



Exporting to Great Britain

A handbook for Cambodian women-led businesses in the women's accessories, textiles and apparel, and home decor sectors

Publisher: International Trade Centre (ITC)

Title: Exporting to Great Britain: A handbook for Cambodian women-led businesses in the women's accessories, textiles and apparel, and home decor sectors

Publication date and place: Geneva, November 2024

Page count: 60

For more information, contact: Michelle Kristy at kristy@intracen.org

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Acknowledgements

The International Trade Centre (ITC) expresses its gratitude to those who have contributed to the production of this publication.

Evangelia Anevlavi (ITC) and Maathangi Hariharan (ITC) prepared this report under the guidance of Michelle Kristy (ITC).

This Handbook partly benefitted from an earlier collaboration between ITC and the TradeLab International Economic Law Clinic, Centre for Trade and Integration, Graduate Institute of International and Development Studies, Geneva.

ITC would like to thank Eva Chang (ITC), for their support in the editorial and production process, Marnie McDonald, who edited the report, and Anaïs Février for the design work.

This report was funded by United Kingdom International Development.

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Acronyms and abbreviations

Unless otherwise specified, all references to dollars (\$) are to United States dollars, and all references to tons are to metric tons.

CITES - Convention on International Trade in Endangered Species of Wild Fauna and Flora

DCTS - Developing Countries Trading Scheme

EORI - Economic Operator Registration and Identification

FRC - Forest-risk commodity

GDCE - General Department of Customs and Excise of Cambodia

GOTS - Global Organic Textile Standard

HS - Harmonized System

IPR - Intellectual Property Rights

ITC - International Trade Centre

KHR - Cambodian riel

LDC - Least Developed Country

MoC - Ministry of Commerce

POP - Persistent Organic Pollutants

REACH - Registration, Evaluation, Authorization and Restriction of Chemicals

ROO - Rules of Origin

SME - Small and Medium sized Enterprise

SVHC - Substance of Very High Concern

TIN - Tax Identification Number

UKCC - United Kingdom Commodity Code

VAT - Value-added Tax

VSS - Voluntary Sustainability Standard enterprise

Incoterms abbreviations

CIF - Cost Insurance Freight

CIP - Carrier and Insurance Paid To

CFR - Cost and Freight

CPT - Cost Paid To

DAP - Delivered at Place

DDP - Delivered Duty Paid

DPU - Delivered at Place Unloaded

EXW - Ex Works

FCA - Free Carrier

FOB - Free on Board



Who should use this handbook?

This handbook explains the key and relevant legal and regulatory requirements that need to be met for Cambodian women-led small and medium-sized enterprises (SMEs) to export certain products to Great Britain. This means that the legal and regulatory requirements explained herein are only applicable for products to be placed on the England, Wales and Scotland markets. This handbook does not apply to products to be placed on Northern Ireland markets.

The handbook addresses the regulatory requirements to export home décor, home accessories, women's accessories, and textiles and apparel. More specifically, based on actual or potential exports, the handbook specifically covers readymade garments, apparel, footwear, jewellery and handbags.

Many of the regulatory requirements explained in this handbook are extremely technical and detailed. Such requirements are typically addressed by professional exporters working with importers to Great Britain. To reflect this reality, the handbook assumes that the actual physical exports will use medium or large-scale Cambodian export aggregators. Nevertheless, this handbook can be used by smaller-scale producers looking to export directly without using a professional exporter. To this end, it also contains the relevant links to access the

most technical requirements applicable to export products. The regulatory requirements explained in each chapter in this handbook must be read in conjunction with the relevant appendices mentioned there, which further explain each regulatory requirement.

The handbook is forward-looking by supplying an overview of new regulatory requirements that may be applicable in the future. In addition, it is highly likely that there will be latent sales opportunities involving related categories of products that have similar regulatory requirements as the products discussed in the handbook.

Finally, it is entirely understandable that apart from technical regulatory export and import requirements, handbook users will have various other export-related trading concerns such as market identification, rapidly changing consumer preferences, competitive product pricing and meeting current consumer demand in Great Britain. This handbook does not address such non-legal trading concerns.

All information contained in this handbook is as of October 2024. Readers of this handbook are strongly encouraged to stay abreast of any new regulatory requirements that might affect their exports.

01

PREPARING THE BUSINESS FOR EXPORTS

Business registration in Cambodia

> STEP 1: Business registration

The first step in business registration is to select a unique business name and business structure. Sole proprietorships, partnerships and limited liability companies are the most recognized business structures in Cambodia. A single person can also form a private company, known as a one-person company.

Each structure has different costs of incorporation and merits, especially in terms of being able to access different Cambodian export facilitation schemes. Speak to a lawyer on the merits of selecting the appropriate business structure for your enterprise. Following this, if applicable, identify appropriate office and/or factory premises and sign a rental agreement. At the same time, open a bank account with an authorized commercial bank in the name of the business. Entrepreneurs must obtain a business registration certificate, as shown in the box on the right.

BUSINESS REGISTRATION

The Cambodian Ministry of Commerce (MoC) issues the business registration certificate. To learn more about the requirements, refer [here](#) and [here](#).



> STEP 2: Tax registration

A Tax Identification Number (TIN) is essential for complying with Cambodia's tax regulations and is mandatory for any business engaging in trade. Registering for a TIN is done through Cambodia's General Department of Taxation.

You can now register your business at MoC and the General Department of Taxation in one go using the new online business registration platform (also known as Single Portal). Refer [here](#) to learn more about the process.

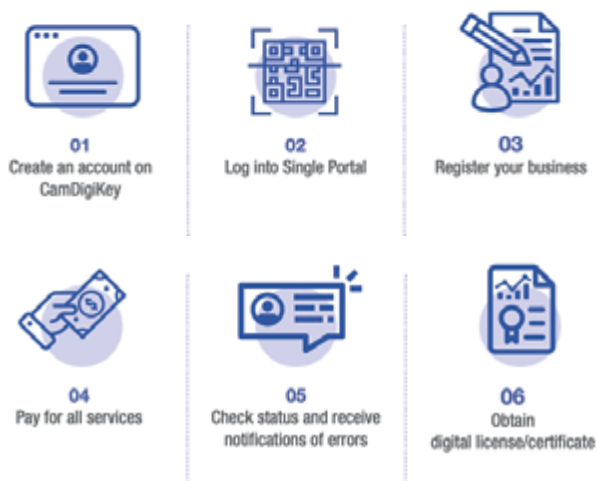
For TIN registration, applicants must submit key documents such as:

- **Proof of business registration;**
- **Rental agreement** for the business premises;
- **Passport-sized photographs** of the company directors;
- **Copies of the national identity cards or passports of the directors or owners;**
- **Bank account information** (must be provided in digital form within 15 working days after tax registration).

Ensure all documentation is accurate and complete; inconsistencies can delay the registration process. Once registered, the TIN certificate will be used for all tax-related matters, including value-added tax (VAT) registration (if applicable) and tax filing.

Figure 1: How to register your business using Single Portal

Business registration process using Single Portal is divided into 6 main steps, including:



STEP 3: Trade licence

A **trade licence** is required for any business operating in Cambodia, particularly those involved in the production or sale of goods, including export. Applicants must submit the key documents listed in the box below to the online registration form of MoC [here](#).

DOCUMENTS REQUIRED FOR A TRADE LICENCE



- **Business registration documents:** These include the company's founding documents, such as the Memorandum and Articles of Association.
- **Proof of tax registration:** A TIN must be obtained from the General Department of Taxation.
- **Lease or rental agreement:** Proof of business premises.
- **Passport-sized photographs:** These are required for the business owners or directors.
- **National identity documents:** Passport or national identity document for the owners and directors involved in the business.
- **Proof of bank account:** Evidence of opening a corporate bank account in Cambodia, which is required for capital deposits.

STEP 4: Register with chambers of commerce and trade associations

Register with relevant trade associations and chambers of commerce to benefit from networking opportunities and market access, business training and legal guidance support. Some key associations and chambers of commerce are listed below.

- **Cambodia Women Entrepreneurs Association:** Women entrepreneurs benefit from access to peer networks, mentorship and capacity-building programmes.
- **Cambodia Chamber of Commerce:** The country's premier business association, the Cambodia Chamber of Commerce supports entrepreneurs with trade information, export promotion and advocacy on trade-related policy issues. Its members can participate in trade missions, access international buyers and network with other Cambodian exporters.
- **Federation of Associations for Small and Medium-sized Enterprises (SMEs) of Cambodia:** This body brings together various sector-specific associations and provides a unified voice for Cambodian SMEs. Its members can access training programmes, market research and networking opportunities that are essential for export readiness.
- **Garment Manufacturing Association in Cambodia:** This Association offers extensive resources, including legal advice on labour and compliance issues, trade information, and market access through trade fairs and buyer networks.
- **Cambodian Handicraft Association:** For businesses in the home décor and artisanal sectors, this Association supports artisans in marketing their products both domestically and internationally. It provides training on improving product quality and adapting to international consumer preferences, as well as assisting members in finding buyers and participating in exhibitions.

Membership in these organizations also provides access to capacity-building workshops, industry-specific export training, and participation in trade fairs and exhibitions, helping entrepreneurs build relationships with international buyers.

STEP 5: Customs export declaration

Any Cambodian business intending to export must comply with the regulations set by the **Ministry of Economy and Finance** and the **General Department of Customs and Excise of Cambodia (GDCE)**. The export process requires businesses to submit certain documentation to ensure smooth Customs clearance and legal compliance for exported goods (see box at left).

According to **Prakas No. 107 MEF.BK**, all goods for export must be reported to Customs at a designated Customs office or at other locations authorized by the **Director of Customs**. This submission must be made within the specified hours of operation.

The Customs export declaration, accompanied by the **commercial invoice, packing list** and any required permits, must be lodged with the **Department of Export Management** at the GDCE. Submit the documents listed in the box above for Customs clearance.

Upon request and approval, Customs clearance can also take place at locations other than designated Customs offices (e.g. manufacturing sites or warehouses) for specific goods such as hazardous products, perishable goods or agricultural products. For certain lower-value goods or goods for personal use, the **Director of Customs** may authorize a simplified declaration process.

All exported goods are subject to **Customs inspection**. This may include the submission of samples to verify their origin, nature, classification or value. Once the Customs formalities are completed, goods are cleared for export and may be transported out of Cambodia.

CUSTOMS DOCUMENTS



- ✓ TIN certificate
- ✓ Business registration documents
- ✓ Commercial invoice
- ✓ Packing list
- ✓ Customs permits or relevant ministerial permits (if applicable)
- ✓ Bills of lading (for transport)

STEP 6: VAT registration

VAT registration is mandatory for businesses whose turnover exceeds **KHR 250 million** per year. VAT registration can be done through the **Single Portal**. For exporters, this is particularly important because exports are generally **zero-rated** for VAT purposes. This means that businesses do not have to charge VAT on exports but can claim refunds on VAT paid for raw materials.



