The Cambodia Industrial Guide

2026-27	Knight Frank's Cambodia Industrial Guide	knightfrank.com/research

Welcome to

Cambodia's Industrial Guide

Cambodia, home to a rich culture, natural resources, and investment potential supported by its strategic location within the Greater Mekong Subregion, continues to strengthen and demonstrate the resilience of its position as a regional manufacturing and logistics hub on the industrial landscape.

This guide aims to provide a practical overview of Cambodia's industrial market by providing key information on industrial market trends, industrial parks, and special economic zones (SEZs), logistics infrastructure, land ownership and tenures, investment incentives, as well as planning and development regulations.

We also provide the contact information for professional advisory (third-party) services that can ease the establishment or expansion of industrial operations. These include legal advisors, tax consultants, and recruitment agencies that support development in Cambodia.

Whether you are entering the Cambodian market for the first time or expanding your existing investment operation, we believe that this guide will support your informed decision-making.

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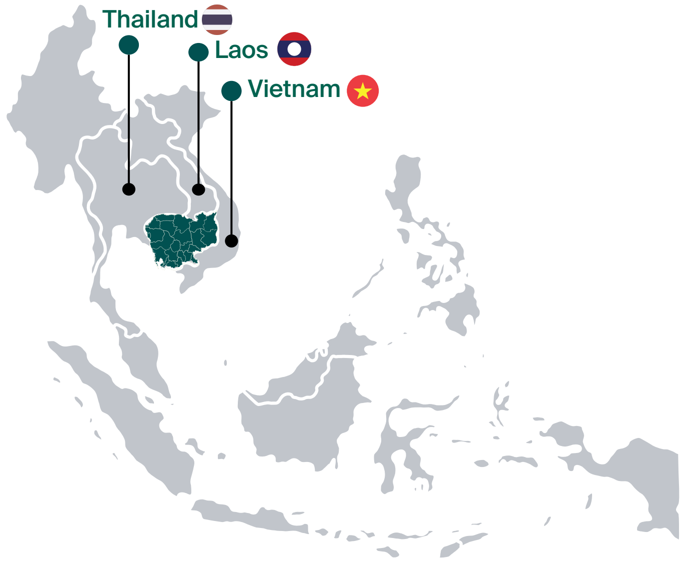
Your partners in property

Cambodia: An Overview

Cambodia is located in the southern part of the Indochina Peninsula in Southeast Asia, sharing borders with Thailand, Vietnam, and Laos. The Kingdom is divided into 25 provinces, including Phnom Penh, the capital city once known as the "Pearl of Southeast Asia."

Phnom Penh serves as the country's main commercial, financial, administrative, and industrial centre, while secondary cities such as Siem Reap and Sihanoukville play an important role, driven by tourism as well as industrial and logistics activities.



Population 17,816,143 (Projection Survey 2026)

Labour Force 9.40m (Survey 2025)

Legal System Cambodia's legal system is based on a civil law framework that is strongly influenced by French civil law and incorporates traditional Khmer customary laws.

Land Measurements

Land measurement in Cambodia commonly uses a combination of traditional and metric units, depending on the context.

Official / Metric Units
- Square meter (m²): Standard unit of measurement used in Cambodia
- Hectare (ha): The standard unit of measurement used for land areas above 10,000 sq m, land registration, and official documentation
- Square kilometer (km²): Used for large areas, including national and provincial land measurements and forest coverage

1 hectare (ha)	10,000 m²
1 km²	1,000,000 m²

Life in Cambodia

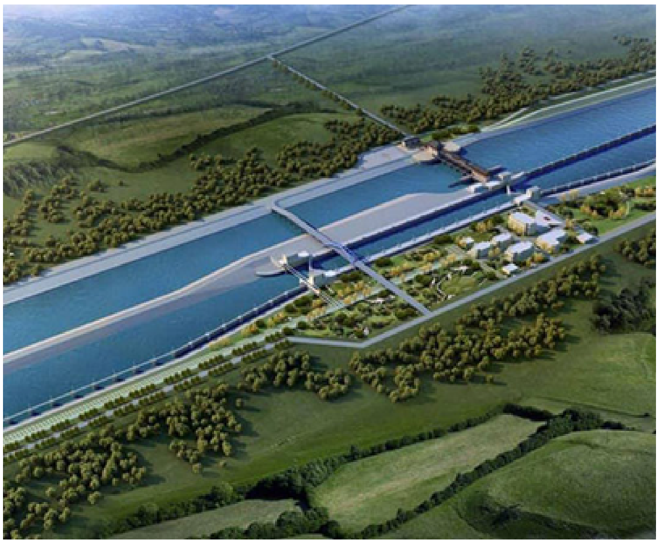
Living in Cambodia is shaped by a blend of growing urban centres and traditional rural villages. Much of the rural population works in farming, fishing, and small local businesses or trade, with rice cultivation remaining essential to rural life. In contrast, urban areas such as Phnom Penh are transforming into modern, developed economic hubs, with greatly improved connectivity and infrastructure, increasing amenities and young, tech-savvy populations. The urban population is primarily employed in retail, hospitality, banking, healthcare, and office administration. Cambodian society places strong value on family, community, and hierarchical respect, with Buddhism influencing daily routines, social norms, and cultural practices.

Country Infrastructure

Major Roads / Highways

The map (right) illustrates the main highways that connect Cambodia both internally and with its regional neighbours; Thailand, Laos and Vietnam.

•National Highway 1 (167 km) – Connects Phnom Penh with Ho Chi Minh (Vietnam) via Svay Rieng
•National Highway 2 (121 km) – Connects Phnom Penh with Tinh Bien (Vietnam) via Takeo
•National Highway 3 (202 km) – Connects Phnom Penh with Veal Renh / Sihanoukville via Kampot
•National Highway 4 (226 km) – Connects Phnom Penh with Sihanoukville
•National Highway 5 (208 km) – Connects Phnom Penh with Poipet on the border with Thailand
•National Highway 6 (416 km) – Connects Phnom Penh with Sisophon, Banteay Meanchey Province
•National Highway 7 (509 km) – Connects Phnom Penh with Muang Khong (Laos)
•Phnom Penh-Sihanoukville Expressway (190.633km)Connects Phnom Penh with Sihanoukville



Waterways

- *Akrey Ksat Ferry Port:* The AkreyKsat Ferry Port is located approximately 5 km from Akrey Ksat City. Currently, it serves as the only waterway facilitating access for residents of AkreyKsat City and the surrounding area to Phnom Penh.
- Phnom Penh Autonomous Port: The Phnom Penh Autonomous Port (PPAP) is about 4 km from AkreyKsat Ferry Port. This international port welcomes both domestic and international tourists via cruises along the Tonle Sap River and the Mekong River.
- Funan Techo Canal: The Funan Techo Canal is a waterway that will connect Cambodia and Kandal Province to the Gulf of Thailand. This 180 km-long canal is currently under construction and is expected to be completed by 2028.
- Sihanoukville Autonomous Port: The Sihanoukville Autonomous Port is the main deep-sea port for Cambodia's international trade. It plays a crucial role in facilitating the import and export of goods, supporting the nation's economic growth

Railways

- The Cambodian Railway was constructed between 1930 and 1940, with a total length of approximately 650 kilometres. It consists of two primary lines
  - The Northern Line
  - The Southern Line

Aviation

- Cambodia has three international airports, which are located in Kandal Province, Siem Reap, and Sihanoukville:
  - Techo International Airport (KTI)
  - Sihanoukville International Airport
  - Siem Reap International Airport (SAI)
- The airports welcome tourists and business travellers. These airports play a very important role in connecting Cambodia to the world and are important for the nation’s economic growth. Techo International Airport (KTI); KTI is a brand new airport that replaced the old one, Phnom Penh International Airport. This airport has been in operation since September 2025, and it is located in Takhmau City of Kandal Province.
- The airport is able to increase the number of airlines operating within the Kingdom, which will have a positive impact on the volume of passengers. It also enhances air connectivity in logistics operation.

