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KINGDOM OF CAMBODIA
NATION_RELIGION_KING

LAW

ON

ADMINISTRATION OF
COMMUNES (KHUM-SANGKAT)

CHAPTER I

GENERAL PROVISIONS

Article 1:

The purpose of this law is to determine the administration, according to a decentralization policy, of all the Communes (Khum-Sangkat) in the Kingdom of Cambodia .

Article 2:

Communes (Khum-Sangkat) are legal entities.

Article 3:

The local governance system shall be applied to Commune (Khum-Sangkat) level.

Article 4:

The governing and managing powers of the Communes (Khum-Sangkat) derive from the elections through general, universal, just, free and fair, equal, direct and secret votes within the framework of each respective Commune (Khum- Sangkat).

Article 5:

The Communes (Khum-Sangkat) shall govern the local affairs inside their territories based on the Constitution, laws, Royal-decrees (Reach-Kret), Sub-decrees (Anoukret), Ministerial Proclamations (Prakas) and relevant juridical norm and standard documents.

Regulating (Amnach Pahnat) and executing powers (Amnach Pratibat) for the local governance shall be vested to the Communes (Khum-Sangkat) and these powers shall be exercised in conformity with the Constitution, laws, Royal-decrees (Reach-Kret), Sub-decrees (Anouktret), Ministerial Proclamations (Prakas) and other relevant juridical norm and standard documents.

Article 6:

The establishment, disestablishment of any Commune , modification of boundary demarcation of a Commune (Khum-Sangkat), if it does not affect the boundaries of the concerned province or municipality, and the change of name of any Commune (Khum-Sangkat), shall be determined by a Sub-decree(Anoukret) following a proposal of the Minister of Interior,.

In case if it affects the boundaries of the concerned province or municipality, the establishment, disestablishment of a Commune, modification of boundary demarcation of the commune and the change of name thereof, shall be determined by Royal-decree (Reach-Kret) upon the request of the Prime Minister and based on the proposal of the Minister of Interior.

Article 7:

When any consequence occurs after a Commune (Khum-Sangkat) is established, disestablished or modified, the Minister of Interior shall issue a Ministerial Proclamation (Prakas) for resolving such consequences in accordance with the law and provisions in force.

Article 8:

When any Commune (Khum-Sangkat) is unable to conduct the election its Commune Council, because of force majeure, the Royal Government shall report thereof to the National Assembly.

The Royal Government shall, after reported to the National Assembly, designate the Ministry of Interior to manage for administering of that Commune (Khum-Sangkat) for temporary, and the election of the Commune Council of that Commune shall be conducted after the situation in the Commune returns to normal.

CHAPTER II

COMMUNE COUNCIL

Article 9:

Each Commune (Khum-Sangkat) shall have a Council (herein after called a Commune Council).

The Commune Council is a body representing the citizens in its Commune (Khum-Sangkat) which has a mission to serve the general interests of its Commune (Khum-Sangkat).

Article 10:

The Commune Council shall be elected by the citizens of its commune (Khum-Sangkat) in conformity with the procedures as prescribed by the Law on Election of Commune Council.

Article 11:

The Commune Council shall have a 5-year mandate, which shall be expired when a new Council takes office.

During this transitional period, the expired Commune Council shall only have

duty to facilitate the day-to-day works.

Article 12:

Each Commune Council shall consist of five (5) to eleven (11) members (councilors) according to the demographic and geographical situations of its own commune.

The actual number of members (councilors) of each commune (Khum-Sangkat) shall be determined by Sub-decree (Anukret), following the proposal of the Minister of Interior.

The number of Commune Council members (Councilors) already determined might be modified by Sub-decree (Anukret) following the proposal of the Minister of Interior, based on demographic and geographical changes.

The additional Commune Council members (Councilors) shall be elected according to the same procedures applied to other Commune Council members.

Article 13:

Each Commune Council shall consist of a President, herein after called President of the Commune Council.

The President of the Commune Council shall have duties to:

- preside over the meetings of his/her Commune Council;
- ensure that the meeting of the Commune Council be held at least once a month;
- ensure that the meetings of the Commune Council be conducted properly in accordance with the rules and orders as prescribed in the Internal Regulations of the Commune Council and with provisions of the article 23 of this law.
- maintain good order during the meetings.