QUICK TIP!

Businesses whose turnover is less than KHR 250 million can voluntarily complete VAT registration. Businesses can benefit by claiming export-related VAT credits on inputs, such as raw materials or logistics.



DID YOU KNOW?

In Cambodia, MoC, through its **General Directorate of Trade Promotion**, plays a pivotal role in supporting exporters. It provides services such as market research, international trade promotion, and participation in trade fairs and exhibitions. These services are designed to help Cambodian businesses – including those looking to export to Great Britain – find new markets and buyers.

To access these services, businesses must register with MoC by submitting documents such as:

- **Business Registration Certificate;**
- **Membership certificates** from relevant chambers of commerce or associations;
- **TIN and VAT certificates.**

Once registered, businesses can participate in various export promotion initiatives, including international trade fairs, offering exposure to potential buyers from around the world.

STEP 7: Sales contract

Building a relationship based on trust and communication is essential to attract and retain buyers. A detailed contract lays out the rights and duties of each party, conditions for such rights and duties to become effective, and what happens in case of a breach of contract. Ensure that all negotiations leading up to signing the sales contract and the sales contract itself are in writing.

Parties may sign a long or short sales contract, depending on several factors. However, producers must always ensure that the clauses shown in Table 1 are included in their sales contract. Doing so can help parties settle any disputes that may arise in the future in a clear and friendly manner.

Table 1: Summary of key terms in a sales contract

Pro forma invoice	<ul style="list-style-type: none"> • Sent by the seller to the buyer to confirm the terms of the order. Multiple invoices can be issued under the same sales contract • Includes information such as the product description, quantity, price and delivery terms • Also used to request payment from the buyer
Payment terms	<ul style="list-style-type: none"> • Agreed-upon conditions for payment of an invoice • Specifies the payment due date, currency and mode of payment, and any penalties agreed upon for outstanding payment
Lead time	<ul style="list-style-type: none"> • Amount of time it takes to produce and deliver goods from the time an order is placed, which varies depending on the product, the exporter and the shipping method • Agreement on lead time will allow trust between both parties and smoother trading relations
Minimum order quantities	<ul style="list-style-type: none"> • Minimum number of units that a buyer must order from the exporter • Helpful in improving efficiency in production
Design rights	<ul style="list-style-type: none"> • Outlines the role of producer and buyer in terms of the design rights in the product (for more on design rights, see Chapter 2). Example: <i>‘Producer agrees that it shall notify the buyer of any potential infringements in the design as it shall become aware...’</i>
Labelling and packaging	<ul style="list-style-type: none"> • Outlines the roles of producer and buyer in terms of labelling and packaging. Some examples: <i>‘Producer shall be responsible for ensuring compliance with labelling requirements of the regulatory agency...’</i> <i>‘Producer shall be responsible for ordering adequate supplies of labels and other packaging materials on behalf of Buyer...’</i> <i>‘Buyer shall not be responsible for any unused labels or packaging materials due to product changes...’</i>
Customized developments	<ul style="list-style-type: none"> • Specific product and production requests of the buyer that are agreed by the producer and included in the sales contract to show that both parties agree
Delivery terms or International Commercial Terms (Incoterms)	<ul style="list-style-type: none"> • A set of internationally recognized rules that define the responsibilities of exporters and buyers for the sale of goods in international transactions, point of delivery and costs, as detailed in Table 2 • Parties must ensure that the point of delivery or destination is specified to the greatest detail possible. Per the International Chamber of Commerce, a best practice to follow is to use the following phrasing ‘[selected Incoterm] [named point or place] Incoterms 2020’

Sales contracts must include Incoterms, which are internationally recognized rules defining the responsibilities of producers / exporters and buyers in an international sales transaction. The Incoterms 2020 set out 11 general rules, each of which define the responsibilities of the seller and buyer at different points in the shipping process.

Including Incoterms not only specifies the responsibilities of each party but also lays down the point where the risk is transferred from the seller to the buyer and the division of costs between the parties. Table 2 shows some of the preferred delivery terms and the possible scenarios between a producer / seller (S) and buyer (B). The rest are provided in Annex I.

Table 2: Example of Incoterms 2020

Multimodal transport		
Ex Works (EXW)	S delivers the goods to B at a named place, which need not be S's premises. B is responsible for loading, delivery and all associated risks and costs.	If the delivery takes place within S's territory, S is not obligated to ensure export clearances are obtained. It is the responsibility of B. S must only assist in obtaining relevant information and documents.
Delivered at Place (DAP)	S delivers the goods to B at a named destination. S is not obligated to purchase insurance cover against B's risk of loss or damage to the goods.	S must pay for and obtain export clearances but is not obligated to obtain import clearances or clearances for transit through third countries. S must assist B, at the cost of B, in obtaining documents and/or information to obtain transit and/or import clearances.
Sea and inland waterway transport		
Free on Board (FOB)	S delivers the goods to B on board the vessel nominated by B, at the port of shipment. B is responsible for the goods and all associated costs the moment the goods are on board the vessel.	S must pay for and obtain export clearances but is not obligated to obtain import clearances or clearances for transit through third countries.
Cost and Freight (CFR)	S delivers goods to B on board the vessel. S's obligation is taken to be completed, whether or not the goods actually arrive at their destination. S is not obligated to purchase insurance cover against B's risk of loss or damage to the goods.	S must pay for and obtain export clearances but is not obligated to obtain import clearances or clearances for transit through third countries. S must assist B, at the cost of B, in obtaining documents and/or information to obtain transit and/or import clearances.
Cost Insurance Freight (CIF)	S delivers goods to B on board the vessel. S's obligation is taken to be completed, whether or not the goods actually arrive at their destination. S is obligated to purchase insurance cover against B's risk of loss or damage to the goods.	S must pay for and obtain export clearances but is not obligated to obtain import clearances or clearances for transit through third countries. S must assist B, at the cost of B, in obtaining documents and/or information to obtain transit and/or import clearances.

Exporting to the United Kingdom

➤ STEP 8: Harmonized System codes and product classification

When describing the product in the proforma invoice and sales contract, sellers must include the correct product classification or Harmonized Commodity Description and Coding System (HS) code. For imports into Great Britain, each product has a 10-digit HS code, which is provided in the [United Kingdom Commodity Code \(UKCC\)](#). This builds on the internationally recognized [HS Code](#), which is explained in Annex I.

Exporters must identify the correct UKCC product code. For an overview of the HS Code and UKCC classification, refer to the detailed example provided in Table A2, Annex I.

However, as the complexity of the product increases, product classification may become a difficult exercise for exporters. Refer to Box 2 to understand how to describe a sampot and determine the potentially applicable product code.

Box 1: Importance of identifying the correct United Kingdom Commodity Code



Why should exporters identify the correct UKCC product code?

There are two reasons exporters must conduct this important exercise:

- To calculate applicable tariffs and duty rates for products to enter the British market;
- To understand the specific product compliance requirements that must be met before exporting the products.





Producers and exporters can also refer to [British guidance on classifying leather](#) products for imports into Great Britain (which is similar to the classification guide for textiles and apparel), and [Tariff notices](#) issued by His Majesty's Revenue and Customs. Tariff notices contain specific information on how to classify certain products. For example, [Tariff notice](#)

[21 of 2022](#) specifies the UKCC for a running vest with the correct explanation. An overview of the potentially applicable UKCCs for products covered by this Handbook is provided in Table A2, Annex I of this Handbook.



Box 2: Example of product classification

Product classification for a sampot

A **sampot** is a traditional Cambodian lower garment, typically hand-stitched and made from silk, and it is not knitted or crocheted. After referring to the guidance on classifying textiles and apparel for imports into Great Britain, exporters can describe the garment and determine the possible code in the following manner:

Garment	Description	Possible code
Sampot	Traditional Cambodian lower garment, often classified as a skirt	6104.5900.00

To prepare the product description, refer to the product description matrix with questions that will help producers describe their product, provided in Table A3, Annex I of this Handbook.

➤ STEP 9: Access to finance

Access to finance is a significant challenge for many women entrepreneurs in Cambodia, particularly when expanding into international markets. Exporting requires substantial upfront investment in raw materials, production, packaging and logistics, while payments from buyers are often delayed.

Cambodia has several financial schemes aimed at supporting women-led businesses. One such initiative is through the **Cambodia Women Entrepreneurs Association**, which partners with financial institutions to offer **loans at preferential interest rates** and with **reduced collateral requirements**. Additionally, the **Cambodia SME Bank** offers specific financial products to assist SMEs, particularly those involved in export activities.

Commercial banks offer pre-shipment and post-shipment financing services, which are essential for ensuring liquidity during the export process. These options can be explored by exporters to manage production and cash flow challenges.

- **Pre-shipment finance** provides working capital to cover production costs, including raw materials and labour, before goods are shipped. This type of financing helps businesses fulfil orders without cash flow disruptions.
- **Post-shipment finance** helps bridge the gap between the shipment of goods and receipt of payment from international buyers, reducing the strain of delayed payments. Maybank offers financing through documentary credit such as Letters of Credit and Bills for Collection, ensuring that the exporter receives payment upon shipment.

It is recommended that entrepreneurs speak with their commercial bank about the **Export Credit Guarantee Scheme**, which can provide security for banks lending to exporters.



QUICK TIP!

Letters of Credit

A **Letter of Credit** is a secure payment method where a bank guarantees the exporter will receive payment if all the conditions in the sales contract are met. Cambodian commercial banks, like Maybank, offer this service to reduce risks for both buyers and sellers. The bank acts as an intermediary, ensuring that payment is only made after the exporter submits the required shipping documents, such as invoices and bills of lading. Letters of Credit are widely used in Cambodia for international transactions, offering security to both parties involved.



QUICK TIP!

Bills for Collection

With **Bills for Collection**, the exporter ships the goods and requests the buyer's bank to collect payment on their behalf. There are two main types: **Documents against Payment**, where the buyer must pay before receiving the shipping documents, and **Documents against Acceptance**, where the buyer signs a promise to pay at a later date. This is a more cost-effective method but provides less security than Letters of Credit.

Figure 2: Overview of the United Kingdom Developing Countries Trading Scheme



OVERVIEW

The Developing Countries Trading Scheme (DCTS) offers a generous set of trading preferences for developing countries to strengthen exports to the UK and expand their economies. Through this scheme, a wide variety of products benefit from lower or 0 tariffs on their products. The DCTS also enables UK businesses to access thousands of products from around the globe at lower prices, reducing costs for UK consumers.