Cost of doing business

Cambodia offers investment opportunities in a diverse range of sectors, while the market is very open to foreign investment, with 100 per cent foreign-owned investment permitted in almost every sector. Cambodia offers numerous advantages to investors, including a strategic geographical location, a favourable investment climate, abundant natural resources (land, water, minerals, and potentially oil and gas), competitive operational and labour costs, strategic trade agreements, growing infrastructure development, a supportive legal framework and social and political stability. Below, some of the costs of doing business are presented in greater detail:

Real estate cost

Office space cost

Type of office	Average Rental Cost per month (USD/m^2)
Grade A	\$20 - \$30
Grade B	\$15 - \$22
Grade C	\$13 - \$15

Factory/Warehouse cost

Location	Size (m^2)	Rental Cost per month (USD/m^2)
National Road No. 2 (Near Techo International Airport)	Land size: 3.2 ha Warehouse size: 18,800 sqm (4warehouses)	\$2.0/sqm
National Road No. 5 (Kampong Chhnang Province)	Land size: 35 ha (12 blocks) Warehouse/factory size: 12,160 sqm	\$1.5/sqm (warehouse) \$3/sqm (office)

Source: Knight Frank Cambodia Team

Location	Size (m²)	Rental Cost per month
Dangkor	Land size: Approx.10,000 sqm Warehouse size: 843,900 sqm Bedrooms: 10	$20,000/month
Meanchey	Land size: Approx. 1,800 sqm Building: 700 sqm Warehouse size: 1,050 sqm	$8,000/month
Meanchey	Land size: Approx. 2,200 sqm Warehouse: Approx. 2,000 sqm	$4,500/month
National Road No. 3 (Kandal Stung)	Land size: 3,833 sqm Warehouse size: 2,600 sqm Office Space: 70 sqm Bedrooms: 70 sqm (4)	$9,000/month

Source: Knight Frank Cambodia Team

Labour cost

The Labour Law prohibits compulsory labour and sets 15 as the minimum age for certain kind of work. Cambodia does not have a general minimum wage yet. Minimum wages are only imposed for the Garment, Footwear, Travel Goods, and Bag sectors. The Ministry of Labour and Vocational Training (MLVT) issued Prakas 214/25 on the Determination of Minimum Wage for Workers in the Garment, Textile, and Footwear sectors to set a new minimum wage for 2026, which will be effective from 1 January 2026

Position	Wage (USD/month)	Note
For regular workers	USD 210	Effective 1 Jan 2026, Prakas 214/25; statutory minimum applies only to garment, textile, footwear & travel goods
For probationary workers	USD 208	Transportation or accommodation allowance of USD 7 per month, an attendance bonus of USD 10 per month, a meal allowance of USD 0.5 per day (or one free meal per day) for workers who work overtime and a seniority bonus from USD 2 to USD 11 per month for workers in their second to the eleventh years of service

There are **two types of employment contracts:** fixed duration contracts of up to two years, and extendable and undetermined duration contracts.

- **Severance payments:** Employees on fixed duration contracts are granted severance pay of at least 5 per cent of the total wage paid over the length of the contract.
- **Seniority payments:** Since 2019, seniority payments must be made to employees with undetermined duration contracts equivalent to a total of 15 days of wages and yearly fringe benefits. These are paid twice a year in replacement of the previous severance payment scheme.
- **Paid leave** is usually 1.5 days per month. Special leave is up to seven days for family matters. Other entitlements include paid holidays, a weekly day off (24 hours normally on Sunday), sick leave and maternity leave.

Utility cost

Electricity cost

The cost of electricity is different depending on the provinces dependent on the cost of electricity generated or purchased and the cost of distribution. The electricity tariff in Phnom Penh/Kandal, Kampong Speu, Preah Sihanoukville , customers are categorised into five group: “Residence”, “Customers paid by government budget”, “Embassy”, “Foreign residence”, and “Industrial and commercial sectors”. Below will detailed on the electricity tariffs in only selected regions.

Province	Category	Electricity Tariff
Phnom Penh, Kandal, Kampong Speu		
Residence of Phnom Penh and Takmao (Kandal)	Monthly used <= 50kWh	610 Riel/kWh
	Monthly used > 50kWh	720 Riel/kWh
Residence of Chamon (Kampong Speu)	For all customers	720 Riel/kWh

Customer paid by government budget, Embassy, Foreign Residence	For all customers	820 Riel/kWh
Residence of administration, Commercial, and industrial sectors	Small customers	*MA + 0.036 USD/kWh
	Medium customers	MA + 0.028 USD/kWh
	Large customers	MA + 0.024 USD/kWh
	**MV customers	MA + 0.020 USD/kWh

Note: *MA: IPP's monthly average price in the month before last
**MV: Medium Voltage customers

Province	Category	Electricity Tariff
Prreah Sihanouk		
Local Residence	For all customers	720 Riel/kWh
Customer paid by government budget	For all customers	820 Riel/kWh
Embassy, Foreign Residence, Commercial and industrial sectors	Small customers	MA + 0.046 USD/kWh
	Medium customers	MA + 0.038 USD/kWh
	Large customers	MA + 0.034 USD/kWh
	MV customers (275-500 KVA)	MA + 0.025 USD/kWh
	MV customers (501-1000 KVA)	MA + 0.022 USD/kWh
	MV customers (1001-3000 KVA)	MA + 0.018 USD/kWh
	MV customers (> 3000 KVA)	MA + 0.015 USD/kWh
Svay Rieng (Bavet)	For all customers	650 Riel/kWh
	MV customer	0.1150 USD/kWh

Water cost

Category		Water Tariff/m3	Authority
Phnom Penh City			
Residential	From $0m^3$ To $07m^3$	550 Riel/m^3	Phnom Penh Water Supply Authority (PPWSA)
	From $08m^3$ To $15m^3$	770 Riel/m^3	
	From $16m^3$ To $50m^3$	1,010 Riel/m^3	
	Over $51m^3$	1,270 Riel/m^3	

Category		Water Tariff/m3	Authority
Institution & Community		1,030 Riel/m³	
Business-Industrial	From 0m³ To 100m³	950 Riel/m³	
	From 101m³ To 200m³	1,150 Riel/m³	
	From 201m³ To 500m³	1,350 Riel/m³	
	Over 501m³	1,450 Riel/m³	
Svay Rieng Town (Svang Rieng)		1,200 Riel/m³	Svay Rieng Water Supply

Logistics cost

Cambodia has been improving its domestic and international connectivity through an expressway network, national highways, ports, and international airports. Logistics costs depend on the location of the businesses; they include both the import of raw materials and the export of finished goods. The actual logistics and transportation costs vary according to the type of goods, container size, scope of fees and charges included, logistics companies, and other conditions.

For Export

Checkpoints	Cost for 40-foot container
Bavet Border	USD 416
Prey Vor Border	USD 234
Poipet Border	USD 546

For Import

Checkpoints	Cost for 40-foot container
Bavet Border	USD 381
Prey Vor Border	USD 244
Poipet Border	USD 402

For Domestic Transport

Checkpoints	Cost for 40-foot container
Phnom Penh - Sihanokville	Road - USD 287 Rail - USD 165
Phnom Penh - Poipet	Road - USD 700
Phnom Penh - Vietnam Border (Bavet)	Road - USD 410

Source: Cambodia Investment Review Survey 2025

For extra further information on port tariff please see the link below:
Phnom Penh Autonomous Port: https://ppap.com.kh/en/tariff/
Sihanoukville Autonomous Port: https://pas.gov.kh/en

Telecommunication cost

Multiple service providers offer business packages and a wide range of mobile and broadband services tailored to different operational requirements. Below are the main telecommunication coverage companies in Cambodia

Telephone tariff (Mobile Phone)

Cellcard (Mobitel)	Web: https://www.cellcard.com.kh/en	Email: customercare@cellcard.com.kh
	Phone: (+855) 12 812 812 / 1204 (free of charge)	
SIM no. (First three digits)	012/ 017/ 077/ 078/ 089/ 092/ 095/ 011/ 061/ 076/ 085/ 099/ 014/ 079	
Smart	Web: https://www.smart.com.kh/	Email: customercare@smart.com.kh
	Phone: (+855) 10 200 888 or 1204	
SIM no. (First three digits)	010/ 015/ 016/ 069/ 070/ 081/ 086/ 087/ 093/ 096	