Article 14:

Khmer citizens of both sexes, who are eligible to vote and who are willing to stand as candidates for the election of the Commune Councils, shall fulfill the main conditions required as hereunder:

- shall have Khmer nationality by birth;
- shall be able to read and write Khmer script;
- shall be registered in the list of voters in the commune (Khum-Sangkat) where he/she intends to stand as a candidate ;
- shall be at least 25 years of age to the date of the election of the Commune Councils;
- shall have sufficient qualifications according to the requirements as determined in the Law on Election of Commune Councils.

Article 15:

Commune Councils shall be elected according to the proportional system.

Article 16:

A Commune Council member shall lose his/her membership under anyone of the following cases:

- when upon the concerned person is deceased;
- the concerned person loses his/her professional ability, and there is certification from the competent Ministry or institution;
- the concern person submits a written request for resignation from membership of Commune Council;
- the concerned person is a convict who was sentenced by the court to imprisonment for a felony or misdemeanor;
- when upon a dismissal because of contravening the Internal Regulations of the Commune Council in terms of article 84 of this law;
- when upon the entire Commune Council is dissolved;
- the concerned person has lost membership from his/her political party.

When upon any Commune Council member (Councilor) lost membership, a candidate whose name is next in numerical order of the same candidate list shall be selected as his/her replacement without necessarily holding a by-election.

Article 17:

A by-election shall be held within 120 days to elect the Commune Council, in one of the following cases:

- when upon a commune (Khum-Sangkat) is newly established in term of article 6 of this law;
- when upon a Commune Council is dissolved in terms article 57 or article 58 of this law.

The by-election as prescribed above, shall be held in accordance with the formalities and procedures as stated under the Law on Election of Commune Councils.

The Commune Council, which is established by the above by-election, shall have equal mandate to that of the remaining mandate of the Commune Council.

The by-election shall not be permitted to hold, if the remaining mandate of the Commune Council is not over 180 days.

The Minister of Interior shall, during this period, appoint the composition and determine the competency and way for governing that Commune (Khum-Sangkat) until the elections of Commune Councils for the next mandate are held.

Article 18:

The modification of boundary demarcation may be done only if it does not cause any change of number of the elected members of Commune Council.

The creation of any new Commune (Khum-Sangkat) may be done only if such creation does not cause any change of number of members of Councils of the concerned communes (khum/sangkat).

If the Commune (Khum-Sangkat) which is newly established, disestablished or modified of boundary demarcation causes a change of number of members of the elected Commune Council, such establishment, disestablishment and modification of boundary demarcation of that commune (khum/sangkat) will take effect for the election of Commune Councils for the next mandate.

Article 19:

The first meeting of Commune Council shall be convened, within 14 days after the official proclamation of the election result, under the chairmanship of an official designated by the Minister of Interior to declare the validity of the members of the Commune Council and the names of the President of Commune Council, Commune Chief (Mékhum or Chau-sangkat), Deputy-chiefs of the Commune (Chumtup and Chau-sangkat rong).

Article 20:

Each Commune Council shall, before commencing works, set up and approve an Internal Regulations to determine rules for its meetings and working processes .

The Minister of Interior shall issue guidelines of the basic principles for the preparation of the above Internal Regulations.

Article 21:

The Commune Council shall convene the meeting at least once a month. The Commune Council shall hold the meetings in its Commune Office or in case of necessary, the chairman of the meeting may choose any other place in its Commune for meetings .

Article 22:

A meeting of the Commune Council may not be valid unless attended by over half of the total number of members of the Commune Council.

The Commune Council shall vote by an absolute majority of the whole members of the Commune Council to approve on the following matters:

- for approval on the Commune (Khum-Sangkat) development plan;
- for approval on the commune budget;
- for fixing the rates of local fiscal taxes, non-local fiscal taxes and other service charges;
- for passing of the Internal Regulations and Deika (order/decison) of the Commune ; and
- for any other matter as determine by the Minister of Interior.

If there is equal vote during any approval, the vote of a chairman of the meeting shall be preponderant.