HOW TO EXPORT TO THE UK USING THE DCTS



<p>Overview of preference tiers</p>	<p>Identify tariffs by country and product</p>	<p>Understand the rules of origin</p>
<p>Identify standards and regulatory requirements</p>	<p>How to claim preferences under the DCTS</p>	<p>Additional information about DCTS & import requirements</p>

United Kingdom Developing Countries Trading Scheme

Under the United Kingdom Developing Countries Trading Scheme (DCTS), Cambodia is a 'Comprehensive Preference' country, which means that Cambodian exporters can benefit from zero or reduced tariff rates on 99.8% of product lines, i.e. everything except arms and ammunition. The [DCTS guide](#) lays down four steps for exporters to claim this benefit, which are explained below.

Applicable tariffs

As explained in Step 8 of this Chapter, producers / exporters can determine the applicable tariffs, duties, and standards and regulatory requirements after identifying the correct HS code. Producers and/or exporters can also conduct a quick search on the [UK Integrated Online Tariff Tool](#) to determine the applicable tariff rates. It is important to note that there are different types of tariffs that may be levied, depending on the product. For an overview of the different types of tariffs, refer to the relevant section of Annex I of this Handbook.

Rules of origin

Rules of Origin (ROO) specify the extent to which producers / exporters can buy raw materials from other countries and still claim that the product is Cambodian in origin, to benefit from the preferential tariff rates. Producers / exporters must retain documentary proof of the value, cost and production processes of any imported raw materials. Refer to the

relevant section of Annex I for more information on the criteria to determine the origin of goods.

Standards and regulatory requirements

Chapters 2 and 3 of this Handbook lay out a detailed overview of the applicable standards and regulatory requirements to export the products covered by this Handbook. The [DCTS guide on standards and regulatory import requirements](#) provides a useful overview of all requirements.

Claiming preferences under the DCTS

To claim preferences, Cambodian exporters must confirm that they are eligible to do so and provide documentary proof of the origin of the goods, in the form of an origin declaration or [Form A](#). Exporters must note that this documentary proof of origin is mandatory to claim the preferential tariff rates under the DCTS. Note that in practice, this step is completed before discussing and signing a sales contract.

Next, check if the selected products can be imported into Great Britain. Exporters may also be asked to provide supporting documentary proof, including documents relating to the purchase, cost and value, production processes of the component materials, and origin status of the goods and component materials. For further information, refer to the relevant section of Annex IV of this Handbook.



Box 3: Change in Least Developed Country status for Cambodia

Least developed country (LDC) graduation

Cambodia is currently classified as an LDC, which allows it to benefit from special trade preferences, including tariff-free and quota-free access to various markets. However, Cambodia is expected to **graduate from LDC status by 2029**. After graduation, Cambodia will transition to a higher tier of preferential treatment under frameworks such as the **DCTS**, moving to the **Enhanced Preference** tier.

The transition from LDC status comes with a **three-year grace period**, during which Cambodian exporters will continue to benefit from **Comprehensive Preference** until the final transition is completed. This allows businesses to adapt to the upcoming changes and prepare for the shift to the new trade terms. Exporters will still be able to enjoy current trade benefits under the **Comprehensive Preference** tier until the **LDC graduation date** in 2029.

Refer to **Annex I** for more detailed information on the impact of LDC graduation on Cambodia's exports and trade relations with partner countries like the European Union and Great Britain.



02 MEETING PRODUCT AND PRODUCTION REQUIREMENTS

Once the business is registered and eligible to export, the next and most important step is to satisfy all the production requirements and product specifications to export successfully to Great Britain. Two sets of product and production requirements are applicable to producers. The first is compulsory requirements provided under British laws, rules and regulations, which are further explained in this chapter. The second is voluntary certifications that are not required by law but are demanded by buyers and consumers, which are explained in Chapter 3 of this handbook.

There are six categories of compulsory, legal requirements that producers must satisfy before their products are ready for export.

The categories are:

- Product safety;
- Intellectual property rights (IPR);
- Use of endangered plants and animals;
- Product packaging;
- Product labelling;
- Product sustainability.

Producers should note that the requirements for each category vary depending on the product, design and raw materials used.

These requirements apply at different stages of the production process. Some requirements may apply to raw materials only, while others may apply to different production stages as well. Make sure your suppliers provide supporting documents showing compliance with the relevant legal requirements.

Product safety

General product safety

Great Britain only allows 'safe products' to be placed on its markets. What does this mean? When a customer purchases a product from a store, there should be no possible direct or indirect risks to their health and safety from its use. The General Product Safety Regulations, 2005, extend to all products that are likely to be purchased by customers. Examples of such products include t-shirts, wallets, handbags and home decor items.

Ensure all products contain information on the indirect risks to human health and safety from usage, and the safety measures against such indirect risks. This information is included in the product label. Refer to Box 4 for some of the recommended product safety compliance practices. To find out more about what happens if a product is found unsafe, refer to the relevant section of Annex II of this Handbook.



Box 4: Checking for product safety

What do authorities consider when checking if a product is safe?

- ✓ Properties and make-up of the product
- ✓ Packaging and instructions for care and maintenance
- ✓ Labelling, warning and instructions for use and disposal
- ✓ Effect of the product on other products if they are used together
- ✓ Consumers at risk from product use, such as children and elderly persons



Box 5: Recommended practices to ensure product safety

Fulfilling the product safety law

- **Maintain records:** Document all the technical information for the exported product – such as product design, raw materials used and related suppliers, product code and batch of production – and save a physical or electronic copy of it for five years.
- **Safety instructions:** Include an instruction card with the product on how to use it safely.
- **Use designated standards (where applicable):** **Using designated standards** also helps producers show a ‘presumption of conformity’ with the product safety law. Find out more about applicable designated standards [here](#).
- **Product safety alerts:** The [Office for Product Safety and Standards](#) publishes **product safety alerts, reports and recalls regularly**. Producers must browse through to identify the type of product safety issues highlighted and ensure to preventively address them in their product design.



Box 6: What is an SVHC?

A material is an SVHC when:

- It can cause cancer or is toxic for reproduction;
- It remains in the environment for a long period of time;
- It accumulates and stays inside the human body.

For example: To give a coating layer to textiles, producers use chemicals like UV-320, UV-327, UV-328 and UV-350 that have benzotriazole compounds. These are toxic, lasting and build up in the environment. Continued exposure to these chemicals can harm human health, and hence they are categorized as SVHCs.

Registration, Evaluation, Authorization and Restriction of Chemicals Regulation

Chemicals and other substances used to produce leather, textiles or apparel can contain toxic elements that can cause harm to human health and the environment. These are also known as Substances of Very High Concern (SVHCs). Refer to Box 6 to learn more about SVHCs.

The Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation lays down the rules on SVHCs and their use. It applies to chemicals used to manufacture or produce articles. For example, in [jewellery products](#), the concentration of lead must not be equal to or greater than 0.05% by weight and the concentration of cadmium must not exceed 0.01% (100 mg/kg) by weight of metal.

For more information on using SVHCs and SVHCs commonly found in products covered by this handbook, please refer to the section on REACH in Annex I.

REACH compliance

All products covered by this Handbook must be REACH compliant before they enter the British market. Purchase raw materials that are certified REACH compliant and ensure suppliers provide invoices and testing certificates. These certificates confirm that chemicals and hazardous substances used are within permissible limits. Collecting and storing invoices and testing certificates will prove useful if there is a REACH inspection.

Use of biocides

Biocides cut off or decrease the effect of a harmful animal or plant such as fungi and insects and are used to protect animals and humans. Insect repellent and wood preservatives are common examples. Textiles and leather products can contain biocidal products like dimethyl fumarate, leather fungicides and organo-tin compounds. Leather products can also use biocides to prevent any microbiological deterioration. All products that contain biocides are known as ‘treated articles’. These biocidal materials are not applied directly to humans or animals but are often found in goods used by humans. The details of types of all such biocidal substances can be found [here](#).

Products covered by this Handbook will be regarded as ‘treated articles’ and producers must thus speak to their suppliers to confirm the use of biocides in raw materials.

Persistent organic pollutants

Persistent organic pollutants (POPs) are chemical substances that do not break down easily. POPs stay in the environment for a long period of time; can be transported to various geographies; can remain accumulated in fish, birds and animals; and can harm human health. Examples include DDT, Endosulfan, Aldrin and Eldrin. POPs are found in pesticides and industrial chemicals, and their use is generally banned in Great Britain except if the POP is found as an unintentional trace contaminant in substances, preparations or manufactured articles such as textiles. The list of permissible limits of unintentional trace contaminants can be accessed [here](#).

Producers must ensure that raw materials used in production processes do not contain any POPs, and if they do, that they satisfy the permitted limits of unintentional trace contaminants. It is recommended that producers speak to their suppliers about this and perform random checks of raw materials received to check if they contain any POPs.



Box 7: REACH testing in Cambodia

[QIMA](#) and [SGS](#) are two of the third-party laboratories that offer REACH testing services in Cambodia.

Nightwear safety

Children’s nightwear designed to be worn by persons under 13 years of age must be produced from fibres that meet flammability performance requirements. Pyjamas, babies’ garments and cotton terry towelling bath robes are exempt from this requirement but must contain the appropriate label. Adult nightwear must also adhere to the appropriate labelling requirement. Refer to Section 3, Annex II for more information on flammability performance requirements



Products from endangered plants and animals

Some products are made with exotic or rare raw materials that come from plants and animals at risk of disappearing from planet Earth. The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) is an international agreement that regulates the trade in such raw materials.

Under CITES, plants and animals are categorized depending on their risk of disappearing from the planet. Species at risk of complete disappearance are put in Annex I. See Box 8 to understand what this means for a business. If a plant or animal is put in Annex II or III, it is not at very high risk of disappearance but its trade must still be controlled. For businesses, this means that they must apply for permission and obtain an export permit or licence before shipping their products.

Both Cambodia and the United Kingdom are signatories to CITES. This means that both countries and businesses within their countries must comply with CITES. In Cambodia, CITES is enforced by the Ministry of Agriculture, Forestry and Fisheries.



DID YOU KNOW?

Cambodia is home to several CITES-listed species, such as the Asian elephant and the Siamese crocodile, both listed in Annex I of CITES. These species are at high risk of extinction due to illegal trade and habitat destruction. Consequently, trade in these animals or their parts is strictly prohibited under international law.

What does this mean for an entrepreneur in Cambodia?

Products made from parts of these animals, such as elephant ivory or crocodile skin, cannot be legally used in items like jewellery, handbags or shoes. Entrepreneurs must ensure that they avoid using materials from endangered species listed under CITES regulations, which include these commonly recognized animals, to avoid legal issues and contribute to global conservation efforts.