Metfone	Web: https://metfone.com.kh/en	Email: info_customercare@metfone.com.kh / pr.vtc@metfone.com.kh
	Phone: (+855) 97 9 097 097 or 1204	
SIM no. (First three digits)	031/ 060/ 066/ 067/ 068/ 071/ 088/ 090/ 097	

Broadband internet charge

SINET	Web: https://www.sinet.com.kh/	Email: sales@sinet.com.kh
	Phone: (+855) 81 801 999 (Telegram or Call)	

Mekong Net	Web: https://www.mekongnet.com.kh/	Email: sales@corp.mekongnet.com.kh
	Phone: (+855) 15 234 501 / (+855) 23 226 622	

Ezecom	Web: https://www.ezecom.com.kh/	Email: websales@ezecom.com.kh(sales) business@ezecom.com.kh (corporate)
	Phone: (+855) 85 888 181	

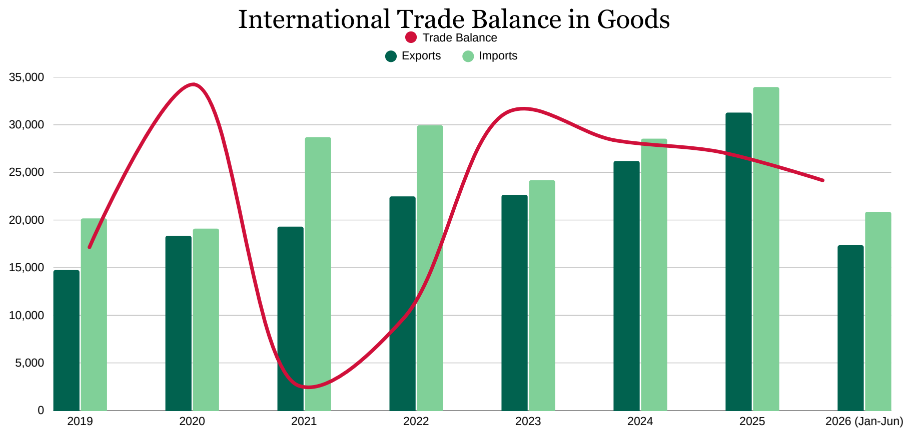
Smart	Web: https://www.smart.com.kh/	Email: sales.corporate@smart.com.kh
	Phone: (+855) 10 200 888	

Economic Overview

Cambodia's economy is one of the fastest developing in Southeast Asia, demonstrating strong long-term growth despite temporary disruptions from the global economy. Prior to the COVID-19 pandemic, the country recorded robust GDP growth of 7–8% in 2018 and 2019, driven by garment exports, construction, tourism, and foreign investment. During the pandemic, growth slowed sharply in 2020 but rebounded to 3.1% in 2021.

Following the downturn, Cambodia entered a gradual recovery phase, with GDP rebounding to 5.1% in 2022 and 5.3% in 2023, and projected to reach 6% in 2024 amid the reopening of borders, tourism recovery, export growth, and increased domestic activity. Growth is expected to moderate but remain positive, with a forecast of 4% in 2026. Continued foreign direct investment, regional trade integration, and economic diversification efforts are likely to strengthen Cambodia's medium-term growth outlook.

Goods & Services Balance



Cambodia's total international trade in goods (exports and imports combined) for the first 6 months of 2026 was USD 38,220 million. This signifies a reported increase of 23% compared to the same period of 2025.

USD 17,357 million

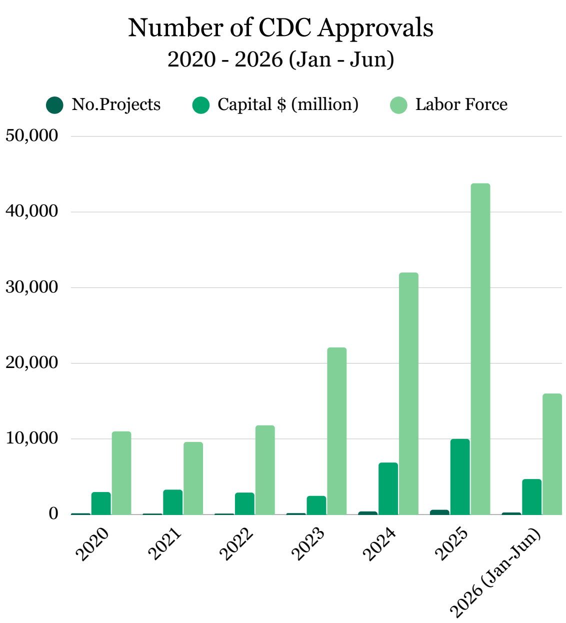
Export for the first 6 months of 2026

USD 20,863 million

Import for the first 6 months of 2026

Foreign Direct Investment (FDI)

Driven by competitive labour costs, regional integration, and ongoing economic reforms, Cambodia has experienced a rapid influx of foreign direct investment (FDI). In 2025, the country recorded a total of 630 approved investment projects, representing a 52% increase compared to the same period in 2024. Total approved investment reached USD 10 billion, despite broader economic challenges and border tensions, marking a 45% year-on-year increase and an additional USD 3 billion compared to 2024. In the first half of 2026, 246 investments were approved, for a total of USD 4.7 billion. Investment was led primarily by the industrial sector (USD 2.56 billion), followed by infrastructure (USD 1.72 billion), tourism (USD 300 million), and agriculture & agri-industry (USD 113 million). This growth has supported economic expansion, contributing to the creation of approximately 160,000 jobs.