Article 23:

The meetings of the Commune Council shall be public and according to democratic processes.

The Commune Council may conduct meetings in close door.

The Minister of Interior shall issue an instruction on procedures for the above meetings.

Article 24:

Every Commune Council member (Councilor) shall have freedom to express their opinions in the meetings of the Commune Council.

No member of the Commune Council shall be prosecuted, arrested, placed in

custody or detained because of opinions expressed during the meetings of the Commune Council.

CHAPTER III

ADMINISTRATIVE STRUCTURE OF THE COMMUNES (KHUM-SANGKAT)

Article 25:

The administration of the Communes (Khum-Sangkat) shall be governed and managed the Commune Councils.

Every Commune Council shall have a President of the Commune Council.

The President of the Commune Council is the Commune Chief (Mékhum-Chau-Sangkat).

Article 26:

A Commune Chief (Mékhum-Chau-sangkat) shall be assisted by:
For the Commune Chief (Mékhum), he/she shall have two assistants:

- one first Deputy-chief of Commune (Chumtup ti-muoy);
- one second Deputy-chief of Commune (Chumtup ti-pee).

For the Commune Chief (Chau-sangkat), he/she shall have two assistants:

- One first Deputy- chief of Commune (Chau-Sangkat rong ti-muoy);
- A second Deputy- chief of Commune (Chau-Sangkat rong ti-pee) .

Article 27:

A Commune Chief (Mékhum or Chau-sangkat) may have right to appoint Committee(s) as necessary, to give advice and assist in the works .

The above Committee(s) may either select any member in the Commune Council (Commune Councilor) or any citizen of its Commune (Khum-Sangkat) who is eligible to vote and who is not member of the Commune Council to be as its/their President.

Article 28:

The Commune (Khum-Sangkat) shall have a personnel, within the administrative regular framework of the Ministry of Interior, as a Commune Clerk (Smean Khum-Sangkat):

The Commune Clerk who is appointed by the Ministry of Interior shall have duties to assist the Commune (Khum-Sangkat) and to ensure the continuity of administrative affairs in the Commune (Khum-Sangkat).

The Commune Clerk may be transferred if upon there is a requested by the Commune Chief (Mékhum or Chau Sangkat) following a decision of the

Article 29:

The Communes (Khum-Sangkat) may employ staff outside of the government regular framework to assist them, as necessary and according to the work requirement following the decision of Commune Council actually in mandate, who may continue their works upon the decision of Commune Council of the next mandate.

Article 30:

To increase the effectiveness in the administration of the Commune, each Commune Council shall proceed to recruit one Village Chief (Méphoum) for each respective village (Phum) subordinated to its Commune.

The Village Chief (Méphoum) shall manage to appoint one Village Deputy-chief (Anouk Prathien Phoum) and one member as assistants.

The Minister of Interior shall issue an Instructions on Formalities and Procedures for Selection of the Village Chiefs, the taking office, the changing of village Chiefs and appointment of assistants to Village Chiefs.

Article 31:

The Village Chief (Méphoum) shall have the following duties:

- to implement the duties as assigned to him/her by Commune Council or Commune Chief (Mékhum or Chau-Sangkat) to ensure public security and order, and economic and social development in the village (Phoum).
- to provide recommendations to the Commune Council on matters relating to the interests of his/her village.
- to raise recommendations to the Commune Council or Commune Chief (Mékhum or Chau-sangkat) to manage and coordinate works in his/her village (Phum).

The Minister of Interior shall issue further instructions on working processes and duties of the villages to be performed properly.

Article 32:

The President of the Commune Council who is also Commune Chiefs (Mékhum or Chau-sangkat), shall be selected from among the candidates in the candidate list who received the most votes ranking the top in the list.

The President of the Council who is a Commune Chief (Mékhum or Chau-sangkat), shall have equal term of mandate with which of the members of Commune Council.

Article 33:

The first Deputy Chief of Commune (Chumtup ti-muoy or Chau-sangkat rong ti-muoy) shall be selected from among the candidates, the one whose position is high in numerical order in the candidate list, and who received more votes ranking the second in that list.

The Second Deputy-Chief of Commune (Chumtup ti-pee or Chau Sangkat rong ti-pee) shall be selected from among the candidates in the candidate list, the one who received more votes ranking the third in that list.