Box 8: Example of CITES implementation in practice

Check if the species is protected under

CITES: If your product contains parts of animals or plants listed under CITES (such as in Annex I, II, or III), you will need a permit. These lists include endangered species or those that require trade controls to protect them.

Apply for a CITES Export Permit: In Cambodia, this permit is issued by the **Ministry of Agriculture, Forestry and Fisheries**. The permit ensures that your product can be legally exported without harming the species in the wild.

Annex I Species: If your product comes from a species listed in **Annex I** (the most endangered), you will need both an **export permit from Cambodia** and an **import permit from Great Britain**.

Annex II Species: For species in **Annex II**, you only need an export permit from Cambodia.

Annex III Species: For species listed in **Annex III**, an export permit is required if the species is protected in Cambodia.

Ministry of Environment: In some cases, if your product is made from species listed in Annex I, you might also need to consult the **Ministry of Environment**, especially if your product has an environmental impact.

Intellectual property rights

Some products are made with exotic or rare raw Every product covered by this Handbook comes from a unique idea. It takes creativity, months of research, unique designs and specific knowledge to convert this idea into something that can be sold on the market. The law, in the form of **IPR**, protects these creations. There are many types of IPR, and each serves a different function. These are **patents**, **copyright**, **designs**, **trademarks**, **geographical indications** and **trade secrets**.

Producers and exporters of textiles, home décor and leather handbags must be careful to ensure that they respect the IPR of producers in Great Britain. If they are not respected, the exported products may not be allowed to enter the market. This means that producers and exporters must understand the IPR rules in Great Britain.

At the same time, unique products can also be protected in Cambodia. To do that, Cambodian producers and exporters must apply for and receive the correct IPR registration. After this, the owner can enter licensing arrangements and exercise their right to prevent others from manufacturing, producing, selling and/or importing goods that infringe their IPR.

Trademarks

In Cambodia, trademarks are signs used to distinguish the products and services of one business from another. Visible signs – such as **letters, words, numerals, drawings and symbols** in combination can receive trademark registration. This protection can also extend to the **shape and packaging** of products. Handicraft home décor products and accessories, for example, often have unique brands (protected by **trademarks**).

To protect your **IPR** in Cambodia, specifically trademarks, you must **apply to the Department of Intellectual Property** under MoC. You will need to pay the necessary fees to the **Registrar of Trademarks**. Once the trademark is registered, you will receive a **Certificate of Registration**, granting you **exclusive rights over the trademark** for 10 years, which can be renewed for another 10 years before its expiry.

As the owner of a registered trademark, you have the exclusive right to use the trademark, meaning no one else can use it without your permission. Alternatively, you can license the trademark to other parties in exchange for a licence fee.



QUICK TIP!

International trademark protection

There are two routes you can take for international trademark protection.

- **National route:** You can apply separately in each country where you want to protect your trademark.
- **Madrid System:** Cambodia is a member of the **Madrid System** for international trademark protection. By using this system, you can submit a single application to protect your trademark in multiple countries, including up to **130 countries** worldwide.



QUICK TIP!

Speak to a lawyer

To protect your brand, speak to an intellectual property lawyer to accelerate the trademark registration process and assess the costs and benefits of registering a trademark in Cambodia and other countries.



QUICK TIP!

Be strategic

It is important to remember that each application costs money. Make sure you study the costs and benefits of applying for registration in different countries. Since Cambodia is an LDC, if you use the Madrid System to protect your trademark(s), you can get a 90% discount on the fees.



Designs

In Cambodia, **industrial designs** refer to the **composition of lines or colours, or three-dimensional forms**, whether or not associated with lines or colours, that give a **special appearance** to a product and can serve as a pattern for industrial or handicraft products. These elements are related to the **aesthetic and ornamental** aspects of a product's appearance, as described in **Article 63** of the [Law on Patents, Utility Model Certificates and Industrial Designs](#).

To protect a design in Cambodia, submit an application along with the necessary registration fees to the **Registrar of Patents, Designs and Trademarks**, which operates under the Ministry of Industry, Science, Technology and Innovation. You must demonstrate that your design meets certain criteria, usually involving originality, novelty and industrial applicability.

Once registered, you will receive a **Certificate of Registration**, granting you **exclusive ownership** of the design for a period of **five years**, which is renewable for two additional five-year periods (for a maximum of 15 years).

After the design is registered, the owner gains the right to prevent others from **manufacturing, producing, selling or importing products** that copy or substantially copy the protected design. It is important to note that this protection is **territorial**, meaning it only applies in Cambodia, and the design is not protected in other countries.



QUICK TIP!

International protection

- **National route:** Apply separately in each country where you want protection.
- **International route:** Cambodia is a member of the Hague System for the International Registration of Industrial Designs. Through this system, you can apply for protection in multiple countries with a single application. More information can be found on the [World Intellectual Property Organization Hague System](#) page.



Box 9: Three requirements to seek design protection

- 1** It must be new, meaning the same design does not already exist in the public domain.
- 2** It must be original, meaning that it is not a copy of an existing design.
- 3** It can be produced or used in your industry.



QUICK TIP!

Make your products stand out

- Once you find the right product market in Great Britain, conduct research on the product profiles of your competitors and see how your products can be differentiated from others.
- Never disclose information on your latest innovation or product design to an export agent, potential trade partner or a distributor without signing a **confidentiality agreement**. If you share information without a confidentiality agreement, you can risk losing the right to claim design protection over your unique product.

Under the international route, an applicant can submit a single application using the Hague System to seek protection in over 90 countries.



QUICK TIP!

Prepare yourself to discuss and sign a solid sale contract

- Always remember to include the details of your trademark and design registration in the sale contract. Discuss the terms on which the importer or distributor can use your protected trademark and/or design, and if you want to sign a separate licence for such use.
- If your importer or distributor wants you to use a specific brand name or design that is registered in Great Britain, ensure that they issue a licence or authorization to use it that covers at least the entire duration of the sales contract.

What happens if there is no authorization? See below for more information on IPR infringement.

What happens if you infringe IPRs?

IPR infringement is when an individual or enterprise uses an IPR that is already protected without prior permission. For example, you produce leather handbags and sell them under the brand name 'Hyde & Hare' in Cambodia. However, Hyde & Hare is also a well-known handbag company in Great Britain. This means that if you wish to export these items to Great Britain, you should get prior permission to use the brand name Hyde & Hare in the form of a licence or authorization. If you export the handbags without getting such permission, you are 'infringing' on the protected right of the British-based handbag company Hyde & Hare to use that brand exclusively in Great Britain.

IPR infringement is a serious offence, and serious action is taken by the Customs authorities at the port of entry to limit the entry of fake and reproduced goods. The Customs authorities have the right to stop, hold or even destroy products if they find or suspect that your products disregard any IPR (including trademarks and industrial designs) registered in Great Britain. This will be promptly communicated to the 'holder of goods', or the importer. If the IPR holder fails to inform the Customs authorities, in writing, of whether there has been a violation, and agreement to destroy the product, then the Customs authorities will release the product in the market after all other Customs formalities are complete.

Product sustainability

The **Environment Act, 2021** provides that 'forest-risk commodities' (FRCs) or products made using such FRCs cannot be used in commercial activities because they contribute to deforestation. Find out more about FRCs in Box 10.

Producers supplying to British buyers whose global turnover is over £50 million must comply with the FRC Scheme. Producers whose use of FRCs specified in Box 10 does not exceed the annual volume threshold of 500 tons may apply for an exemption.

If a product is an FRC or made using an FRC, and meets the above-mentioned criteria, what happens?

The importer must implement a due diligence system to identify and get information about the commodity, measure the risk from not satisfying all commodity-related local laws, and how to relieve that risk. Examples of commodity-related local laws are laws on land use and ownership.

For producers, this means that they must prove that the product meets local law requirements and that there is very low risk of deforestation from their products. The forthcoming FRC Scheme might also require producers to keep records for a long period of time.



Box 10: What is a forest-risk commodity?

An FRC is:

- A commodity produced from a plant, animal or living being; and
- A forest is cut down and changed to agricultural land to produce that commodity.

Great Britain will introduce an FRC Scheme under which the following products will be classified as FRCs:

- Non-dairy cattle products (beef and leather);
- Cocoa;
- Soy;
- Palm oil.



QUICK TIP!

How can producers prepare for a sustainable future?

- Speak to your suppliers about their sources of raw materials and how to make them more forest-friendly.
- Maintain records about key information like purchases made from each supplier; and information about each supplier such as their business name, name of the proprietor, postal address, trademark, email and web address.
- Regularly update yourself on all news relating to the FRC Scheme that is set to be introduced in 2024.
- Engage in product innovation such as using waste material or completely eco-friendly material. This can become a unique selling point for your product, allowing you to capture a niche market.

Product packaging

Packaging is using certain materials to wrap your goods, protect them and ensure they maintain the highest quality. Per the Packaging (Essential Requirements) Regulations, 2015, this includes sales packaging, grouped packaging and transport packaging. Box 11 contains an example of how producers can understand the different layers of packaging covered by the law.

Ensure that the product packaging, including packaging for components within a single unit, meets the essential requirements detailed in the section on product packaging, Annex II. Packaging should

not be excessive. Limit it to the minimum amount necessary to ensure that consumers accept the product and to maintain hygiene and safety.

Producers and exporters must maintain records of the technical information proving that the packaging used meets the essential requirements for a period of four years from the date such packaging is placed on the British market. Consequences of failing to comply with the essential requirements or maintain records are detailed in the section on product packaging in Annex II. Refer to this [guide](#) for useful tips on ensuring compliance.



Box 11: Example of product packaging

Understanding the different layers of packaging

A Cambodian producer has received an order to supply 500 **sampots** (traditional Cambodian garments). Once the sampots are wrapped and ready for packing, the producer will use **three layers of packaging**.

- **Primary packaging:** This packaging is used to contain and protect a single piece of sampot fabric. It may involve folding or rolling the fabric in a way that protects it from creasing or damage, ensuring the product is ready for sale to the end consumer.
- **Secondary packaging:** This packaging bundles together multiple pieces of sampot fabric, such as 10 or 20 per bundle. These bundles can be used to replenish stock or facilitate bulk sales. The secondary packaging provides an additional layer of protection to the fabric pieces during handling and transport.
- **Tertiary packaging:** This outer layer protects the entire shipment of 500 sampot pieces during transportation. It may consist of large protective boxes or sacks used to shield the fabric from external damage during shipping but it does not include shipping containers used for sea, air or road transport.

Product labelling

Product labels inform consumers about product composition, price, quantity, size, use and origin. Detailed and accurate labels help consumers make a quick purchase decision and help increase brand value. Labelling conditions are product-specific. Textile and apparel and footwear products have their own labelling requirements. Refer to Section 5 (textiles) and Section 6, Annex II (footwear) for a detailed overview of the labelling requirements for textile and apparel and footwear products.