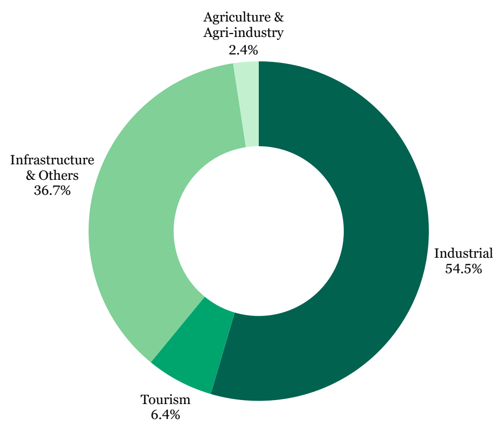


276 Projects

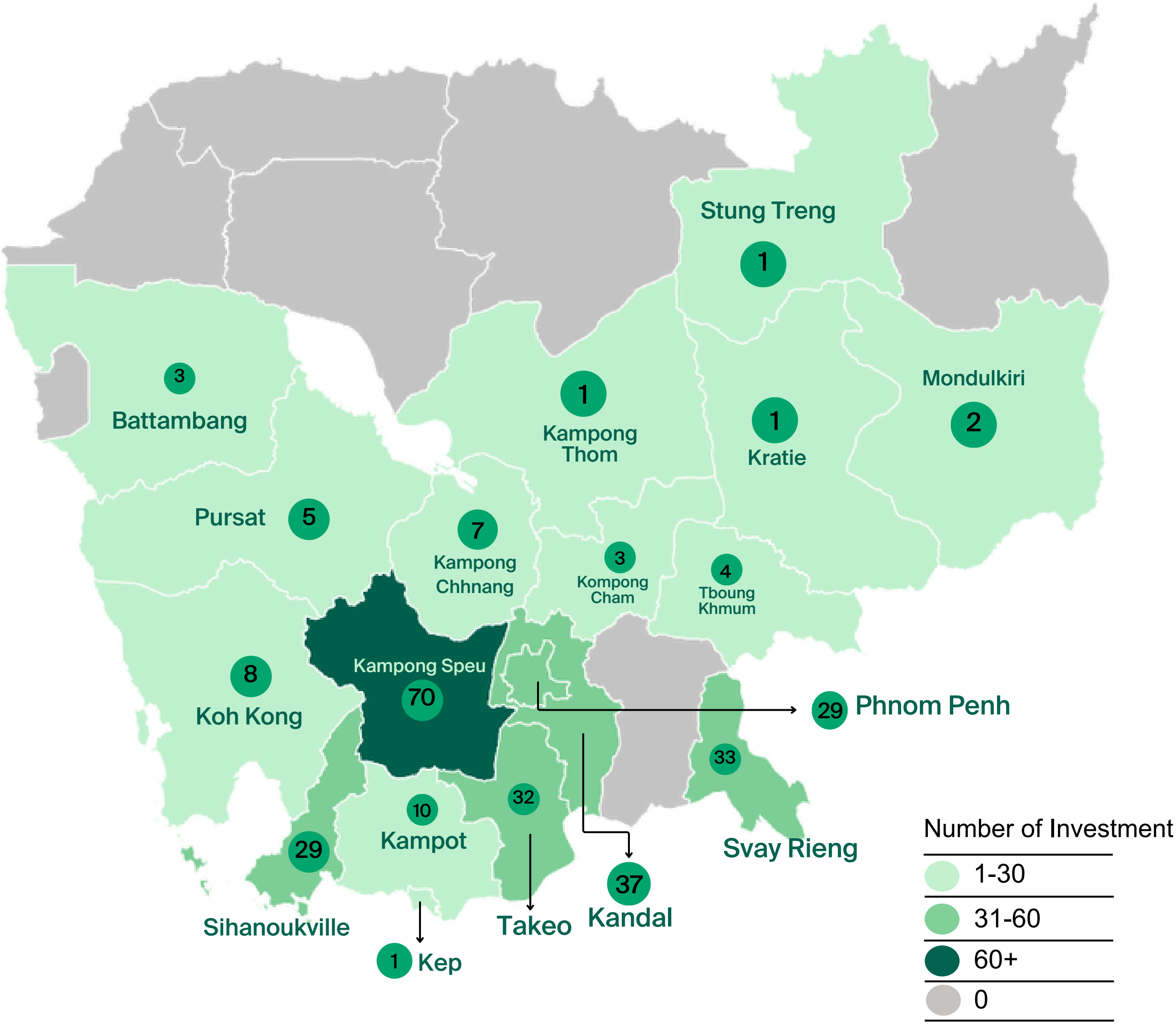
Total Approved Investment Projects

US$4.7 billion

Total Capital Value Investment



Investment Projects in Cambodia by Province 2026 (Jan - Jun)



Source: Council for the Development of Cambodia (CDC)

The Council for the Development of Cambodia (CDC) reports an increase in investment approvals, signaling growing investor confidence and ongoing economic diversification. Most major investment locations are in southern Cambodia, such as Kampong Speu, Svay Rieng, Phnom Penh, Takeo, Koh Kong, and Sihanoukville, which benefit from strategic infrastructure development and special economic zones. These CDC-approved projects are poised to strengthen Cambodia's reputation as a competitive and attractive investment hub in Southeast Asia.

Land Tenure and Titles

There are a total of four titles used to classify land in Cambodia, including:

1) Hard Titles

Hard titles are the strongest, most secure land title and form of ownership available in Cambodia. The Ministry of Land Management, Urban Planning and Construction issues hard titles and are recognised at a national level. The certificate for a hard title is provided by the National Land Management and Planning Office. If a property is registered under both a hard and soft title, the hard title would take authoritative ownership.

2) Soft Titles

Soft titles are the most commonly issued Cambodian land title amongst the four. It has a possessory right, which is recognised by the local government, local commune or district. It is not recognised on a national level. As soft titles are managed by the local government, its transference is rapid and decently inexpensive. But it isn't as durable as hard titles as it can still be contested by third parties. This disadvantage has led a majority of new developments to be registered under hard titles.

3) Strata Titles (co-ownership)

Strata titles are possession rights used for condominiums and strata office buildings that have been granted approval for co-ownership of a property by Khmer citizens as well as foreigners. This title is recognised at a national level by the Ministry of Land Management, Urban Planning and Construction.

Strata titles are a fairly new concept, being only applicable to new buildings (built in 2010 onwards). Despite this, foreign ownership of the entire co-owned building is still limited to a maximum of 70%. Foreigners are also not allowed to own properties located on the ground floor of a building.

4) LMAP

Another land title is the LMAP, or Land Management and Administration Project. In 2002, The World Bank started the LMAP, with its goal being land security using a system that registers land titles. A LMAP is recognised at a national level by the Ministry of Land Management, Urban Planning and Construction. A LMAP is different from a hard title as it has GPS coordinates which accurately identifies the boundaries of a property.

Leasehold Interests

In Cambodia, leasehold interests are a common form of property occupation, particularly in the industrial sector where foreign ownership of land is restricted. The legal framework for leases is governed primarily by the Civil Code of Cambodia (2007), which outlines the requirements for both short-term and long-term leases, as well as provisions for lease registration and renewal.

Unregistered short-term leases, (15 years or less)

These types of leases are commonly used for residential properties, small office spaces, retail outlets, and temporary industrial setups such as pop-up factories or warehouses. While they are enforceable between the contracting parties, it is advisable for these agreements to be in writing to provide evidence in case of disputes.

Registered Long-term leases, (15+ years – 50 years)

In Cambodia, a long-term lease is any lease agreement with a duration of more than three years. Under the Civil Code of Cambodia (2007), such leases should be registered with the Cadastral Office to ensure full legal enforceability, particularly against third parties. Once registered, a long-term lease becomes a real right attached to the property, offering the tenant legal protection even if the property is sold, transferred, or claimed by creditors. This is especially important for foreign investors; as Cambodian law prohibits foreign land ownership but allows secure long-term leasehold arrangements.

Registered long-term leases can be granted for up to fifty years, with the option of one renewal for an additional fifty years. In industrial real estate, leases typically range between five to thirty years, often with renewal options. The registration process involves submitting the signed lease, supporting documents, and the property's title certificate to the Cadastral Office, where the lease is formally recorded on the title.

These registered leases are widely used for factories, warehouses, logistics centers, and projects in industrial parks and special economic zones (SEZs). Increasingly, developers and foreign investors prefer registered leases for greater security and legal certainty. Recent land management reforms, including the rollout of digital cadastral systems, aim to simplify lease registration processes. As Cambodia's industrial sector continues to grow, registered long-term leases remain a vital, reliable option for securing property rights and long-term operational stability.

Options to renew

Lease agreements in Cambodia can include options to renew, which are especially valuable for industrial and commercial leases where operational continuity matters. Renewal terms should be clearly stated in the contract, covering the extension period, rental adjustments, and applicable conditions. For long-term leases, it is advisable to register the renewal option with the original lease to ensure it is legally binding and enforceable against third parties. Common industrial lease structures include terms like 5+5 years or 10+5 years, with notice periods typically set three to six months before expiry.

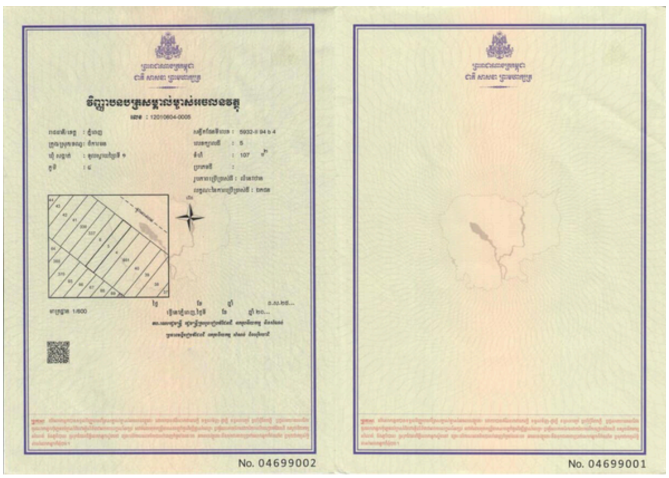
Freehold Interests

Industrial freehold interests in Cambodia involve outright land ownership, available only to Cambodian citizens and majority locally owned entities. Key industrial zones are concentrated around Phnom Penh, Kandal, Kampong Speu, Svay Rieng, Sihanoukville, and border provinces. While foreigners cannot directly own freehold land, they typically invest through joint ventures, long-term leases, or strata-title industrial units. Driven by growing demand for logistics, manufacturing, and e-commerce facilities, Cambodia's industrial property sector continues to attract strong interest as a strategic manufacturing and logistics hub in Southeast Asia.

We advise clients only to consider purchasing the following title in land namely:

Freehold Title (Hard Title / Land Title Certificate):

This grants full and perpetual ownership of the land and is the most secure form of land ownership in Cambodia. It is issued by the Ministry of Land Management, Urban Planning, and Construction and provides legal protection and transferability.



