

# **LAW ON THE ORGANIZATION AND CONDUCT OF THE NATIONAL BANK OF CAMBODIA OF JANUARY 26, 1996**

KRAM we Norodom Sihanouk King of Cambodia

I, Preahbath Samdech Preah Norodom Sihanouk Varaman Reachharivong  
Uphatosucheat Vithipong Akamohaborasart Nikarodom Thamik Mohareachea Thireach  
Borommaneat Rorombopit Preah Chau Krong Kampuchear Thipdey,

Having seen the Constitution of the Kingdom of Cambodia;

Having seen the Kret dated September 24, 1993 on the Appointment of the First and Second Prime Ministers;

Having seen the Kret dated November 1, 1993 on the Formation of the Royal Government of Cambodia;

Having seen the Law on the Organization and Functioning of the Council of Ministers promulgated by the Kram No. 02/94, dated July 20, 1994;

Having seen the Kret dated September 3, 1993 regarding the appointment of HE Thor Peng Leath as Governor of the National Bank of Cambodia;

Having seen the Budget Law dated December 28, 1993; and  
Pursuant to the request of both Prime Ministers and the Governor of the National Bank of Cambodia,

Hereby promulgate,

The Law on the Organization and Functioning of the National Bank of Cambodia which was adopted by the National Assembly during its 5th session of the 1st legislature the whole meaning of which is as follows:

## **TITLE I: GENERAL PROVISIONS**

### **Article 1:**

The National Bank of Cambodia is the "Central Bank" which is an autonomous public entity of a commercial and industrial nature.

### **Article 2:**

The Central Bank is a legal entity with full jurisdiction and shall have the capacity to:

1. lend, borrow and enter into all other contracts;
2. institute legal proceedings and be subject to such proceedings; and

3. for the purpose of its business, acquire, hold, and dispose of property whether movable or immovable.

**Article 3:**

The principle mission of the Central Bank is to determine and direct the monetary policy aimed at maintaining price stability in order to facilitate economic development within the framework of the Kingdom's economic and financial policy.

**Article 4:**

In order to accomplish its mission and to implement this law, the Central Bank is empowered to issue decisions, regulations, circulars, and other instructions.

**Article 5:**

The Central Bank shall publish on a regular basis its monetary policy objectives (money-credit-exchange-interest rates) and statistics with respect to the money supply, prices, credit, the balance of payments and foreign exchange.

**Article 6:**

The head office of the Central Bank shall be in Phnom Penh. The Central Bank may establish branches and agencies in the Kingdom and representative offices in other countries after obtaining the approval of its Board of Directors.

## **TITLE II: GENERAL FUNCTIONS AND DUTIES**

**Article 7:**

The Central Bank shall have the following functions and duties:

1. to determine monetary policy objectives, in consultation with the Royal Government and consideration of the framework of the economic and financial policy of the Kingdom,
2. to formulate, implement and monitor monetary and exchange policies aimed at the determined objectives,
3. to conduct regular economic and monetary analysis, make public the results, and submit proposals and measures to the Royal Government,
4. to license, de-licence, regulate and supervise banks and financial institutions and other relevant establishments such as auditors and liquidators,
5. to oversee payments systems in the Kingdom, and to enhance interbank payments,
6. to act as the sole issuer of national currency of the Kingdom,

7. to undertake and perform, in the name of the Kingdom, transactions resulting from the participation of the Kingdom in public international institutions in the banking, credit, and monetary spheres,
8. to establish the balance of payments,
9. to participate in the management of external debt and claims,
10. to participate in the formation and supervision of the money and financial markets,
11. to licence, de-licence, regulate and supervise all those operations in the securities and foreign exchange markets, and for precious stones and precious metals markets,
12. to set interest rates.

#### **Article 8**

The Central Bank may open accounts on its books on behalf of:

- a. state agencies and instrumentalities of the central government notably the National Treasury,
- b. banks and financial institutions licensed by the Central Bank,
- c. foreign central banks, and public international financial institutions,

The Central Bank may not open accounts for enterprises, including those owned by the State.