QUICK TIP!

Keep up with British packaging trends

Proper packaging can help boost sales in the import market. Proper packaging considers usability, functionality, alignment with brand values, quality, aesthetic appeal and current packaging trends in the import market. For instance, British consumers prefer **sustainable**, eco-friendly, **innovative**, **flexible** and personalized packaging. Producers must familiarize themselves with British packaging market trends and forecasts. One such report can be accessed [here](#).



03

SUSTAINABILITY STANDARDS

In addition to the legal requirements discussed in Chapter 2, buyers and consumers may require producer-exporters to meet certain additional requirements. These could include showing that the products are environmentally friendly and follow good labour practices throughout their supply chain. This can be reflected in the final product by securing voluntary sustainability standard (VSS) certifications and/or by meeting specific requirements laid down in the buyer's company codes.

Voluntary sustainability standards

In Cambodia, **VSSs** allow producers to voluntarily meet specific environmental and social criteria and get certified with a recognized label or seal. This certification can help Cambodian producers maintain a competitive edge and appeal to a broader consumer base by demonstrating adherence to responsible production practices.

To achieve certification, producers must ensure that every stage of their **supply chain** complies with relevant requirements. These may include:

- **International Labour Organization principles** and labour standards ensuring fair work practices;
- **Environmental laws and regulations** as established by Cambodia's **Ministry of Environment**, covering areas such as waste management, resource conservation and pollution control.

Examples of **internationally recognized VSS certifications** include standards such as **Fair Trade**, **Global Organic Textile Standard (GOTS)** and **Rainforest Alliance**. Each of these requires producers to adhere to specific social and environmental guidelines, ensuring ethical practices throughout the supply chain.



DID YOU KNOW?

Sustainability standards address different indicators of sustainability, such as environmental performance, ethical performance, and managerial and operational performance. Find out more about the different indicators on the [ITC Standards Map](#).



Box 12: Supplier sustainability resources violations

Use the [ITC Sustainability Gateway](#) to check which suppliers in your country hold sustainability certifications for the relevant raw materials (such as cotton, silk and leather).

To learn more about sustainability standards and certifications, check various courses available on the [ITC SME Trade Academy](#).



Company codes

Some buyers may introduce their own company code in the form of guidelines or codes of conduct to highlight the invisible features of the product and production process. In practice, buyers usually highlight the need for producer-exporters to comply with their company codes of conduct or guidelines, if any, at the time of negotiating the sales contract.



QUICK TIP!

Explore options

- If you are not yet ready to apply for a sustainability certification, connect with Cambodian suppliers that are already certified sustainable and purchase raw materials from such suppliers. For example, purchase cotton from Better Cotton, Fairtrade or Organic certified cotton producers.
- Some certifying bodies permit group certification, which is a cost-effective option that can be considered.
- If you are a trader or retailer, remember that product certification is only under your brand name.



QUICK TIP!

Understand buyers' expectations

Remember to discuss the buyer's expectations in terms of obtaining VSS certifications and complying with company codes of conduct at the time of negotiating the sales contract. Include a provision in the sales contract that clearly lays down what was discussed and agreed upon.



04

CUSTOMS AND RELATED PROCEDURES

To export goods from Cambodia, exporters must follow Customs procedures and ensure they have the correct documentation. Following is a breakdown of the [export process](#).

Required documentation for export

- ✓ Invoice
- ✓ Packing list
- ✓ Bill of lading / Airway bill / Trucking bill of lading
- ✓ Permit issued by Customs (except for Qualified Investment Projects)
- ✓ Permit, certificate or licence from other governmental authorities (when applicable)



QUICK TIP!



Qualified Investment Project

A **Qualified Investment Project** is a business project in Cambodia that receives special incentives and exemptions under the **Law on Investment**. Such projects often enjoy benefits such as Customs duty exemptions, tax holidays and simplified procedures.

Customs procedures for exportation

The process varies depending on the mode of transportation (sea, land or air) and the type of goods (containerized or non-containerized).

Containerized goods are packed into standardized shipping containers for bulk transport (e.g. rice bags packed in 20-foot or 40-foot containers). **Non-containerized goods** are oversized or irregularly shaped items that cannot fit into standard containers and require special handling (e.g. industrial machinery that is too bulky for containers)

Non-containerized goods

- The exporter or their representative must request permission from the relevant Customs office.
- After approval, the exporter must file an **export declaration** following the Prakas on Customs

Declaration Procedures, with the required documents attached.

Containerized goods (non-prohibited)

- Customs formalities must be completed at the **Department of Export Management** within the GDCE.

Prohibited or restricted goods

- Exporters need to obtain an export permit from the relevant ministry or authority under the **Subdecree on Prohibited and Restricted Goods**.
- After acquiring the permit, the goods must go through Customs formalities and may be scanned if required.

Customs clearance

Once the above-mentioned documents are checked by the Customs authorities and the goods are physically inspected, the goods are placed in containers and then loaded on the selected means of transport. Once the Customs officer signs 'shipped on board' on the second copy of the shipping bill and the goods leave the port, the export is said to be complete. Note that a Customs officer signing 'shipped on board' is also known as the 'LET EXPORT' endorsement.



Customs bonded warehouses

For logistical purposes, goods can reach the British border either directly or through different shipping routes, such as through the European Union. Once goods reach the British border, they are usually stored in Customs bonded warehouses. Importers can control the flow of consigned goods, rearrange them and delay payment of applicable Customs duties and other taxes.

If goods are being shipped to Great Britain via the European Union, they will be stored in Customs bonded warehouses so economic operators need not pay any import duties on the goods. Note that goods liable to excise duties (unless such duties have been paid) and goods subject to restrictions or sanitary requirements cannot be stored unless the supporting documents are presented.



QUICK TIP!

Learn more about Customs bonded warehouses

- Customs bonded warehouses are used only to store the goods, with minor handling requirements such as reconstruction of goods after transport, treatment against parasites, and removal of damaged or contaminated components. They cannot be used to process or transform the goods.
- There are no time limits for goods to be stored in Customs bonded warehouses unless they pose a threat to human health or the environment. This could impact when your goods enter the British market and when you receive payment. Speak to your buyer about this.
- There are many instances of goods being fraudulently shipped via the European Union to avoid anti-dumping, countervailing or safeguard measures. One way to ensure the genuineness of the chosen shipment route is to avoid any processing or transformation when the goods are stored in such Customs bonded warehouses.



05

TRANSPORT AND LOGISTICS

Selecting the right transportation and logistics is an integral part of the export process. Incoterms provided in the sales contract will specify which party will be responsible for identifying the right transportation and arranging for carriage, freight insurance, pre-shipment inspections and delivery to the final destination. Proper and transparent transport documentation is crucial in case of consignment-related disputes.

Bill of lading

A bill of lading is in essence a contract issued by the carrier (typically by the master of the ship) to the shipper / consignor / exporter, containing details about the goods, consignee or entity that will receive the shipment, and destination. It serves three important functions:

- It is a document of title to the goods described therein;
- It is a receipt for the goods shipped;
- It contains the terms of shipment.



Airway bill

Like a bill of lading, an airway bill is a contract issued by the carrier (air carrier) and the shipper / consignor, containing details about the consignor, consignee (entity that will receive the shipment) and the destination. It also contains a reference number that can be used to track the shipment. Unlike a bill of lading, it is not a receipt for the goods shipped and is only a contract for transportation of the goods.

The key document differentiating air or sea transport is the bill of lading for sea transport and the airway bill for air transport. To support either of these, producers must also ensure that the Bill of Entry, Export Form, commercial invoice, packing list, and Certificate of Origin or Form A (as detailed in Annex IV) are attached. Ensure that requisite insurance coverage is obtained, and that proof of such insurance is attached. Producers risk losing Customs clearance if all the required documentation is not submitted.

Insurance

As explained in Chapter 1, Incoterms determine the party responsible for managing risks arising from transport of the goods and related costs, such as insurance. Cargo insurance provides financial protection against potential losses caused to the goods in transit. For instance, in a CIF contract, the seller is responsible for obtaining cargo insurance at their own expense. Details of the freight insurance must be included in the commercial invoice.



QUICK TIP!

Use freight forwarders

Small exporters with small volumes of exports can benefit from the services of freight forwarders and local transportation companies.



QUICK TIP!

Know your Incoterms

Ensure that you read carefully and understand all the Incoterms and the effect of each Incoterm. This will decide the amount of responsibility, risk and costs you will have to bear in the entire export transaction.



01

ANNEX I: PREPARING TO BE A CAMBODIAN EXPORTER

Table A1: Summary of Incoterms 2020

Incoterm	Role of the buyer	Role of the seller
ExWorks (EXW)	Responsible for everything from the exporter's premises to the destination	They only need to make the goods available at their premises
Free Carrier (FCA)	Responsible for everything from the exporter's premises to the point of carriage	Needs to deliver the goods to the carrier nominated by the buyer
Free Alongside Ship	Responsible for everything from the port of loading to the destination	Needs to deliver the goods alongside the ship at the port of loading
Free On Board (FOB)	Responsible for everything from the port of loading to the destination	Needs to load the goods on board the ship at the port of loading
Cost and Freight (CFR)	Responsible for everything from the port of shipment to the destination	Needs to arrange for the carriage of the goods to the port of destination and pay the freight
Cost Insurance Freight (CIF)	Responsible for everything from the port of shipment to the destination	Needs to arrange for the carriage of the goods to the port of destination, pay the freight and arrange for insurance
Cost Paid To (CPT)	Responsible for everything from the point of carriage to the destination	Needs to arrange for the carriage of the goods to the named destination and pay the freight
Carrier and Insurance Paid To (CIP)	Responsible for everything from the point of carriage to the destination	Needs to arrange for the carriage of the goods to the named destination, pay the freight and arrange for insurance
Delivered at Place (DAP)	Responsible for everything from the exporter's premises to the destination, except for unloading	Needs to deliver the goods to the buyer's premises or another nominated place
Delivered at Place Unloaded (DPU)	Responsible for everything from the seller's premises to the destination, including unloading	Needs to deliver the goods to the buyer's premises or another nominated place and unload them
Delivered Duty Paid (DDP)	Only needs to accept the goods	Responsible for everything from the exporter's premises to the destination, including unloading and Customs clearance

Product classification: HS codes

Overview of HS codes and UKCCs

The HS Code is contained in the International Convention on the Harmonized Commodity Description and Coding System. Based on the product description laid down in the relevant Chapter, Heading and SubHeading of the HS Code, each product has a **product code or HS code**, which has six digits. Countries can, however, take a step beyond the HS code, and introduce further product classification lines.

