

KINGDOM OF CAMBODIA

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Ministry of Commerce



National Bank of Cambodia

Phnom Penh, 24 March 2023

Press Release

on the Implementation of the Law on Consumer Protection and Prakas on Unfair Contract Clause in the Banking and Financial Sector

The Law on Consumer Protection was promulgated by the Royal Kram No.NS/RKM/1119/016 dated 2 November 2019. Along with this, the National Commission for Consumer Protection (NCCP) was established under Sub-Decree No.135 ANKR.BK dated 27 August 2020, with the Minister of Commerce as chairman and has representatives from relevant ministries and institutions, including representative from the National Bank of Cambodia. The NCCP is in charge of establishing and disseminating consumer protection policies and strategic plans, as well as leading and overseeing the Law on Consumer Protection's effective implementation.

Previously, we have seen that the use of a standard form of contract by certain business operators does not grant consumers the power to modify or amend any of the contract's clause or conditions to safeguard the consumer's legitimate interests. Some standard form of contracts embedded some hidden meaning and unfair clauses in order to excessively exploit benefits from consumers. These unfair clauses include clauses that provide the exemption or limitation of liability of the business operators on the guarantee of their goods and/or services, clauses that allow the business operators the right to make substantial changes to the kind, amount, price, and quality of goods and/or services, or any modification of important elements of the standard form of other contracts without the consumer's prior notice and agreement of the consumer, as well as clauses that grant a business operator the power to interpret the contract unilaterally or to terminate the contract at the discretion of the business operator.

In order to support the implementation of the Law on Consumer Protection, the Ministry of Commerce has adopted Prakas No.0067 P.N.A.KBB.PRK dated 01 March 2022 on Unfair



Contract Clause regarding safeguarding the consumer's benefit, refrain contract that includes unfair clauses that reap the benefits from the consumers. On 16 February 2023, the Ministry of Commerce, in collaboration with the National Bank of Cambodia, organized a workshop on the Law on Consumer Protection and Prakas on Unfair Contract Clause with 170 participants from Banks and Financial Institutions in the Kingdom of Cambodia.

The Ministry of Commerce and the National Bank of Cambodia would like to advise all banking and financial institutions to operate in accordance with the Law on Consumer Protection and Prakas on Unfair Contract Clause in order to protect consumers' rights and promote fair competition.

In the mean time, the Ministry of Commerce and the National Bank of Cambodia would like to encourage the general public, especially consumers, to report any excessive exploitation caused by the establishment of unfair standard forms of contract by business operators to the Consumer Protection Competition and Fraud Repression Directorate General, at the address: Street 18, Kdei Takuy Village, Sangkat Veal Sbov, Chbar Ampov, Phnom Penh, and by phone: (1). 023 231 856 and (2) 092 830 856 or you can contact the National Bank of Cambodia, at the address: No. 69-70, Hanoi Blvd. Bayap Village, Sangkat Phnom Penh Thmey, Khan Sen Sok, Phnom Penh, and by phone: (1) 085 600 002 (2) 085 600 003 (3). 098 220 001 (4). 098 220 002 and (5.) 097 278 3030.