Leasehold Title:

While not a freehold, a leasehold title for a fixed term (commonly 50 years, renewable) is a recognized and often used form for foreign investors who cannot hold freehold land.

Foreign Property Ownership

Foreigners can buy property in Cambodia, depending on what it is. According to the law, foreigners cannot buy land in Cambodia. This is following Article 44 of the Cambodian Constitution which states that: “Only Khmer legal entities and citizens of Khmer nationality shall have the right to own land.” But there are a few methods in which foreign individuals or entities can purchase land. These methods can be complicated, especially those new to the real estate market; it is recommended to contact our expert agents at Knight Frank Cambodia if you wish to engage in the market.

The methods in which foreign individuals or entities can purchase land include:

Investing in a land holding company with a Cambodian citizen

This method is the most is a common vehicle for foreign ownership. A company will be recognised as a legal entity where a foreigner can own up to 49% of a company’s shares, as long as the majority 51% of shares is owned by a Khmer citizen. This is in accordance to the Law on The Investment of The Kingdom of Cambodia (Chapter VI, Article 16) which states: “51% of the equity capital are directly owned by natural persons or legal entities holding Cambodian citizenship.”

Using a leasehold agreement

Foreigners can lease land for 50 years, and the lease can be renewed after that for another 50 years. Long-term leases allow the foreigner to still have the necessary rights over the property, including its development and construction.

Acquiring a Cambodian citizenship

This is the least feasible of all options as the method is time-consuming and tedious. But in acquiring a Cambodian citizenship, this allows said foreigner to have ownership over any type of property, including land. There are two options in which citizenship applications from foreigners are considered:

- Live in Cambodia for a minimum of 7 years and demonstrate full proficiency of the Khmer language.
- Make a significant investment/donation which helps develop Cambodia as a country.

Purchasing land using the nominee structure

This has been a popular option amongst foreigners, but not a safe one. The nominee structure is where a foreigner signs a trust agreement with a Khmer citizen, where the Khmer citizen grants the foreigner complete rights to control the purchased land. The documents drafted will demonstrate that the foreigner has control over the land. Despite it being relatively easy and inexpensive to use the nominee structure, it is highly discouraged as it directly goes against the Khmer constitution that prohibits direct foreign ownership, making it illegal.

Trust Deed

The Trust mechanism may be the most reliable form of foreign land beneficial ownership in Cambodia following the 2019 Trust Law. Following to Article 9 of the Trust Law, there are four types of trusts:

- Commercial trust: earns profit for the benefit of the contributor or other specific persons.
- Public trust: established for the benefit of Cambodian citizens.
- Social trust: a non-profit and non-commercial enterprise which is established for the general interest of society, such as culture, education, religion, human beings, or scient.
- Individual trust: created for the trustor in his/her own accord or for the benefit of any specific person.

A trust is a way of holding and managing property, whereby the person setting up the trust (called the grantor, settlor, or trustor) transfers property to a trustee, who manages the property for the benefit of others (called beneficiaries). The foreigner may choose the individual trust and create the trust deed with the trustee and register the trust with the Trust Regulator “TR” in accordance with Article 28 of Trust Law and Sub-Decree No. 114 AN.Kr.BK on Trust Registration dated 02 August “Sub-Decree No.144”

Property Taxes

Property taxation in Cambodia is relatively straightforward compared to many regional markets, with taxes mainly arising at the point of ownership, transfer, and development of immovable property. The tax framework is regulated by the Ministry of Economy and Finance and administered by the General Department of Taxation, with additional procedures handled by the land authorities during title registration.

Transfer Tax (Stamp Duty)

The primary tax payable during a property transaction is Transfer Tax (Stamp Duty), charged at 4% of the government-assessed value of the property at the time of ownership transfer. This tax is typically borne by the buyer, although the responsibility can be contractually negotiated between buyer and seller. Payment of transfer tax is mandatory before the title can be legally transferred.

Value-Added Tax (VAT)

Value-Added Tax (VAT) at 10% applies to the sale of new properties sold directly by VAT-registered developers, such as newly developed condominiums or commercial buildings. VAT generally does not apply to resale transactions between private individuals in the secondary market.

Capital Gains Tax (CGT)

Cambodia has also introduced a Capital Gains Tax (CGT) regime, which will apply to profits derived from the sale of immovable property. The tax rate is 20% on the net gain, with sellers able to choose between a standard deduction method or actual cost deduction. However, the implementation of CGT on immovable property has been officially postponed until 1 January 2027, meaning that most property sales are currently not subject to capital gains tax.

Annual Property Tax (Tax on Immovable Property)

In addition to transaction-based taxes, property owners are subject to Annual Property Tax (Tax on Immovable Property), charged at 0.1% per annum on properties exceeding a government-determined value threshold. Owners of undeveloped or unused land may also be liable for Unused Land Tax, depending on land use classification and applicable exemptions.

Withholding Tax (WHT)

When a property is rented out to a business or corporate entity, or to an individual affiliated with a company, a 10% withholding tax (WHT) applies to the rental income. In most cases, the company renting the property deducts and remits the WHT directly to the General Department of Taxation (GDT).

Summary Table: Key Taxes

Tax / Fee	Rate	Applies On	Who Pays
Transfer Tax (Stamp Duty)	4% of assessed value	Property transfer	Buyer (but negotiable)
VAT	10%	New property from developer	Buyer
Capital Gains Tax	20% on gain	Sale of property (from 2027)	Seller
Annual Property Tax (TOIP)	0.1% annually	All owned property above threshold	Owner
Withholding Tax	10%	Rental Property	Tenant
Unused Land Tax (TUL)	~2%	Unused land	Owner
Registration / Notary	Fixed / Variable	At transfer	Responsible party per agreement

At Knight Frank Cambodia, we guide clients through these requirements, ensuring clarity on tax obligations and helping optimize transaction outcomes. Our insights support both domestic and international investors to make informed, strategic property decisions in Cambodia’s growing real estate market.

Other Property Taxes

Local development Tax (LDT)

The Local Development Tax is imposed by municipal authorities to fund infrastructure and community services, particularly for new construction projects. The rate varies depending on the municipality and the size or value of the development. It is typically payable by the developer or property owner at the time of building approval and should be factored into project planning costs.

Taxes on Leased Property

Landlords earning rental income are subject to taxation. Individual landlords must pay 10–14% withholding tax on rental income, while corporate landlords are subject to 20% corporate income tax. Commercial leases may also attract 10% VAT if the landlord is VAT-registered. The tenant often acts as the withholding agent to remit taxes to the General Department of Taxation. Residential leases are usually exempt from VAT.

Cambodia's Industrial Property Market

Industrial estates in Cambodia are generally classified into:

1. Special Economic Zones (SEZs): Designated areas established to support the development of key economic sectors, bringing together industrial and related activities. SEZs may include General Industrial Zones and/or Export Processing Zones. Each SEZ contains a production area and may also include a free trade area, service area, residential area, and tourist area. It is driven by competitive advantages including investment incentives, ready-built infrastructure, efficient customs and administration, and regional market access.
2. Industrial Park (IP): A designated area for factories, warehouses, and related industries, mainly focused on manufacturing and logistics. It is managed by private developers or investors, often with fewer government special privileges compared to SEZs.
3. Standalone Industrial Developments: A self-contained factory, warehouse, or leased individual manufacturing facility rather than inside a master-planned industrial park. It offers flexibility over location and operations, and it is independently managed by investors on the infrastructure, utilities and approvals.