Article 34:

In case the official result of the election of any Commune Council has a majority votes in favor of only one single list of candidates to be qualified to receive all seats in the Council, the members of the Commune Council shall be selected from that single list of candidates to assume the positions as Commune Chief (Mékhum or Chau-sangkat), First and Second Deputy- Chiefs of Commune (Chumtup ti-muoy and ti-pee, and Chau-sangkat rong ti-muoy and ti-pee).

Article 35:

In case the official results of the election of any Commune Council has a majority in favor of two lists of candidates to be qualified to receive seats in the Council, shall select a Commune Council member (Councilor) who is a candidate that his/her name is next in numerical order below a candidate on the top of the list which is supported by the first highest majority votes to assume position as First Deputy-Chief of Commune (Chumtup ti-muoy or Chau-ssngkat rong ti-muoy). And then shall select a Commune Council member (Councilor) who is a candidate that his/her name is at the top of the list who is supported by a second highest majority votes, to assume a position as Second Deputy- Chief of Commune (Chumtup ti-pee or Chau -sangkat rong ti-pee).

Article 36:

The position of President of the Commune Council who is the Commune Chief (Mékhum or Chau-sangkat) shall be lost, if the concerned person loses his/her membership in the Commune Council pursuant to conditions as stated in the Sub-paragraph 1, article 16 of this law.

Article 37:

If any among the positions of President of the Commune Council, Commune Chief (Mékhum or Chau-Sangkat) and Commune Council member (Councilor) is lost, the person shall also lose all the above positions at the same time .

In such a case, a member of the Commune Council shall be selected from the same list with which of the former Commune Council President who is also a Commune-Chief (Mékhum or Chau-Sangkat) who lost his/her position, any member whose name is next in numerical order to continue holding the latter's position . And then shall select another new Commune Council member to fill up this above vacant position according to conditions as stated in the para.2 , article 16 of this law.

If the list of the candidates to hold the position of President of the Commune Council and who is also the Commune Chief (Mékhum or Chau-sangkat) ran out of Commune Council member , one member of the Commune Council shall then be selected from the same list of candidates pursuant to the conditions as stated in the Sub-paragraph 2, article 16 of this law. And that new Commune Council member (Councilor) shall assume the position as President of the Commune Council who is also a Commune Chief (Mékhum or Chau-sangkat), in place of the President of the Commune Council who is also Commune Chief who has lost the position.

Based on the above conditions, the lost from positions and the re-assuming the position of President of the Commune Council who is the Commune Chief (Mékhum or Chau-sangkat) shall be made by a Proclamation (Prakas) of the Minister of Interior within 14 days the latest.

Article 38:

The position of First Deputy-Chief of Commune (Chumtup ti-muoy or Chau Sangkat Rong Ti-muoy) or Second Deputy-Chief of Commune (Chutup ti-pee Chau-Sangkat rong ti-pee) shall be lost, when the concerned person loses his/her membership from the Commune Council under the conditions as stated in the Sub-paragraph 1, article 16 of this law.

In case the position of First or Second Deputy-Chief of Commune is lost, the position of Commune Council member of the person shall also be lost at the same time.

In the above case, a Commune Council member (Councilor) shall be selected from the same list of candidates with that of the First or Second Deputy-Chief of Commune (Chumtup ti-muoy or ti-pee, or Chau-Sangkat rong ti-muoy or ti-pee) who has lost his/her position, a candidate whose name is next in numerical order in that list to continue holding the above position in place of the latter. And they shall also select another new Commune Council member to fill up this above vacant position according to the conditions as stated in the Sub-para. 2, article 16 of this law.

In case the list of candidates to hold the position of the First Deputy-Chief of Commune (Chumtup ti-muoy or Chau-Sangkat rong ti-muoy) or Second Deputy-Chief of Commune (Chumtup ti-pee or Chau-sangkat rong ti-pee) ran out in the Commune Council member. A candidate shall be selected from that candidate list to include as a new Commune Council member, according to conditions as in the Sub-paragraph 2, article 16 of this law. That new Commune Council member shall assume the position of First Deputy Chief of Commune or Second Deputy Chief of Commune in substitution of the First or Second Deputy-Chief of Commune Council who has lost the position.