### **TITLE III: AUTONOMY OF THE CENTRAL BANK**

#### **Article 9:**

To accomplish its mission the Central Bank shall be permanently empowered and shall have operating autonomy and shall submit reports of the implementation and results of its mission to the National Assembly and the Royal Government.

The Governor of the Central Bank may address meetings of the Council of Ministers at the invitation of the Royal Government. The Minister or the Secretary of State of the Ministry of Economy and Finance may address meetings of the Board of Directors of the Central Bank at the invitation of the Board.

The Governor or members of the Board shall appear before the National Assembly or standing committee thereof to explain the policies of the Central Bank or to comment on proposed legislation, at the request of the National Assembly.

#### **Article 10:**

At the end of each half-year period the Central Bank shall deliver to the National Assembly and to the Government:

- a. an assessment in general terms of the economic and financial condition of the Kingdom and a description of the monetary and exchange policies that the Central

Bank proposes to follow during the next semester and for such longer period of time as the Central Bank may decide;

b. a review and assessment of the implementation of monetary and exchange policy during the period to which the last preceding semester statement relates.

#### **Article 11:**

In addition to the above reports the Central Bank shall reports to the National Assembly and to the Royal Government on request.

### **TITLE IV: MANAGEMENT OF THE CENTRAL BANK**

#### **Article 12:**

1. The management organ of the Central Bank is the Board of Directors (hereinafter referred to as the Board). The Governor shall be Chairman of the Board. The Board shall consist of 7 members, including the Governor, the Deputy Governor and 5 other members, one being a representative of the head of the Royal Government, one a representative of the Ministry of Economy and Finance, one a member from the private sector, one an academician and one a representative of the National Bank staff.

The Governor and the Deputy Governor shall not be a public servant, a person serving as adviser of a public entity, or a member of the Royal Government, or a member of the National Assembly during their term of office. The above restrictions also apply to all other members except the representatives of the head of the Royal Government, the Ministry of Economy and Finance, and the academician who may maintain their civil service status.

2. The Board shall be responsible for:

- a. establishing the policies for the operation of the Central Bank;
- b. issuing decisions, regulations, circulars and other directives to govern the business of the Central Bank;
- c. establishing internal rules and regulations;
- d. establishing staff statute;
- e. establishing departments of the Central Bank;
- f. establishing an audit committee;
- g. establishing a staff training committee.

3. The Governor shall serve as the chief executive officer of the Central Bank and be responsible to the Board for the execution of its policy. The Governor shall be responsible for the conduct of the business of the Central Bank and have authority to act in all matters that are not, by this Law or other relevant regulations specifically reserved to the Board.

The Governor shall appoint the officers and staff of the Central Bank and make proposals to the Board on the salaries and benefits for senior staff.

4. The Deputy Governor shall exercise such powers and carry out such duties as the Governor may determine. In the Governor's absence, the Deputy Governor shall act as Governor.

**Article 13:**

The Governor and the Deputy Governor shall be appointed, replaced and dismissed by a royal decree on the recommendation of the Royal Government.

All other members of the Board shall be appointed, replaced and dismissed by sub decree. These members shall be selected from a list prepared by the Governor with the names of three candidates for each post.

**Article 14:**

1. The members of the Board shall be persons of recognized experience or standing in economic and financial matters and shall be no more than sixty-five years of age. They shall be appointed for a period of 4 years and shall be eligible for re-appointment for only one further term. Other than for the Governor, the Deputy Governor and the National Bank staff representative, two of the board members, chosen by lot, shall serve for 2 years, from the date of appointment of the first board.

Members of the Board and their family members must not be shareholders of any bank and financial institutions regulated by the Central Bank.

2. A member of the Board shall cease to hold office if he or she:

- a. is convicted of a criminal, administrative offense or a breach of economic or commercial law;
- b. is determined by the Board to have violated the prohibitions of Articles 15 and 16 of this law;
- c. is absent for four consecutive meetings, unless due to illness, or in the case of force majeure recognized by the Board;
- d. resigns by written notice;
- e. is physically or mentally incapacitated from performing his or her duties;
- f. is determined to be bankrupt by the courts.