Development of Special Economic Zones

(As of 2026)

39
Operating SEZs

28
SEZ Administration

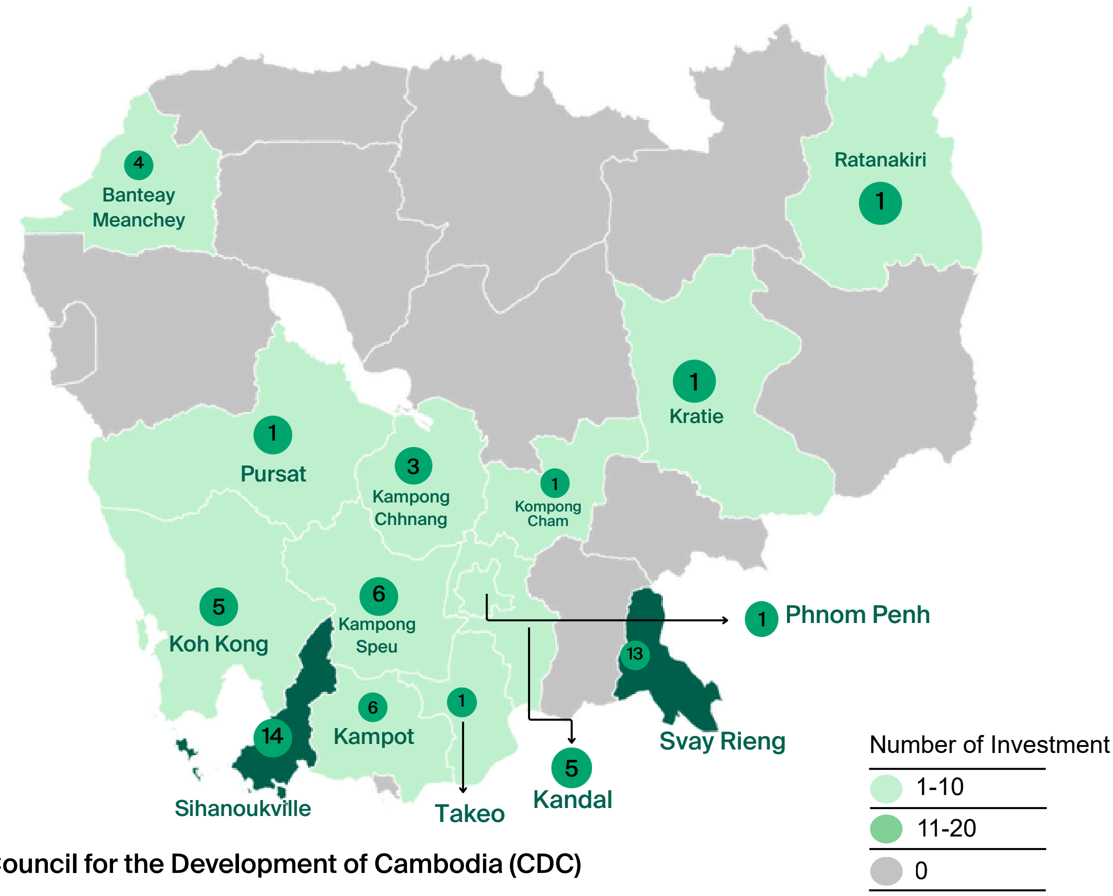
250K
Total Employees in SEZs

1,080
Total Investment Projects in SEZs

$13.8B
Total Investment Capitals in SEZs

Special Economic Zone Map

(As of May 2026)



Source: Council for the Development of Cambodia (CDC)

Primary Industrial Authority in Cambodia

The Council for the Development of Cambodia (CDC) and Provincial-Municipal sub-committee are the main government agency responsible as the "Estat-Major" and One-Stop Service of the Royal Government of Cambodia, responsible for overseeing and promoting development cooperation, private investment, Special Economic Zones (SEZs), and industrial growth in Cambodia, including approving investments and managing industrial estates. The CDC has the following organizational structure:

- General Secretariat of the CDC;
- Cambodian Cooperation Development Board abbreviated as “CCDB”; and
- Cambodian Investment Board abbreviated as “CIB”

In order to obtain Qualified Investment Project (QIP) status, investors need to register their investment projects with either the CDC or the PMIS, depending on the amount of investment capital involved. For projects with an investment capital less than USD 5 million, investors shall apply to the relevant PMIS.

The Ministry of Industry, Science, Technology & Innovation (MISTI) is also dedicated to nurturing a thriving industrial and micro, small and medium-sized enterprises (MSME) sector, fostering entrepreneurship and ensuring sustainable potable water supply in Cambodia, while also playing a central role in strengthening national quality infrastructure and coordinating the development of the informal economy.

Classification for the Establishment of a Special Economic Zone:

1. A Special Economic Zone may be established in the Kingdom of Cambodia in appropriate and strategic locations, subject to approval by the Royal Government of Cambodia and under the Council’s “One-Stop Service” mechanism.
2. A Special Economic Zone may be developed by the State, private enterprises, or through a joint venture between the State and private enterprises.

3. The Establishment of a Special Economic Zone shall be pursuant to the following conditions:

1

(a) It must have a land of 50 hectares or more with precise location and geographic boundaries.

2

(b) It must have a surrounding fence (for Export Processing Zone, the Free Trade Area and for the premises of each investor in each zone).

3

(c) It must have management office buildings, zone administration offices, large road network, clean water, electricity, and telecommunications networks, fire protection and security system. Based on each situation, the zone may have land reserved for the Residential Area for workers, employees and employers, public parks, infirmary, vocational training school, petroleum station, restaurant, car parking, shopping center or market, etc.

4

(d) It must have water sewage network, waste water treatment network, proper location for storage and management of solid wastes, environment protection measures and other related infrastructures as deemed necessary.

5

(e) It must comply with technical requirements, regulations and basic standards on construction, environment and other obligations in the development of Special Economic Zone as defined in the instructions issued by relevant ministries or institutions taking into account the geography and specific size of each zone and pursuant to the existing laws, national and international standards.

Well-Known Investment Companies

Special Economic Zones (SEZs) in Cambodia host a diverse range of industries, including furniture manufacturing, veneer and wood products, automotive assembly, electronics, and heavy industries such as tire production.
As a result, many internationally recognised brands have established production operations in Cambodia's SEZs, including Adidas, BYD, Coca-Cola, Ford Motor Company, Nike, Puma, Uniqlo, Toyota, Yeo's, etc.

Procedure for the Establishment of a Special Economic Zone:

Timing

Process

Total over a year for establish SEZ approval process taking (estimated)

Initial Approval & Feasibility

- All developers shall submit a request for approval for the development of the zone to the Cambodian Special Economic Zones Board and be registered as a Qualified Investment Project
- The Zone Developer shall pay an application fee for the establishment of a Special Economic Zone in the amount of 7,000,000 Riels (Seven Million Riels) to the Cambodian Special Economic Zones Board.

- The Cambodian Special Economic Zones Board shall respond, with either its approval or denial of the request, within 28 (twenty-eight) working days to the Zone Developer.

28 days

Feasibility Study

- The Zone Developer who receives approval for establishing a Special Economic Zone from the Cambodian Special Economic Zones Board has 180 (one hundred eighty) working days, which may be extended for valid reasons, to conduct a detailed economic feasibility study of the project.

180 days

Final Approval & Certification

- The Cambodian Special Economic Zones Board shall provide Zone Developer the approvals, authorizations, licenses, permits or registrations from competent ministries, institutions, competent authorities or relevant agencies of the Royal Government of Cambodia responsible for issuing the said documents, and in the same time issue the Final Registration Certificate to the Zone Developer as defined in this paragraph.

100 days

Development & Implementation

- The establishment of the Special Economic Zone and boundaries thereof shall be defined by Sub-Decree at the same time when the Cambodian Special Economic Zones Board issues the Final Registration Certificate to the Zone Developer.
- The Cambodian Special Economic Zones Board has the right to withdraw the approval on the establishment of the zone and incentives which were granted through the Final Registration Certificate on the basis that the Zone Developer has not implemented at least 30% (thirty percent) of the total investment project within 365 (three hundred and sixty five) working days after receiving the Final Registration Certificate.

365 days

Investment Commitment

- A "multi-purpose" SEZ (like the Sihanoukville SEZ) can take approximately 18 months or several years to complete the actual development and operationalization of an SEZ.