In Great Britain, the goods classification table classifies products at the 10-digit level.

The various levels of product classification can be visualized using the example of product classification for **leather handbags** as per the HS code and the UKCC shown in Table A2.

Table A2: Example of HS code and UKCC classification

HS code			
HS chapter	2 digits	42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)
HS heading	4 digits	42 02	Handbags, shopping-bags, wallets, purses, tool bags, sports bags, bottle-cases, jewellery boxes, powder-boxes, cutlery cases and similar containers, of leather or of composition leather, of sheeting of plastics, of textile materials, of vulcanized fibre or of paperboard, or wholly or mainly covered with such materials or with paper
HS subheading	6 digits	4202.21	Handbags, whether with shoulder strap, including those without handle: with outer surface of leather or of composition leather
UKCC			
UKCC subheading	10 digits	4202.2100.10	Handbags, whether with shoulder strap, including those without handle, with outer surface of leather or of composition leather: Handmade
UKCC subheading	10 digits	4202.2100.90	Handbags, whether with shoulder strap, including those without handle, with outer surface of leather or of composition leather: Other

Product description matrix

To describe your product and easily identify the correct UKCC, you can make use of the matrix presented in Table A3.

Table A3: Product description matrix for HS code classification

Criteria	Description
Single or multi-piece product	For a multi-piece product or set, the commodity code must be determined for each piece of the product. List out all the individual pieces in the set. • <i>E.g. a Cambodian wedding attire set may include multiple pieces such as a sampot hol (silk skirt), a sabai (silk shawl), and an angkorian blouse.</i>
Category	Does the product(s) fall in one or more category(s)? List all the categories in which the product may be categorized. • <i>E.g. garment, ornament, food item, footwear, etc.</i>
Raw materials used	Is the product manufactured with one or more raw materials? List all the raw materials that are used in making the final product. • <i>E.g. cotton, wood, jute, silk, rubber, etc.</i>
Source of raw materials	Do you purchase all raw materials from Cambodian suppliers or do you import certain raw materials? List all the materials sourced locally and those imported.
Production method	How is the product manufactured? • <i>E.g. handmade, produced on a handloom, industrial manufacturing, etc.</i>
Product use	What is the intended use of the product? Is it meant for retail sale, or does it have other purposes? Hint: the purpose of exports usually determines the intended use of the product. • <i>E.g. cotton yarn can be sold for retail purposes to be used in knitting or crocheting activities, or can be sold to an importer who will in turn use it for their production purposes.</i>
Packaging material	Will the product be packaged in wooden crates, jute sacks, cardboard boxes or any other manner? • <i>E.g. a Cambodian silk scarf might first be wrapped in protective tissue paper, then placed in a decorative cardboard box for presentation. For export, multiple boxes are bundled together in jute sacks or wooden crates to provide additional protection during transportation.</i>

Indicative list of product codes for products covered in this handbook

Table A4 provides an indicative list of the UKCCs that may be applicable to the products covered in this handbook.

Table A4: Indicative list of UKCCs for products covered by this handbook

UKCC description	
Women's accessories	
4202.2100.10	Handmade handbags whether or not with shoulder strap, including those without handle, with outer surface of leather or of composition leather
4202.3290.10	Handmade articles of a kind normally carried in the pocket or in the handbag with outer surface of textile materials
4202.9291.10	Handmade travelling bags, toilet bags, rucksacks and sports bags with outer surface of textile materials
7117.1900.10	Imitation jewellery other than cufflinks and studs, of base metal, whether or not plated with precious metal, without parts of glass, handmade
Textiles and apparel	
6104.6300.00	Trousers, bib and brace overalls, breeches and shorts (other than swimwear) , of synthetic fibres, knitted or crocheted
6204.4910.00	Dresses (other than swimwear) , of silk or silk waste, not knitted or crocheted
6213.9000.90	Handkerchiefs , of other textile materials, other than silk or silk waste
6216.0000.00	Gloves, mittens and mitts (not knitted or crocheted)
Home decor	
4602.9000.00	Basketwork, wickerwork and other articles, made directly to shape from plaiting materials or made up from goods of heading 4601; articles of loofah, other
5701.9010.10	Carpets and other textile floor coverings, knotted, whether or not made up, handmade, of silk, or waste silk other than noil, of synthetic fibres, of yarn of heading 5605 or of textile materials containing metal threads
6301.3010.00	Blankets (other than electric blankets) and travelling rugs of cotton, knitted or crocheted
6302.2100.21	Bed linen, knitted or crocheted, of cotton, manufactured on handlooms, hand-printed by the 'batik' method
Footwear	
6403.2000.00	Footwear with outer soles of leather, and uppers which consist of leather straps across the instep and around the big toe
6403.9118.10	Sports footwear; tennis shoes, basketball shoes, gym shoes, training shoes and the like; of 24 cm or more; for women
6403.9118.10	Slippers and other indoor footwear
6405.9010.00	With outer soles of rubber, plastics, leather or composition leather; other

It is important to note that each chapter within the UKCC contains chapter notes, which must be read by

the exporter before determining the correct product classification.

Figure A1: Example of chapter notes for UKCCs

There are important chapter notes for this part of the tariff:

1. Subject to note 1(A) to Section VI and except as provided below, all articles consisting wholly or partly:
 - a. of natural or cultured pearls or of precious or semi-precious stones (natural, synthetic or reconstructed),
or
 - b. of precious metal or of metal clad with precious metal, are to be classified in this chapter.
2. (A) Headings [7113](#), [7114](#) and [7115](#) do not cover articles in which precious metal or metal clad with precious metal is present as minor constituents only, such as minor fittings or minor ornamentation (for example, monograms, ferrules and rims), and paragraph (b) of the foregoing note does not apply to such articles.

(B) Heading [7116](#) does not cover articles containing precious metal or metal clad with precious metal (other than as minor constituents).
3. This chapter does not cover:
 - a. amalgams of precious metal, or colloidal precious metal (heading [2843](#));
 - b. sterile surgical suture materials, dental fillings or other goods of Chapter [30](#);
 - c. goods of Chapter [32](#) (for example, lustres);
 - d. supported catalysts (heading [3815](#));
 - e. articles of heading [4202](#) or [4203](#) referred to in note 3(B) to Chapter [42](#);
 - f. articles of heading [4303](#) or [4304](#);
 - g. goods of Section XI (textiles and textile articles);
 - h. footwear, headgear or other articles of Chapter [64](#) or [65](#);
 - ij. umbrellas, walking sticks or other articles of Chapter [66](#);

Developing Countries Trading Scheme

In June 2023, Great Britain replaced the erstwhile Generalized Scheme of Preferences with the DCTS. The DCTS aims to enable easier market access for 65 countries including Cambodia. Through this scheme, exporters gain the following benefits:

- Zero or reduced tariffs on exports to Great Britain;
- Liberalized ROO.

Countries are classified into one of **three preference categories**, as shown in Figure A2, which determines the number of products at zero or reduced tariff rates for exporters from such countries. Per the DCTS scheme, Cambodia is a Comprehensive Preference country. Exporters can thus enjoy zero tariffs on nearly all commodity code lines except arms and ammunition. All products outside the DCTS commodity code lines will be charged a tariff as per the United Kingdom general tariff.

Figure A2: DCTS country classification

Product tariff	Comprehensive Preferences	Enhanced Preferences	Standard Preferences
Tariff free products (0%)	99.8%	92%	65%
Products with 0% to 5% tariffs	0.2%	0.4%	10%
Products with 5% to 10% tariffs	0%	0.4%	12%
Products with more than 10% tariffs (including Specific Tariffs*)	0%	7.2%	13%

*Specific tariffs are tariffs calculated as a fixed charge on a unit of the product. The product unit could be weight, volume, number of items or other criteria.

Tariff rates under the DCTS

Exporters may be required to pay different types of tariffs, depending on the product. For example, exporters of fresh fruits and vegetables may also need to pay seasonal tariffs in addition to ad-valorem or specific tariffs. How can an exporter identify all such applicable tariffs under the DCTS?

The [DCTS Guidance Document on Identifying Tariffs](#) provides a useful overview of the different, yet applicable, types of tariffs. For more information, refer to the infographic shared below in Figure A3.

Figure A3: Different tariffs chargeable under the DCTS

Ad-valorem tariffs

Most tariffs under the DCTS are ad-valorem tariffs. An ad-valorem tariff is a percentage of the value of the product. The value refers to the total customs value of the product.

For example, the tariff for white chocolate for Comprehensive and Enhanced Preference Tiers is 0%, while Standard Preferences is 4.5% of the value of the product.

Specific tariffs

Specific tariffs are tariffs calculated as a fixed charge on a unit of the product. The product unit could be weight, volume, number of items or other criteria.

For example, the tariff for carcasses and half carcasses of domestic swine is £44 per 100kg.

Compound tariffs

Compound tariffs are a combination of ad-valorem tariffs and specific tariffs.

Example of compound tariffs:

Commodity Code	Product Description	Tariff
04032051	Yoghurt, whether concentrated, flavoured or with added fruit, nuts or cocoa, sweetened, in solid forms, of a milkfat content by weight of less than or equals to 1.5%	4.5% plus £79 per 100 kg

In this example, the ad-valorem tariff is the 4.5% charged on the value of the product while the specific tariff is £79 per 100 kg.

Rules of origin

ROO are used by countries to determine the economic nationality of goods. Under the DCTS, producers can show that their goods originate from Cambodia using either the Wholly Obtained Rule or the Sufficiently Working or Processing Rule. Products produced entirely in Cambodia, without including any imported raw materials, can be classified as 'Originating in Cambodia' under the Wholly Obtained Rule.

If raw materials, such as fabrics and yarns, are imported directly or indirectly into Cambodia for manufacture, the final manufactured product can still be classified as 'Originating in Cambodia' if it meets the product-specific rules. Refer to the [DCTS Guidance document on Understanding ROO to learn more about ROO](#).

To understand applicable product-specific rules, producers / exporters can refer to the list of [Product-Specific Rules](#) for LDCs.

Least Developed Country status graduation

Under the DCTS, countries that graduate from LDC status will no longer be eligible for benefits under the 'Comprehensive Preference' tier classification. Refer to Box A1 to learn more about the implications for manufacturers and/or exporters.



Box A1: Implications of LDC graduation

Once countries graduate from LDC status and after the expiry of the three-year transition period, exporters lose two key market access benefits.

- **Preferential tariff rates:** i.e. exporters may no longer benefit from 0% tariff rates on certain product lines. However, exporters to Great Britain must note that under the DCTS, 92% of the product lines under the 'Enhanced Preferences' tier are charged 0% tariff rates. **This means exporters will continue to benefit from 0% preferential tariff rates on many product lines even after graduation.**
- **Less stringent ROO:** i.e. final producers of certain products may no longer benefit from the less stringent ROO applicable only to LDCs. See below for an example of the difference in transformation rules before and after LDC graduation.