Based on the conditions as stated above and which of the article 33 of this law the lost of positions and assumption of position of First Deputy Chief of Commune or Second Deputy Chief of Commune, shall be done by a Proclamation (Prakas) of the Minister of Interior no later than 14 days.

Article 39:

A Commune Chief (Mékhum or Chau-Sangkat) shall perform the following roles and functions:

- to implement decisions of Commune Council;
- to implement regulations and principles which are received from Commune Council;
- to make reports regarding the work activities to his/her Commune Council at least once a month;
- to provide recommendations and assist the Commune Council in the preparation of financial planning and manage the implementation of duties, functions, powers of Commune Council and other affairs

delegated by the Commune Council.

Article 40:

The Deputy-Chiefs of Commune (Chumtup or Chau-Sangkat rong) shall assist the Commune Chief (Mékhum or Chau-sangkat) in carrying out the duties assigned to them by the Commune Chief (Mékhum or Chau-Sangkat), and shall replace him/her according to the hierarchies of the Deputy-Chiefs of Commune, when the Commune Chief (Mékhum or Chau-Sangkat) is absent from duty.

The Deputy-Chiefs of Commune shall be divided the responsibilities as follows:

- The First Deputy-Chief (Chumtup ti-muoy or ChauSangkat rong ti-muoy) shall undertake to assist the Commune Chief (Mékhum or Chau-Sangkat) on economic and financial affairs.

-The Second Deputy-Chief ((Chumtup ti-pee or Chau Sangkat rong ti-pe) shall undertake to assist the Commune Chief (Mékhum or Chau-Sangkat) on administrative and social affairs, in public services and public order.

The Commune Chief (Mékhum or Chau-Sangkat) may assign additional duties to the above to his/her Deputy-Chiefs ((Chumtup or Chau-Sangkat rong).

CHAPTER IV

ROLE, FUNCTIONS AND POWERS OF COMMUNE ADMINISTRATION

Article 41:

The commune administration has duties to promote and protect the good governance by managing the use of available resources with eternity in order to meet the basic needs of its Commune (Khum-Sangkat) for the common interests of the citizens and with respect the national interests, in conformity with the general policy of the State.

Article 42:

The commune administration has two types of roles which are:

- a role of serving local affairs for the interests of the Commune and citizens in its Commune (Khum-Sangkat).
- A role as an agency representing the State, under the assignment or delegation of authority by State authorities.

Article 43:

Concerning the role of serving local affairs of the Commune, the Commune administration shall have duties to:

- maintain public security and order;
- organize and manage the necessary public services and to oversee to ensure the good functioning of those services;
- encourage the enhancement of sanitation and welfare of the citizens;
- promote a socio-economic development and upgrade the living-standards of the citizens;

- protect and preserve the environment, natural resources, culture and national patrimonies;
- coordinate the citizens' views in order to promote tolerance and mutual understanding.
- perform general affairs in order to respond to the needs of citizens.

Article 44:

Concerning the role as an agent representing the State, the Commune administration shall have duties to comply with the laws, Royal-decrees, Sub-decrees, Proclamation (Prakas) and relevant juridical norms and standards.

In this case, the State authorities may delegate the authority to the Commune (Khum-Sangkat), together with the increase of capacity and provision of means, materials and equipments and budgets for the implementation.

The above delegation of authority, shall be only given to the collective of the Commune Council .

Article 45:

The Commune administration shall not have authority to decide on the following areas:

- forestry ;
- postal and telecommunications;
- national defence;
- national security;
- monetary;
- foreign policy;
- fiscal policy ; and
- other areas as stipulated in the laws and relevant juridical norm and standard documents.

Article 46:

The roles, functions and power of the Communes (Khum-Sangkat) as stated in articles 42, 43 and 44 of this law, may be applicable only within the territorial jurisdiction of their own Communes (Khum-Sangkat).

In case any problem arises related to the competencies of two or more Communes (Khum-Sangkat), the Minister of Interior shall manage to settle between the concerned administrations.