3. Board meetings shall be held not less than once every two months.

4. Board members shall receive an attendance allowance the amount of which shall be fixed by the Board.

5. The Governor and the Deputy Governor shall receive base remuneration from the Central Bank in the same amount as a member of the Royal Government.

**Article 15:**

1. No officer, employee, or member of the Board of the Central Bank shall:

- a. receive any benefit related to commercial, financial, agricultural, industrial, or other business interests;

- b. accept directions from these interests in respect of duties to be performed under the law;
  - c. put themselves in a position where their interest conflicts with their duties;
  - d. receive any gift or benefits for themselves or persons with whom they have family, business, or financial connections that diminishes their honesty in their conduct of their duties;
2. Board members shall fully disclose to the Board their significant commercial, financial, agricultural, industrial, or other business interests with which they or members of their immediate family may have, directly or indirectly, at any time, and shall refrain from voting on any matter related thereto. However, they may be qualified to constitute a quorum in accordance with the internal procedures of the Board.

**Article 16:**

Except when under the provisions of any law, or when required to do so by any court of law, officers, employees and members of the Board of the Central Bank shall not disclose to any person any material information relating to its confidentially professional affairs which they have acquired in the performance of their duties.

**TITLE V: CAPITAL INCOME ALLOCATION, BUDGET**

**Article 17:**

1. The Central Bank shall have capital in an amount to be determined by sub decree. The amount of capital may be changed when deemed necessary. All the capital shall be subscribed and held exclusively by the Royal Government and shall not be transferable or subject to encumbrance.
- 2- Whenever the value of the National Bank's assets on its balance sheet fall below the sum of its liabilities, the Royal Government shall transfer within sixty days of publication of such balance sheet to the Central Bank, its government securities to remedy the deficiency. The securities shall be negotiable and shall bear interest at the refinancing rate.

**Article 18:**

The net income of the Central Bank for each financial year shall be determined by the Bank after allowing for the operating expenses of that year and after providing for:

- 1. Risks, depreciation, and amortization of assets;
- 2. a contribution to a pension fund, the amount of which to be fixed by the Board;
- 3. a General Reserve equal to 20% (twenty percent) of net profit after deduction of the amounts in 1 and 2 above;
- 4. the redemption of government securities held by the Central Bank;
- 5. investment of a collective fund for the Central Bank to be determined by the Board.

**Article 19:**

Any balance of net income shall then be transferred to the National Budget after deduction of:

- a. 5 % (five percent) for the personnel, excluding the Board;
- b. 0.5 % (zero point five percent) for the board members.

**Article 20:**

All proposed expenditure of the Central Bank shall be reported in an annual budget to be approved by the Board of the Central Bank and submitted for information to the Royal Government and the National Assembly.

**TITLE VI : FINANCIAL RELATIONS WITH PUBLIC ENTITY****Article 21:**

1. The Central Bank shall be the sole depository, in the national currency, for the National Treasury. The Central Bank shall receive from the National Treasury and disburse on its behalf, money and keep account thereof.

Any charges to be levied by the Central Bank for these services shall be agreed by both parties.

2. The foreign exchange receipts of the Treasury shall be sold to the Central Bank and the counter value shall be credited to the central account of the National Treasury in national currency at the prevailing exchange rate.

**Article 22:**

The Central Bank shall be the advisor on monetary and financial matters to the Royal Government.

It is the duty of the Central Bank to inform and advise the Royal Government concerning any matter that in its opinion is likely to affect the achievement of its objectives.

**Article 23:**

1. The Central Bank shall assist in the debt management of the Royal Government or public entities by conducting securities operations, including advising on the timing of securities issues and promoting the development of money and capital markets.

2. The Central Bank may agree to act as the agent of the Royal Government or public entities for the following transactions:

- a. marketing of securities issued by the Royal Government or by public entities, and acting as a registrar and transfer agent therefor;
- b. payment of principal, interest and other charges, on such securities.

3. The compensation to be paid to the Central Bank for the transactions described in subparagraph (2) shall be as agreed between the Central Bank and the Royal Government or public entities concerned.