Pre-LDC graduation: Sokha manufactures and exports sweaters to Birmingham, which are knitwear apparel. To claim the preferential tariff rate under the DCTS, Sokha only needs to show that the sweater was 'manufactured from fabric'. This means that she only needs to show that the fabric was cut, trimmed and sewn in Cambodia to make the sweater. There is only one transformation process here: manufacturing the apparel. Hence, this is also known as the 'single transformation' rule.

After LDC graduation: If Sokha wants to claim preferential tariff rates for the sweaters she exports to Birmingham, she needs to show that the sweater was 'knit and made up (including cutting)'. To do so, she needs to show that the fabric was knit, and then cut, trimmed and sewn to manufacture the sweater in Cambodia. There are two transformation processes here: (i) knitting the fabric and (ii) manufacturing the apparel. This is also known as the 'double transformation' rule.

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ANNEX II: PRODUCT AND PRODUCTION REQUIREMENTS

General product safety

As a producer / exporter, one of the biggest concerns is to ensure that products cross the British border without any delays or difficulties. Consignments can face delays in reaching the market if they are dangerous or pose a risk to consumers. The authorities can enforce product safety laws using a variety of measures, as detailed in Table A5. The chosen measure will reflect the risk presented by the product.

Table A5: Measures taken by British authorities for product safety violations

Measure	Actions
Suspension notice	If the authorities suspect that the product has not satisfied provisions of the product safety laws, then a ‘suspension notice’ can be issued. This will cover the period required for the authorities to organize safety evaluations, checks and controls. During this period, the product cannot be placed on the market or supplied to any individual without the consent of the authorities.
Requirement to mark / warn	The authorities will require the producer, importer or distributor to mark the product with a warning about the risks that the product could present in certain conditions, in the manner specified by the authorities.
Withdrawal notice	If the authorities have grounds to believe that a product is dangerous, then they may issue a withdrawal notice, which prohibits placing the product on the market or supplying it to any individual without the consent of the authority. The authorities may also require the producer, importer or distributor to alert customers about the risks presented by the product.
Recall notice	If the product is already available in the market, the authorities can issue a recall notice if the product is dangerous. In the recall notice, the authorities may require producers, importers or distributors to meet the requirements laid down in the applicable code of practice. Important: A recall notice can only be issued by the authorities if other corrective actions, including actions taken by the producer or distributor, are insufficient to prevent the risk to consumers.

REACH Regulation

Under the REACH Regulation, once a material is identified as an SVHC, it is automatically included in the **REACH Candidate List**. This list will specify the date on which it was included and the reason for its inclusion. From the Candidate List, the REACH authority will periodically include materials in the **Authorization List**. When materials are included in the Authorization List, the authority will also specify the 'sunset date' or the last date until which the authorities will permit use of such SVHCs. For example, the sunset date or last date for UV-320, UV-327, UV-328 and UV-350, which are SVHCs referred to in Box 6 in Chapter 2 of this Handbook, was 27 November 2023. This means that today, after the sunset date, products containing any of these SVHCs are not compliant with the REACH Regulation.

Nickel, dioctyltin compounds, tributyltin compounds, **Chromium VI** and phthalates are some of the commonly used chemicals and hazardous substances found in products covered by this handbook.



Nightwear safety

Children's nightwear

Per the Nightwear (Safety) Regulations, 1985 and BS 5722, children's nightwear – excluding pyjamas, babies' garments and cotton terry towelling bath robes – must meet performance flammability requirements. Children's nightwear must meet the following measurements:

- 1 Nightdresses:** Chest measurement does not exceed 91 cm and length measurement does not exceed 122 cm.
- 2 Dressing gowns, bath robes and other similar garments:** Chest measurement does not exceed 97 cm and sleeve measurement does not exceed 69 cm.

BS 5722 lays down the washing and testing method to prove that children's nightwear meets the flammability performance requirements.

Adult nightwear, pyjamas, babies' garments and cotton terry towelling bath robes

All products under this heading that are made with fabrics that meet the flammability performance requirements per BS 5722 must carry the label 'KEEP AWAY FROM FIRE'. All other products under this heading must carry a label 'LOW FLAMMABILITY TO BS 5722' or a label stating, 'KEEP AWAY FROM FIRE, LOW FLAMMABILITY TO BS 5722'. Such wording shall appear on any label attached inside the neck of the garment or on any label immediately adjacent to any label containing information about the garment or on a label indicating the size of the garment, in which case the wording shall appear right below the size. The wording must be in medium letters of 10 point in upper case, and in legible and durable form, on a background of sufficiently different colour so it can be readily seen.

Nightwear made of fabric treated with flame retardent chemicals

Products under this heading must include the following wording on a label: 'DO NOT WASH AT MORE THAN 50°C. CHECK SUITABILITY OF WASHING AGENT'. This wording shall appear on any label attached inside the neck of the garment or on any label immediately adjacent to any label containing information about the garment or on a label indicating the size of the garment or any label bearing the wording required under Section 5(b) of

Annex 3 to the Nightwear (Safety) Regulations 1985, in which case the wording shall appear right after the wording required under Section 5(b). The wording must be in medium letters of six point in upper case, and in legible and durable form of background in sufficiently different colour so it can be readily seen.

Refer to this guide for more information about product safety requirements for nightwear products.

Product packaging

Essential requirements

Producers and exporters must ensure that the packaging materials used satisfy these essential manufacturing and composition requirements:

- 1 Concentration of regulated heavy metals –i.e. cadmium, mercury, lead and hexavalent chromium –must not exceed 100 parts per million, subject to the following exceptions:
 - a. This does not apply to packaging consisting entirely of lead crystal glass.
 - b. This does not apply to plastic pellets and crates provided it fulfils the requirements specified in Schedule 2 and is in a controlled distribution and reuse system.
 - c. This does not apply to glass packaging provided it fulfils the requirements specified in Schedule 3.
- 2 Minimized presence of noxious and other hazardous materials in the ash, emissions or leachates of the packaging when it is incinerated or landfilled.

- 3 Designed, produced and commercialized in a manner that permits reuse or recovery, and minimizes its impact on the environment when such packaging waste or residue from packaging waste management operations is disposed of.

If you are using reusable packaging, ensure that it meets all the following requirements:

- 1 Characteristics and physical properties of the packaging must allow for a number of trips or rotations in normally predictable conditions of use
- 2 It must be possible to process the used packaging to meet safety and health requirements
- 3 When the packaging cannot be reused and becomes waste, it must meet the requirements specific to recoverable packaging.

Consequences of non-compliance

Using packaging that does not meet the essential requirements and/or failing to maintain records is a punishable offence. Those found to be non-compliant will be required to pay a fine.

Textile labelling requirements

For the purposes of the Textile Products (Labelling and Fibre Composition) Regulations, 2012, textile products include semi-manufactured and manufactured products made of textile fibres, carpets, mattresses, camping goods, furniture, shade coverings and textiles forming an integral part of other products. However, not all textile products must carry a label. Refer to Box A2 for an indicative list of products that do not require a label. Some of the requirements that labels for textile products must adhere to are listed below.

- 1 Label must be in English.
- 2 Label must be accessible, durable, legible and visible.
- 3 Products with two or more fibres should include the breakdown of fibre usage by percentage in the following manner 'Cotton 70%, Silk 20%, Jute 10%'.
- 4 If a product has two or more components, such as linings in sampot suits, the content of each such component must be labelled.
- 5 A label can contain the word 'pure' only if the garment is made of one fibre only.
- 6 'Silk' cannot be used to describe any other fibre, including fibres mixed with silk, such as silk-cotton or silk acetate.
- 7 Multipacks of textile products can contain inclusive pack-wise labelling as opposed to individual unit-wise labelling.

Refer to this [guide](#) to understand the full list of textile labelling requirements.



Box A2: Textile products that do not require a label

- Artificial flowers, buttons and buckles, labels and badges, make-up cases
- Oven gloves and cloth, painted canvas, pincushions, protective requisites of sports (except gloves), saddlery
- Sleeve protectors, sleeve-supporting arm bands, table mats having several components and surface area not more than 500 cm²
- Tapestries including materials for their production, tea and coffee cosies, textile parts of footwear, textile products for base and underlying fabrics and stiffening
- Tobacco pouches, toilet cases, toys, travel goods and watch straps



QUICK TIP!

Check requirements for Country of Origin labels

Per the Textile Products Regulation, 2012, there is no obligation to include the country of origin in the label. For example, there is no need to include the words 'Made in Cambodia' in the textile label. However, if it is decided that the country of origin will be included on the label, it is important to ensure that it is not misleading to consumers.

Find out more about misleading labels through the story of the British fast-fashion chain [Boohoo](#).

Footwear labelling requirements

For the purposes of the **Footwear (Indication of Composition) Labelling Regulations, 1995** footwear includes all articles ‘with applied soles designed to protect or cover the foot, including one or more of the main components when marketed separately’. Examples include boots, sandals, flat or high-heeled shoes, special sports footwear, dancing slippers and orthopaedic footwear.

Refer to Box A3 for products not covered by the footwear labelling requirements. The producer or her authorized agent established in Great Britain is responsible for ensuring that footwear complies with the applicable labelling requirements, and the accuracy of the information contained in the label.

Some of the labelling requirements for footwear products are:

- 1 The labelling shall provide information on the material which constitutes at least 80% of the surface area of the upper, at least 80% of the surface area of the lining and sock, and at least 80% of the volume of the outer sole.
- 2 If there is no one material that accounts for at least 80% of the volume or surface area, the label shall provide information about the two main materials used in the composition of the footwear.
- 3 In determining the composition of the upper, accessories or reinforcements such as ankle patches, edging, ornamentation buckles, tabs, eyelet stays or similar attachments shall not be considered.
- 4 The label shall be affixed to at least one article of footwear in each pair and can be fixed either by way of printing, sticking, embossing or using an attached label.

It shall be visible, securely attached and accessible.

Box A3: Footwear not covered under the labelling regulations



- Secondhand, worn footwear
- Protective footwear such as orthopaedic sandals
- Footwear covered under the European Union REACH Regulation, such as footwear containing asbestos and boots with steel toecaps
- Toy footwear intended for use in play by children less than 14 years of age, such as being a part of a fancy dress outfit or plastic roller skates





The label with the information requirements can be provided either in the form of a pictogram or a written indication, as shown in Figure A4.

