdrawal, and minimum amount of money to be deposited at the National Bank of Cambodia, according to the various types of license, in order to insure liability for professional or business practice shall be determined by a sub-decree.

# Chapter 22 Final Provisions

### Article 110

Any provision that contradicts this law shall be abrogated.

### Article 111

This law is declared as a matter of urgency.

Saturday, 6th day of the waxing, Month of Katdeuk, Year of Pig, B.E. 2563 Done at the Royal Palace, 2 November 2019

PRL. 1911.1656

NORODOM SIHAMONI

Having made the request to His Majesty the King For Signature Prime Minister

Samdech Akka Moha Sena Padei Techo HUN SEN

Having informed Samdech Akka Moha Sena Padei Techo Prime Minister
Deputy Prime Minister,
Minister of Land Management, Urban Planning and Construction

CHEA SOPHARA

Having copied from the original Permanent Deputy Prime Minister, Minister in charge of the Office of the Council of Ministers

Kete Nite Kosal Bandit BIN CHHIN

### Annex of the Law on Construction

### Glossary

- 1. **Construction work** refers to design work, surveying work, building work, demolition work, site management work, certification work, testing work, construction project management or construction safety and quality control.
- 2. **Design work** refers to plan/design drawing work, research work and data analysis for architectural and engineering work, planning work, preparation of lists of estimated costs, preparation of technical instructions, and detailed plan/design drawing work.
- 3. **Surveying work** refers to study and analysis of data and information generated from measurement, survey, topography, and observation which serve planning, design work, and building work.
- 4. **Building work** refers to land work, building work of a new construction, repair work, modification work, and installation.
- 5. **Repair work** refers to the repair of any part of a construction or of the whole construction that has been damaged for any reason, including replacement of any old, dilapidate part that may eventually cause an accident; improvement; and interior installation of materials and equipment by preserving the aesthetics, original shape, without affecting the construction structure.
- 6. **Modification work** refers to alteration of the function of the whole or a part of a construction.
- 7. **Demolition work** refers to the work of dismantling or removing any part of a construction, or removing a whole construction, or the work of destroying the construction.
- 8. **Certification work** refers to examination, analysis and certification of a design document, calculation, technical instructions for building or demolition work and operation of building or demolition work, compliance with building technical regulations and other existing regulations to ensure safety, well-being in building or demolition work neard in the use of the construction.
- 9. **Testing work** refers to study, analysis, geological calculation of construction structures, construction tools and machinery, and construction materials, equipment and products.
- 10. **Construction project management** refers to the work that a construction project manager carries out on behalf of a construction owner in order to ensure that a building or demolition project operates efficiently in terms of time, cost, quality and safety.
- 11. **Revocation** refers to decision to nullify a construction license or a permit by the competent authority or official.
- 12. **Construction contract** refers to a contract between a construction owner and a builder and a contract between a builder and a sub-contractor to carry out building or demolition work.

- 13. **Design document** refers to a technical document for the purpose of construction works such as architectural design, structural design, mechanical system plan, electrical system design, wastewater-clean water system design, fire safety system design, or other technical designs/plans, documents, and instructions for building or demolishing and using a construction.
- 14. **Contract fee** refers to a fee or any other exchangeable value which a construction owner must pay to a builder as determined in a construction contract.
- 15. **Force majeure** refers to an event that happens against one's will; is unexpected and irresistible.
- 16. **Building technical regulations** refer to mandatory technical standards, requirements, and rules for carrying out construction works adopted by a competent institution.
- 17. **Spatial and urban regulations** refer to regulations stated in legal rules on land management and urban planning, spatial planning, land use master plan, land use plan and detailed urbanization plan.
- 18. **Load** refers to weight, pressure, or any force that presses or has impact on a construction structure.
- 19. **Construction equipment** refers to equipment that is assembled, made, or produced to be used in or fixed to a construction in order to increase quality, comfort and ease of construction use, namely lamp, electric wire, optic wire, sink, faucet, bathtub, airconditioner, elevator, pipe.
- 20. **Construction product** refers to finished or semi-finished product that is made or produced with construction materials and used to build a construction structure, such as roof tile, brick, mortar, concrete, pillar, wall, decorated ridge-piece on rooftop, concrete floor, concrete pipe, ceiling plaster, corrugated iron/steel, fiberboard, wall paper, paint, or tile adhesive.
- 21. **Producer** refers to a producer, an importer or a person who affixes his/her name on the product as a producer or a seller.
- 22. **Construction owner** refers to an owner or a real estate developer of a construction that is built on his/her own land or on someone else's land with the landowner's permission or a perpetual lessee who builds a construction on the lessor's land.
- 23. **Construction controller** refers to a technical official who is appointed by the competent authority in order to check building or demolition works and controls construction quality and safety.
- 24. **Defect** refers to a change from a normal or regular state.
- 25. Certificate of occupancy/Occupancy certificate refers to a permit granted by the competent authority to a construction owner to use, lease construction, or conducts business with a construction.

- 26. **Dangerous building** refers to a construction or any part of a construction or construction materials, equipment attached to the construction which may cause danger to a neighboring construction(s), lives, bodies, and health of construction users, neighbors and the public.
- 27. **Construction** refers to the process of construction work or to a building, a structure or permanent or temporary architecture constructed with construction materials, equipment or products.
- 28. **Construction material** refers to a raw material to be mixed, combined, assembled, or used as a construction structure, equipment or products, such as sand, crushed stone (aggregate), gravel, cement, steel, glass, clay, ceramic, wood.
- 29. **Builder** refers to a construction or demolition contractor, a specialized builder or demolisher or a team of construction craftsmen.
- 30. **Real estate developer** refers to a trader, an investor or a company which conducts a construction building business for sale to generate a profit.
- 31. **Competent authority** refers to the Minister of Land Management, Urban Planning and Construction, Capital, provincial, municipal, district, and Khan governors.
- 32. **Construction professional** refers to an architect or engineer who has registered at the Board of Architects, Cambodia or the Board of Engineers, Cambodia or a tradesperson who has registered at other relevant construction professional boards.
- 33. **Tradesperson** refers to a construction technician (skilled worker/workman) who has received a training at a related specialized technical school or who is skilled and experienced in carrying out building works, or a tradesperson whose professional board has not been created.
- 34. **Building manager** refers to a person who receives a mandate or rights to manage a construction from a construction owner for a specific period of time.