**Article 24:**

The Central Bank shall not directly or indirectly extend to the Royal Government, including by the purchase in a primary issue of securities issued or guaranteed by the government or by public entities, except in accordance with the provisions of this Title.

**Article 25:**

The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each extension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.
2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.
3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Article 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budget revenues, excluding grants and proceeds from the sale of assets, for the previous financial year.

**Article 26:**

The Central Bank may purchase, sell or repurchase government securities maturing within 90 days which have previously been publicly issued, in open market operations, or in discount operations for, or extension of credit to, financial institutions.

**Article 27:**

The Royal Government shall consult the Central Bank every year before the budget is finalized with a view to establishing the total amount of credit which the Royal Government and public entities may seek to secure from the Central Bank within the limits prescribed by Article 25.

**Article 28:**

The Central Bank shall participate in the management of both domestic and foreign public debt, including the issue of guarantees in favor of creditors.

## **TITLE VII : EXCHANGE ARRANGEMENTS AND POLICY**

**Article 29:**

The Central Bank shall, in consultation with the Royal Government and in consideration of the framework of the economic and financial policy of the Kingdom, determine and implement the Kingdom's exchange arrangements and policy.



**Article 30:**

1. The Central Bank shall maintain and manage an external reserve consisting of the following:

- a. monetary gold;
- b. foreign exchange in the form of bank notes or coins and bank balances held abroad;
- c. any internationally recognized reserve asset, including the entitlement to make reserve tranche purchases from the International Monetary Fund;
- d. the Kingdom's holdings of special drawing rights (SDR);
- e. bills of exchange and promissory notes denominated in such foreign currencies payable at any place outside the Kingdom;
- f. treasury bills issued by foreign governments;
- g. securities issued or guaranteed by foreign governments or international financial institutions.

2. The Central Bank shall maintain the international reserve at a level adequate for the international transactions of the Kingdom.

3. The Central Bank shall submit a report to the Royal Government when the official external reserve has declined so as not to jeopardize its adequacy, including an account of the causes and recommendations on measures necessary to remedy the situation. The Central Bank shall make further regular reports to the Government until the situation is remedied.

4. The Central Bank shall be the depository of the official external assets of the Kingdom and is authorized to designate such agents as international financial institutions or foreign central banks or foreign commercial banks with which these assets may be held.

**Article 31:**

1. The Central Bank regularizes the domestic exchange rate and to this effect is authorized to:

- a. buy, sell or deal in gold coins or bullion or other precious metals and precious stones;
- b. buy, sell or deal in foreign currencies using for these purpose any of the instruments commonly used by bankers;
- c. purchase and sell treasury bills and other securities issued or guaranteed by foreign governments and public international financial organizations;
- d. open and maintain accounts at banks and public international financial organizations abroad;

- e. open and maintain accounts at banks and act as agent or correspondent for foreign central banks. Foreign governments, foreign governments agencies, and public international financial institutions;
  - f. determine the rate at which it will buy, sell or deal in foreign currencies;
  - g. establish limits on the net foreign exchange position of commercial banks and non-bank foreign exchange dealers;
  - h. issue regulations in relation to foreign exchange transactions and in respect of transactions in gold, other precious metals and precious stones;
  - i. declare the official foreign exchange rates for the riel in relation to other currencies, and
  - j. participate in international financial agreements on behalf of the government.
2. The Central Bank may not provide to third parties guarantees which have the effect of fixing future rates of foreign exchange and may not authorize or engage in multiple currency practices.

**Article 32:**

1. Any net gains in any financial year of the Central Bank arising from any change in the book value of the Central Bank's assets or liabilities denominated in currencies or units of account other than domestic currency, shall be credited to a Special Reserve Account.
2. Any net losses in any financial year of the Central Bank arising from any such change shall be set off against any credit balance in the Special Reserve Account and, if such balance is insufficient to cover such losses, the National Treasury shall issue to the Bank negotiable securities at the refinancing rates of interest to the extent of the deficiency.
3. Neither net gains nor net losses referred to in this article shall be included in the annual income statement of the Central Bank.
4. Any credit balance in the Special Reserve Account at the end of each financial year of the Central Bank shall be applied to the redemption of any securities issued under the provisions of paragraph 2 of this article.
5. No adjustments shall be made to the balance of the Special Reserve Account other than in accordance with the provisions of this article.