18 months

Incentives for the Special Economic Zone

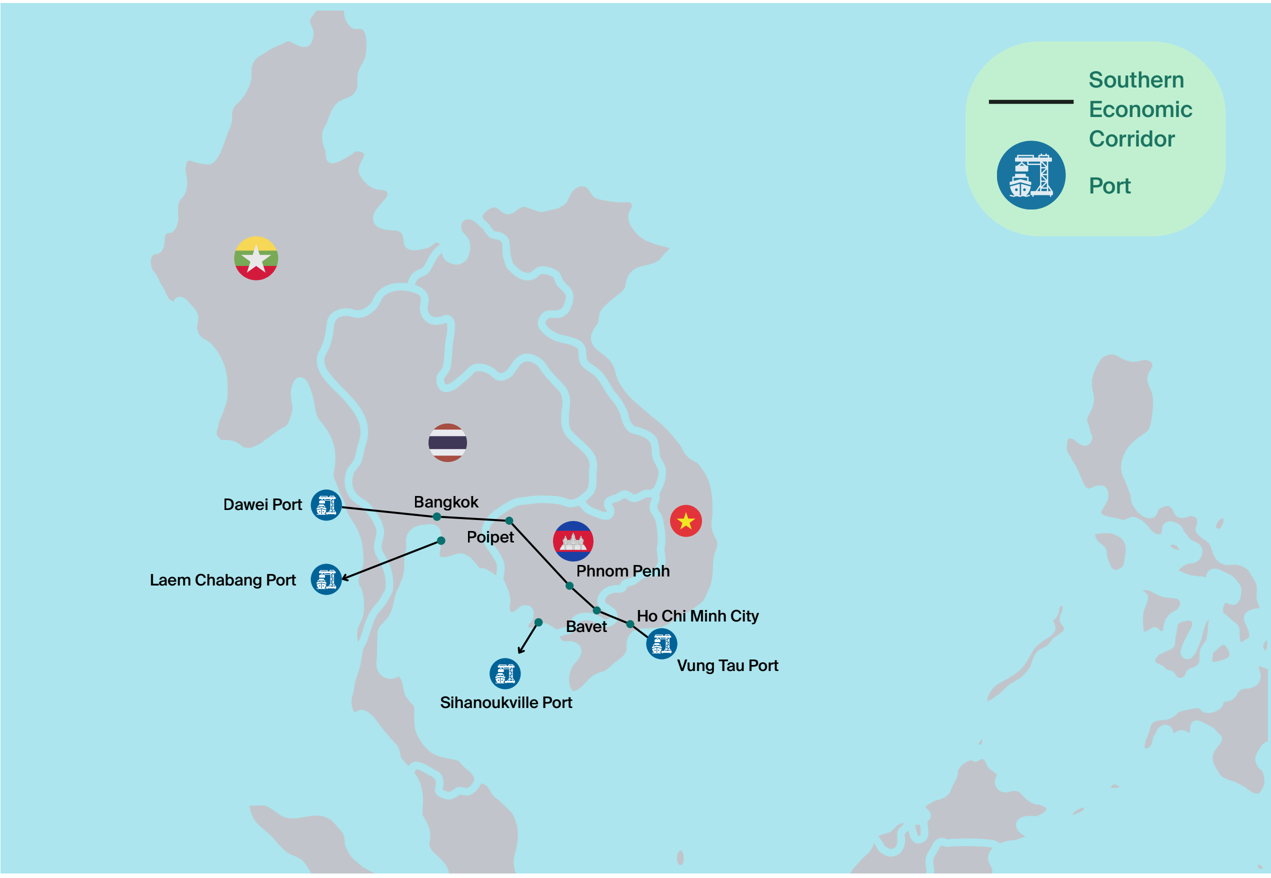
According to the Sub-Decree 148 on the Establishment and Management of the Special Economic Zone, states in article 5 that incentives for SEZ developers are managed by the Cambodian Special Economic Zones Board, which reviews and grants incentives for all zones in Cambodia:

Beneficiary	Incentives
Zone developers	• An exemption on profit tax for a maximum of nine years. • An exemption on import duties on the import of equipment, construction materials, and machinery for the construction of public infrastructure within the SEZ. • The Zone Developer may request, under the form of a temporary admission (AT) the import of means of transport and machineries used for the construction of the infrastructures in accordance with the laws and regulations in force. • Tax incentives and guarantees as set out in the LOI and its Sub-decree. • The Zone Developer may obtain a land concession from the State for establishing the SEZ in areas along the border or isolated region in accordance with the Land Law, and may lease this land to the Zone Investors.
Zone investors	• Tax incentives and guarantees as set out in the LOI and its Sub-decree. • Cluster of administrative services. • The Zone Investor entitled to the incentive on Value Added Tax (VAT) at the rate of 0% shall record the amount of tax exemption for its every import. The said record shall be disregarded if the Production Outputs are re-exported. In case the Production Outputs are imported into the domestic market, the Zone Investor shall refund the amount of Value Added Tax as recorded in comparison with the quantity of export.
Common	• Zone developers, investors or foreign employees have the right to transfer all the income derived from the investment and salaries received in the zone to banks located in other countries after payment of tax. • The Zone Developer and the Zone Investor are entitled to obtain the investment guarantees as stated in Article 8, Article 9 and Article 10 of the Law on Investment in the Kingdom of Cambodia and other relevant regulations. • Non-discriminatory treatment as foreigners, non-nationalization and no-fixing price. • All imports by the Zone Developer and the Zone Investor shall comply with the relevant regulations on the Pre-Shipment Inspection (PSI).

Location of Major Logistics Hubs

Cambodia's strategic location within the Greater Mekong Subregion (GMS) serves investors with an important trade route between two major economies in the subregion, Thailand and Vietnam. Cambodia, one of ASEAN's fastest-growing economies, has experienced a rapid increase in trade activities. This growth has driven a significant demand for logistics expertise, integrated supply chain solutions, and cutting-edge warehousing and distribution centers.

Cambodia's strategic location and growing infrastructure are transforming it into a competitive logistics hub in the ASEAN region. The Southern Economic Corridor (SEC) connects Bangkok, Phnom Penh, and Ho Chi Minh City, enabling efficient cross-border trade. Cambodia sits between two major deep-sea ports - Vietnam's Saigon Port and Thailand's Port of Laem Chabang - providing exporters with multiple access points to global markets.



There are two international logistics hubs in Cambodia

1. Sihanoukville Autonomous Port (PAS) is the only deep-sea port of Cambodia, located in the southwestern part of the Kingdom of Cambodia, along the Cambodian coastline in Sihanoukville. PAS serves as the sole international and commercial deep-sea port that can accommodate vessels with a 20,000 DWT loading capacity or approximately 1,500 TEUs for container vessels.
2. The Phnom Penh Autonomous Port (PPAP) is the 2nd largest port in Cambodia, situated at the junction of the Bassac, Mekong, and Tonle Sap Rivers. PPAP serves as an important river port for international commerce, along with domestic transportation.

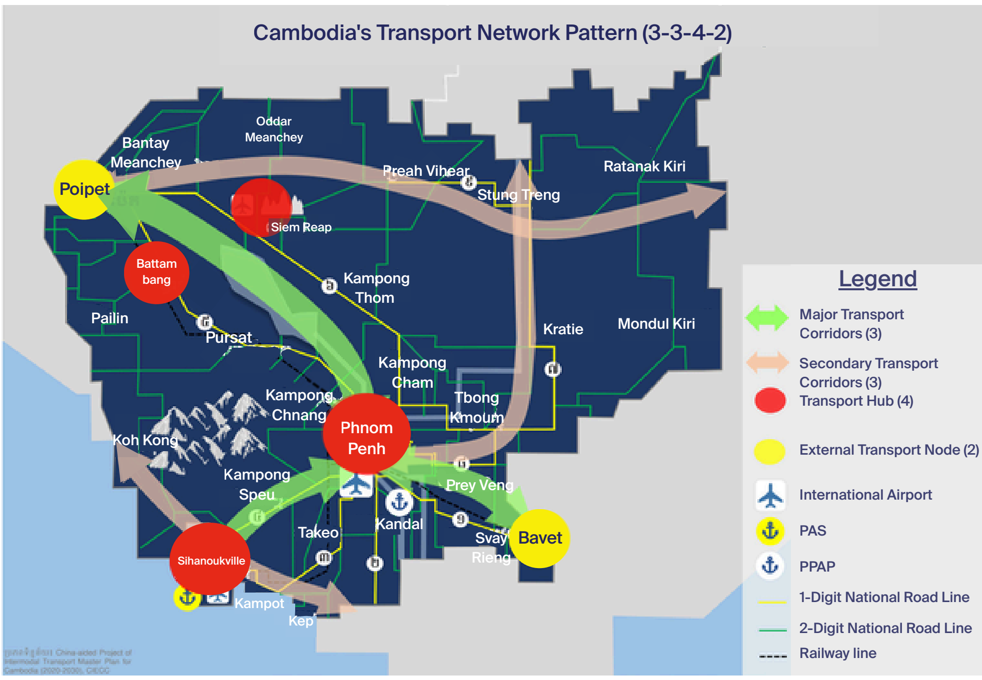
Intermodal Transport and Logistics System (CITLS) 2023-2033

As Cambodia continues to expand and strengthen its economy, it presents growing opportunities for logistics centres, ports, cargo services, cold-chain logistics, warehousing, smart storage facilities, and multimodal transport solutions. The government's 10-year strategy aims to enhance connectivity, reduce logistics costs, and improve transport efficiency.