Figure A4: Example of footwear labelling pictograms and language

1. Pictograms or written indications concerning the parts of the footwear to be identified.		
	Pictograms	Written indications
(a) Upper.		Upper.
(b) Lining and sock.		Lining and sock.
(c) Outer sole.		Outer sole.
2. Pictograms or written indications concerning materials used in the composition of footwear.		
	Pictograms	Written indications
(a) Leather.		Leather.
(b) Coated leather.		Coated leather.
(c) Natural textile materials and synthetic or non-woven textile materials.		Textile.
All other materials.		Other materials.

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ANNEX III: SUSTAINABILITY STANDARDS

As mentioned in Chapter 3, sustainability standards and certifications enable businesses to retain a competitive edge and even capture a niche market. To do so, producers must be familiar with two key requirements: (a) the general process to get certified; and (b) some of the different certifications that may be applicable.

Given that most products covered by this handbook are made of (i) cotton, (ii) silk, (iii) cashmere wool, (iv) polyester, (v) plastic, (vi) wood or (vii) leather, this Annex includes examples of some of the internationally recognized sustainability certifications that may be required.

Steps to obtain certifications

Many certifications have similar processes and can be broken down into the following steps.

STEP 1: Identify the right standard

Different VSS certifications cover different stages of production and raw materials, and may be used only in certain countries. Sometimes, the importer may specify that producers must obtain certain certifications. In other situations, familiarize yourself with the different types of VSS certifications before negotiating the sales contract with the buyer. Use the **'Identify standards'** and **'Compare'** tools of the ITC Standards Map to do so.

STEP 2: Conduct a gap analysis

Producers must conduct a gap analysis to identify any gaps between existing business practices and the requirements laid down in the identified VSS. If gaps are identified in the analysis, producers must determine an appropriate course of action, including the next steps, costs and time to implement such next steps. Once they are implemented, proceed to step 3. If there are no gaps identified from the gap analysis, producers can proceed directly to step 3.

➤ **STEP 3: Apply for certification**

Before applying, it is important to ensure that a producer breaks down the cost of certification. Costs include membership fees, audit fees (which can vary depending on the number of visits required), and the cost of ensuring there is no gap between the production standard and standards laid down in the VSS certification.

Once the producer has determined and budgeted the applicable cost, producers can apply to the VSS body for certification. Following application, the producer-applicant will invite an auditor / inspector to conduct an on-site assessment. Different VSS certifications have different authorized or approved auditors in each country of operation.

For example, some of the approved GOTS auditors in Cambodia are Bureau Veritas Consumer Products Services Inc., CCPB SRL, CU Inspections and Certifications India Pvt. Ltd, and GCL International Ltd. Producers wishing to obtain the GOTS certification must contact one such approved auditor.



➤ **STEP 4: Inspection and corrective action requests**

Producers must then prepare for an audit, during which an inspector will conduct an on-site assessment of the unit and then issue an audit or inspection report. The inspector may also issue corrective action requests, which detail the actions that the producer must take to correct the gaps between the existing business practices and the standard required under the VSS certification. Once the corrective action requests are implemented, a new audit will be conducted to ensure that the gaps have been addressed correctly.

If the audit report contains unclear paragraphs, ensure to ask the auditor for clarification. If an unclear decision is issued, seek clarifications and appeal the decision, if needed.

➤ **STEP 5: Certification, monitoring and renewal**

Certification is issued once the audit is completed and there are no pending corrective action requests. On-site or desk-based verification audits may also be performed, depending on requirements laid down under the VSS certification, to ensure that the certified producer continues to comply with the applicable requirements.

Each certification has a different validity period and will need to be renewed accordingly. Producers must check the website of the certification obtained to determine the next date of renewal and plan accordingly.

Examples of relevant certification

GOTS

This certification applies to leather goods and textiles.

It is highly recommended to obtain the [GOTS certification](#). This certification is globally recognized and serves as a standard for fibres made from organic materials. The GOTS certification covers every stage of the supply chain, from material sourcing to production and export. It certifies processors, manufacturers and traders of leather goods and textiles, with a primary focus on ethical business behaviour and environmental protection.

If you are a producer looking for textile and leather suppliers with GOTS certification, you can search for them in the [GOTS database](#). This database includes Cambodian suppliers who have obtained the GOTS certification, which could be a step towards getting the GOTS certification seal for your products.



OEKO-TEX

This certification applies to leather goods and textiles.

If you are in the business of manufacturing leather goods and textiles, there are six [OEKO-TEX certifications](#) that may be relevant to you. They are issued by the International Association for Research and Testing in the Field of Textile and Leather Ecology. They include Made in Green, Standard 100, Leather Standard, SteP, Responsible Business, and Eco Passport. The differences between these certifications can be that they either have criteria that is product-based or have greater focus on the product, while some are process-based or have greater focus on the process of producing the product.

One certification is focused on chemical use in textiles, another is focused on sustainability in the whole manufacturing process, and one is focused on the overall safety of all parts of the product. It is recommended that producers choose the certification according to the compliance standards that are attainable by the business.



Box A4: Other relevant certifications that apply to leather and textile goods

- **Bluesign® Certification:** This certification applies to leather goods and textiles. The [Bluesign® system](#) ensures sustainable textile production by focusing on chemical safety, resource efficiency and worker protection. It requires comprehensive chemical risk assessments, mandates the use of eco-friendly alternatives, and promotes pollution prevention throughout the manufacturing process. Bluesign® also emphasizes resource efficiency, such as water and energy conservation, and regularly audits worker safety protocols. This certification ensures that harmful chemicals are replaced with safer alternatives in all production phases, providing environmentally safe products.
- **Global Recycled Standard:** This certification applies to leather goods and textiles. The [Global Recycled Standard](#) verifies that a product contains a minimum of 50% recycled materials. It also ensures that environmental and social practices are followed during the entire supply chain. It promotes the reduction of harmful environmental impacts, guarantees chemical safety in processing recycled materials, and encourages socially responsible production.

These certifications, along with GOTS and OEKO-TEX, provide a comprehensive framework for producers in the textile and leather industry to ensure sustainability, ethical labour practices and product safety.

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ANNEX IV: CUSTOMS PROCEDURES AND RELATED DOCUMENTS

As mentioned in Chapter 4, to ensure products pass through Customs, exporters must be familiar with Customs procedures and supporting documents. To export to Great Britain, Cambodian exporters must familiarize themselves with the following Customs documentation.



QUICK TIP!

What is in a commercial invoice?

A commercial invoice must include the following information.

- Full name, address and contact details of the seller, buyer and final recipient (if this is different from the buyer)
- Commercial invoice number and date of issuance
- Purchase order or proforma invoice number and date of issuance (especially if there are multiple orders under the same contract)
- HS code, product description, Incoterms, country of origin of the goods
- Transport route and actual value of goods

To learn more, refer [here](#) and [here](#).

Commercial invoice

The commercial invoice contains all information pertaining to the transaction, reasons for export, mode of payment, HS code, and weight and number of goods. It also includes the selected mode of transportation and transport route, Incoterms and value of the consignment. While different parties use different formats of commercial invoices, speak to your chambers of commerce to identify the most commonly used commercial invoice format.

Once the purchase price is fixed, the currency exchange rate becomes very important. The exchange rate can appreciate or depreciate, which means that there may be a difference in the final sum of money received from the buyer. To protect yourself from losses due to exchange rate fluctuations, refer to the tips provided below.



QUICK TIP!

Consider exchange rate fluctuations

To protect yourself from exchange rate fluctuations, keep in mind the following tips.

- Use the exchange rate applicable on the day of payment or receive payments in the foreign currency in a foreign exchange account
- Account for pricing fluctuations and cover potential losses by including an added charge
- Speak to your bank manager or a professional with previous experience

Packing list

Prepared by the exporter, a packing list contains detailed information about the consignment, such as:

- Product description;
- Number of units and total weight;
- Packaging instructions;
- Type of packaging used, such as whether it is pelleted or packed in cartons, its dimensions and markings on the packaging;
- Reference to the seller and buyer.

Like all other documents, it must contain reference to the buyer, seller and transporter. Freight forwarders or shippers use the packing list to prepare the bill of lading.



QUICK TIP!

Avoid confusion

A packing list is not the same as a commercial invoice. Both documents are essential to successfully export your products.

Proof of origin

As explained in Chapter 1, Cambodian exporters must prove that their goods originate in Cambodia to claim the preferential tariff rates under the DCTS. Per the [DCTS Guide on Claiming Preferences](#), Cambodian exporters must prepare and submit the origin declaration or Form A when undertaking exports. The proof of origin applies to a single shipment of originating goods. It can also apply to multiple shipments of identical goods that are:

- Imported under the same sales contract;
- Have the same commodity code;
- Are exclusively sold by the same exporter to the same importer and are subject to entry formalities at the same Customs office in Great Britain;
- Are imported within the framework of frequent and continuous trade flows of a significant commercial value not exceeding 12 months.



Certificate of Origin

Cambodian exporters who are exporting goods to Great Britain must follow the procedures for applying for and issuing all forms of **Certificates of Origin** via the **automated system** established by MoC.

To use the system, exporters must register on the **MoC Certificate of Origin Automation System** platform available [here](#). Exporters must provide necessary details such as the company name and business registration, as well as a list of exported items and other documents, including scanned copies of invoices, packing lists and authorization letters.

Once registered, exporters can apply for Certificates of Origin electronically. The Certificate of Origin certifies that the goods being exported meet the necessary ROO to qualify for preferential treatment under the DCTS.

Exporters must submit the original Certificate of Origin and supporting documents, such as the bill of lading and joint inspection reports, to the **Export-Import Department of MoC** for **verification** within 30 days after the certificate has been issued.

Form A

As an alternative, Cambodian exporters may complete and submit Form A to demonstrate proof of origin. This form must include a **serial number** or a reference to the **commercial invoice**. Notably, Form A does not require a signature or stamp from MoC or the GDCE. Exporters should refer to guidance provided by the importing country's government, such as the British Government, on how to properly complete Form A for their specific market.

Economic Operators Registration and Identification number

An Economic Operators Registration and Identification (EORI) number is required to import goods into Great Britain and to make a Customs declaration when goods are at the British border. Importers based in Great Britain usually apply for and obtain an EORI number. In case of direct exports and sales, traders can hire Customs agents or brokers that are established in Great Britain to obtain the EORI number and engage with the Customs authorities.



QUICK TIP!

Exporters may find the Exporter's Operation Guide on Certificate of Origin Automation [here](#).



QUICK TIP!

Exporters may find more information on the requirements for applying for a Certificate of Origin [here](#) and for verifying one [here](#).

#SheTrades

HER SUCCESS, OUR FUTURE.

The International Trade Centre's SheTrades Initiative is a global movement to unlock women's full economic potential through trade.

By working with governments, business support organizations, the private sector, and women producers and entrepreneurs, we create the right capacities and conditions for sustainable impact at scale.