**TITLE VIII: RELATIONS WITH FINANCIAL INSTITUTIONS**

**Article 33:**

The Central Bank shall be exclusively responsible for the licensing, de-licensing and supervision of banks and financial institutions subject to the banking law and the supervision of other institutions as stated in [Article 7 of this law](#). To that end, the Central Bank shall be empowered:

1. to issue such decisions, regulations, and other directives and to take such other actions as it shall deem necessary in order to execute its powers and

responsibilities under Title II of this law, through proper licensing thereof and supervisory standards and enforcement procedures;

2. to appoint at its discretion, its officers or any other qualified person to regularly inspect any bank or financial institution and to examine its books, records, documents and accounts;

3. to require an officer, or employee of a bank or financial institution to furnish to the Central Bank such information as requested for the purpose of supervision and regulation;

4. to take remedial actions or sanction according to the existing laws if there has been an infraction by a bank or financial institution of its officers or employees with respect to:

- the violation of a provision of the existing laws or regulations of the Central Bank;
- the breach of a fiduciary duty; or
- failure to follow monetary policy measures or prudential regulations.

#### **Article 34:**

The Central Bank may open accounts for and accept deposits from bank and financial institution doing business in the Kingdom under such terms and conditions, including the payment of interest and the establishment of charges as it may determine.

#### **Article 35:**

1. The Central Bank may prescribe, by publication or by written notice to the main office in the Kingdom of each bank or financial institution, the maintenance of required reserves. Such reserves shall be maintained by way of cash holdings or by way of special deposits in current accounts with the Central Bank.

2. The Central Bank shall prescribe the same reserve ratios for similar liabilities. The total amount of reserves which financial institutions are required to hold shall be fixed relative to deposit and other similar liabilities with clients.

Any such prescription of, or increase in the required reserve ratios shall be effective one month after written notice has been given to banks and financial institutions.

The Central Bank may exclude certain classes of financial institutions from maintaining reserves.

3. The Central Bank may impose on any institution that fails to maintain required reserves a charge at the rate of 1/10 (one-tenth) of the latest refinancing rate set by the Central Bank per day on the deficiency. Such charge may be recovered by deduction from any balance of the institution with the Central Bank.

#### **Article 36:**

1. The Central Bank shall determine the procedure and purchase or repurchase from, sell to, discount and rediscount for banks and financial institutions:

- a) bills of exchange and promissory notes drawn or made for bona fide commercial, industrial or agricultural purposes, bearing two or more good signatures one of which must be that of a commercial bank and maturing within 90 days from the date of their acquisition by Central Bank; however, provided that bills of exchange and promissory notes drawn or made for the purpose of financing seasonal agricultural production or marketing of crops may mature within 210 days from the date of their issuing;
  - b) any government securities forming part of the public issue and maturing within 90 days from the date of their acquisition;
  - c) any private negotiable claims on the money market as well as all bankers claims bearing creditworthy signatures and appearing on a list recognized by the Board;
  - d) the Central Bank's own securities.
2. The Central Bank shall fix and publicly announce its minimum rates for rediscounts, advances, repurchases or loans. It may establish differential rates and ceilings for various classes of such transactions or maturities.

**Article 37:**

The Central Bank may grant to commercial banks advances on their current accounts that are secured by government securities or government guaranteed securities.

**Article 38:**

1. Each financial institution shall comply with the written directives that the Central Bank may issue to it, collectively or on an individual basis, concerning its balance sheet accounts, off-balance-sheet commitments, and income and expense statement items; provided, however, that such directives may specify only:

- The minimum capital
- The minimum amount of net worth of a financial institution
- prohibitions, restrictions, or conditions and other notifications;

2. Banks and financial institutions that engage in similar activities and that are in comparable financial conditions shall be subject to similar regulations.

**Article 39:**

1. A bank or financial institution must furnish to the Central Bank such information and data as the Central Bank may require for the discharge of its functions and responsibilities.