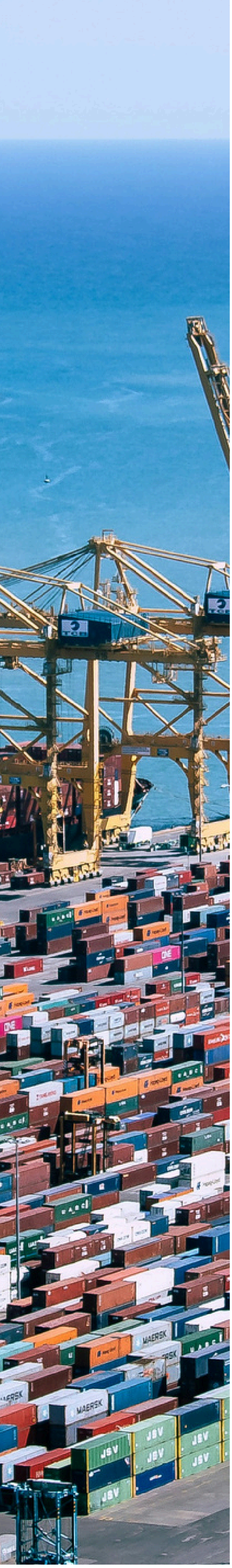
The Cambodian government introduced the Comprehensive Master Plan on Intermodal Transport and Logistics System 2023–2033, outlining initiatives to develop road, rail, port, air, and inland waterway infrastructure, while expanding logistics corridors to optimise supply chain operations and support long-term economic growth.

Within the action plan for the development 2023-2033, there are complementary of infrastructure and logistics investments

- Strategy "3-3-4-2": focuses on the transport infrastructure outlined below:
  - 3 Major Transport Corridors: are the primary routes linking the key economic zones that connecting Phnom Penh to Sihanoukville, Vietnam, and Thailand. The 3 major corridors are:
    - Phnom Penh - Sihanoukville (PNH - SHV)
    - Phnom Penh - Poipet (PNH - Poipet)
    - Phnom Penh - Bavet (PNH - Bavet)
  - 3 Secondary Transport Corridors: are linking the regional hubs to the main network, including:
    - Koh Kong - Prek Chak
    - Phnom Penh - Stung Treng (PNH - Stung Treng)
    - Poipet - O'Yadao
  - 4 Major Transport Hubs: focus on the key cities to strengthen the transportation on the movement of goods and people.
    - Phnom Penh (PNH)
    - Sihanoukville (SHV)
    - Siem Reap (SR)
    - Battambang
  - 2 External Transport Nodes: focus on strengthening international connectivity, specially sea, river, and air hubs, key nodes connecting the Cambodia's internal transport network to international market.
    - Serey Sophon-Poipet
    - Svay Rieng - Bavet

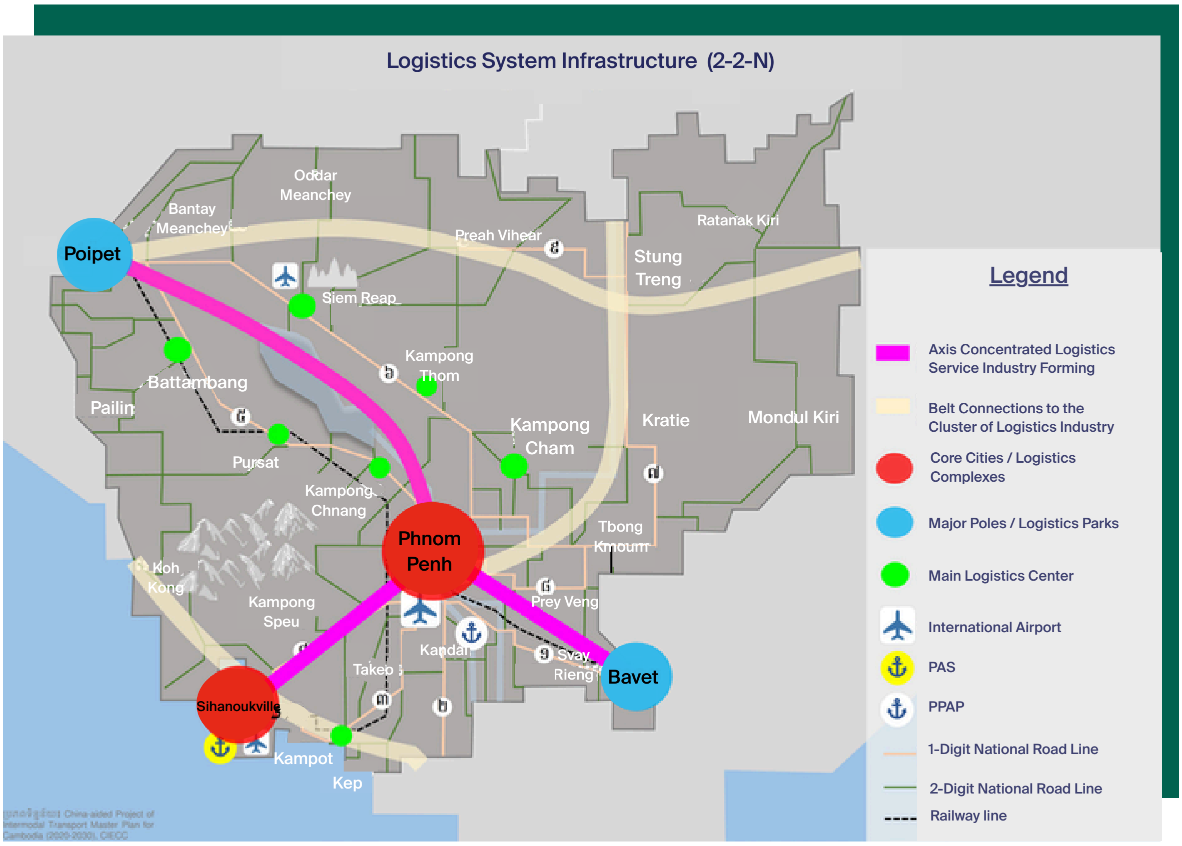


Source: General Department of Logistics



Strategy "2-2-N": defines a framework for developing logistics facilities and centres to support transport efficiency and broader economic growth

- 2 Cores: focus on major large-scale hubs handling primary distribution, namely the Phnom Penh (PNH) and Sihanoukville (SHV) Logistics Complexes
- 2 Poles: intermediate hubs for cargo handling, storage, and distribution, including the Poipet and Bavet Logistics Complexes
- N: covers smaller logistics centres nationwide, including Siem Reap, Kompong Thom, Kompong Cham, Banteay Meanchey, Battambang, Pursat, Kompong Chhnang, and Kampot



Source: General Department of Logistics

Professional Advisory Panel

We work most regularly with the following firms when delivering real estate solutions to our clients, but we can also provide additional service providers in any category, upon request.

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Disclaimer

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We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.

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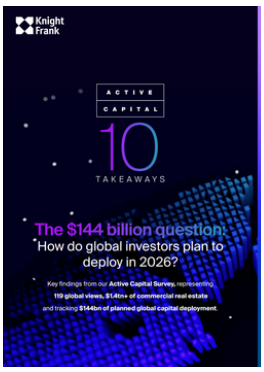

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