2. The Central Bank may publish such information and data in whole or in part in aggregate form for classes of banks and financial institutions determined in accordance with the nature of their business, whilst maintaining business confidentiality.

3. The Central Bank shall be responsible for promoting inter-bank services such as risk centralization and unpaid loans.

**Article 40:**

In cooperation with commercial banks, the Central Bank may establish a clearinghouse for the prompt and efficient clearing and settlement of inter-bank payments.

**TITLE IX: CURRENCY****Article 41:**

The monetary unit of Cambodia shall be the riel and shall be divided into ten kac and the kac divided into ten sen. The symbol of the riel shall be (R).

**Article 42:**

The Central Bank shall have the sole right to issue notes and coins denominated in riel, kac and sen.

**Article 43:**

1. Notes and coins issued by the Central Bank and not withdrawn from circulation shall be legal tender within Cambodia and notes shall be valid amount to be fixed by the Central Bank.
2. Payment of a sum exceeding a certain amount to be set by the Central Bank may or shall be made by bank entry.

**Article 44:**

1. The Central Bank shall be responsible for the printing of notes, the minting of coins and related matters, such as the security and movement of unissued notes and coins, and for the custody and destruction, where necessary, of plates, dies and retired notes and coins.
2. The Central Bank shall determine by regulation the various characteristics notably the face value, measures, weights, designs and other features of notes and coins to be printed or minted.

**Article 45:**

With the consent of the Royal Government, the Central Bank is authorized to decide to call in and withdraw from circulation, any notes or coins that it has issued on payment of the face value thereof by issuing in exchange therefor other notes or coins; the decision shall be issued in the form of a regulation of the Central Bank and shall specify the period during which the notes and coins must be presented for exchange and the offices of the Central Bank where they are to be so presented.

**Article 46:**

At the end of the exchange period referred to in Article 45:

1. notes and coins called for in exchange shall, cease to be legal tender;

2. the aggregate amount of notes or coins called in but not presented for exchange shall be deducted from the amount of currency in circulation on the books of the Central Bank and shall be treated as revenue of the Central Bank.

**Article 47:**

Upon surrender by any person to the Central Bank of any notes or coins which it has issued, the Central Bank shall exchange on demand and without charge such notes or coins for other notes and coins of equivalent value.

**Article 48:**

Any reproduction of notes, coins, checks, securities, or payment cards, whether denominated in riel, kac or sen or in a foreign currency, and the creation of any objects that by their design imitate notes, coins, checks, securities or payment cards is forbidden without prior written authorization from the Central Bank.

**Article 49:**

The Central Bank shall directly administer the currency reserve inventory, make issue plans, and ensure the regular supply of notes and coins, in order to meet the Kingdom's currency requirements in quantity and quality.

**Article 50:**

The Central Bank shall withdraw unfit currency that shall be destroyed, and replaced with notes and coins.

**Article 51:**

The Central Bank may decline to exchange notes or coins if their designs are illegible, misshapen or perforated, or if more than 30 % of their surface has been lost. Such currency shall be withdrawn and destroyed without indemnity to the owner, except that, in special cases, the Central Bank may determine whole or partial compensation.

**Article 52:**

Counterfeit notes included in deposits or presented for exchange shall be seized without compensations.

**Article 53:**

The Central Bank shall not be required to provide any compensation for notes and coins that were lost or destroyed; it may confiscate without compensation any notes that have been altered in their external appearance, in particular notes that have been written on, painted on, overprinted, stamped or perforated, or to which adhesive matter has been applied, or which have been defaced in any other way.

**Article 54:**

The aggregate amount of circulating notes and coins shall be recorded in the Central Bank accounts as liabilities, and will not include notes and coins in the currency reserve inventory.

## **TITLE X: ACCOUNTS AND AUDIT**

### **Article 55:**

The financial year of the Central Bank shall commence on January 1 and end on December 31 of the same year.

### **Article 56:**

The Central Bank shall:

1. keep books of account and other books and records in which shall be recorded all its financial transactions, which reflect accurately its financial condition in accordance with generally accepted accounting principles to Central Bank;
2. prepare and publish a monthly summary statement of its activities;
3. within six months after the close of each financial year, submit to the Government and the National Assembly a copy of its annual accounts together with a report on its operations and on monetary and economic conditions during the year.

### **Article 57:**

The financial records of the Central Bank shall be verified by a special committee appointed by the Government.

## **TITLE XI: MISCELLANEOUS PROVISIONS**

### **Article 58:**

The assets, property, income operations and transactions of the Central Bank shall be exempt from all duties and taxes.

### **Article 59:**

The Central Bank shall not make equity investments in banks or financial institutions or in industrial or commercial enterprises, however, provided that the Central Bank may make equity investments in an aggregate amount not exceeding 5% of its capital and reserves in enterprises whose activities are relevant to the Central Bank function such as appraising, collateral control, data processing and data transmission, financial printing, clearing of payments, courier services, or liquidating property.

### **Article 60:**

The Central Bank shall not acquire by purchase, lease or otherwise any real right in or to immovable property except insofar as it is necessary for the conduct of its business and

requirements incidental to the performance of its functions and to carry out its social responsibilities towards its staff.

Nothing in this section shall prevent the acquisition by the Central Bank in the course of satisfaction of debts due to it of any interests referred to in Article 59 or in this article.

**Article 61:**

All decisions, regulations, circulars, and other directives issued by the Central Bank that are intended for general application to banks and financial institutions shall be published in the Journal Official of the Kingdom and shall take effect on the date of such publication or on such later date as such decisions, regulations circulars and other directives shall specify.

**Article 62:**

For the purpose of implementing the provisions of this law, the Central Bank may institute civil actions ancillary to criminal actions at any stage of the proceedings.

**Article 63:**

The limitation on credit in [subparagraph 3 of Article 25 of this law](#) shall apply to credit extended after the effective date of this law.

## **TITLE XII: PENALTIES**

**Article 64:**

Any person who does not accept payment in currency that is legal tender in the Kingdom shall be liable for a fine of 100 times the amount of the payment.

**Article 65:**

Any person who counterfeits coins or bank notes which are legal tender in the Kingdom, or which are legal tender in a foreign State, shall be liable to imprisonment from 20 years to life.

Such materials or tools shall be confiscated and retained as state property or destroyed.

**Article 66:**

Any person who knowingly conveys, distributes or retains for distribution any counterfeit coins of bank notes shall be liable to imprisonment from 10 to 20 years.

**Article 67:**

Any person who uses or retains, without an authorization granted by the Central Bank, materials or tools which are ordinarily used for minting coins or printing bank notes shall be liable to imprisonment from 5 to 10 years. Such materials or tools shall be confiscated and retained as state property or destroyed.

**Article 68:**



Any person who receives counterfeit bank notes or coins, believing they are legal tender, and who distributes such notes and coins after learning they are counterfeit, shall be liable for a fine of 100 times the amount involved.

**Article 69:**

For the purpose or the administration of this law and in the proper performance of its functions under this law, the Central Bank may call for such information as it may require from any person, including from any bank or financial institution and its affiliates.

Any person who fails to supply any information called for by the Central Bank under this article or who knowingly supplies any false or misleading information shall be guilty of an offense and liable for a fine from 1,000,000 riels (one million riels) to 10,000,000 riels (ten million riels) and /or imprisonment from 1 to 5 years.

**Article 70:**

Any person who manages a bank or financial institution, or engages in operations of banking nature including credit operations, brokering or payment, share dealing, trading in gold, precious metals, precious stones, without being granted a required authorization by the Central Bank therefor, shall cease operations upon an injunction of the Central Bank, otherwise such person shall be liable for a fine from 1,000,000 riels (one million riels) to 10,000,000 riels (ten million riels) and/or to imprisonment from 1 to 5 years.

**Article 71:**

Any person who violates [Article 15.1](#) and [Article 16](#) of this Law shall be liable to a fine from 1,000,000 riels (one million riels) to 10,000,000 riels (ten million riels) and/or to imprisonment from 1 to 5 years.

**TITLE XIII: FINAL PROVISIONS**

**Article 72:**

All provisions contrary to this law shall be hereby repealed.

Phnom Penh, January 26, 1996

Norodom Sihanouk