Article 47:

The roles, functions and powers of Commune administration as stated in articles 42, 43, 44 and 45 of this law, may be determined more precisely in detail by a Sub-decree, following the proposal of the Minister of Interior.

Article 48:

Communes (Khum-Sangkat) shall have regulating and executing powers.

The regulating power of the Communes (Khum-Sangkat) shall be exercised through Commune Deika (Orders/Decisions) for regulating all the affairs within the frameworks of their own roles, functions and powers.

The Commune Deika (Orders/Decisions) shall be made according to decisions the Commune Councils and signed by the Commune Chiefs (Mékhum or Chau-Sangkat).

The Commune administration shall disseminate/publicize publicly and urgently inside its Commune all the Deika (Orders/Decisions) which have been decided.

Article 49:

A Commune Deika (Order/Decision) shall have its effect only inside its own Commune territory.

A Commune Deika (Orders/Decision) shall not be contrary to the International Treaties and Conventions recognized by the Kingdom of Cambodia, spirit of the Constitution, laws, Royal-decrees (Reach-Kret), Sub-decrees (Anoukret), Proclamations (Prakas) and relevant juridical norm and standard documents.

Any Commune Deika (Order/Decision) issued by the Commune Council which is contrary to the International Treaties and Conventions recognized by the Kingdom of Cambodia, spirit of the Constitution, laws, Royal-decrees (Reach-Kret), Sub-decrees (Anoukret), Proclamations (Prakas) and relevant juridical norm and standard documents, shall be absolutely declared as null and void.

The Minister of Interior shall notify in writing of this nullification to the concerned Commune (Khum-Sangkat) and shall be disseminated publicly.

Article 50:

The Minister of Interior shall issue instructions on the formalities and procedures to enable the Communes (Khum-Sangkat) to prepare respectively their Deika (Orders/Decisions) in accordance with the actual situation in their own Communes (Khum-Sangkat).

Article 51:

Commune Councils may delegate their authority to the Commune Chiefs (Mékhum or Chau-Sangkat) according to the instructions of the Minister of Interior, except for the matters as follows:

- approval of commune budget plan;
- fixing of the rates of local fiscal taxes, local non-fiscal taxes and service charges;
- voting to approve on an Internal Regulations and Deika (Orders/Decisions) of the Communes (Khum-Sangkat);
- approval of a commune development plan;
- any other matter as determined by the Minister of Interior.

The Commune Chiefs (Mékhum or Chau-Sangkat) to whom power have been delegated by Commune Councils, may not delegate that power to any other person.

Article 52:

The Commune Councils who have delegated the power to Commune Chiefs

(Mékhum or Chau-Sangkat), shall still be responsible for the works that they have delegated the power.

The revocation of such delegated power shall not affect the validity of the works which have already been completed.

CHAPTER V

MONITORING, CONTROL AND INTERVENTION

Article 53:

The Minister of Interior shall determine procedures for the monitoring and control of the general activities of the Communes (Khum-Sangkat), in order to:

- examine the legality of the work management, exercise of powers and performance of roles and duties of each Commune (Khum-Sangkat);
- examine the development of capacity of the Communes (Khum-Sangkat);
- assess the extent of the interventions and assistance to be provided to the Communes (Khum-Sangkat) in order to strengthen the capacity of work management, exercise of powers, and performance of roles and duties.

In monitoring, control and intervention of the Communes (Khum-Sangkat), the Minister of Interior may delegate the authority to officials representing the Royal Government at the respective level of provincial/municipal, district (Srok/Khand) territorial administration to assist him/her (the Minister) in accordance with work requirement.

Article 54:

Any Commune (Khum-Sangkat) which fails to fulfil any duty as required by law, the Minister of Interior shall intervene in order to that the duty as required by law be fulfilled immediately.

A duty required by law, is a duty that the Commune Council is obliged to fulfill according to conditions as stated in the law, Royal-decrees, Sub-decrees, Proclamations (Prakas) and relevant juridical norms and standards or in the Internal Regulations and Deika (Orders/Decisions) of the Commune (Khum-Sangkat).

Article 55:

The monitoring, control and intervention include:

- Investigation and evaluation;
- Issuing instructions in writing to the Commune Councils to fulfil the duties as required by law;
- Help in fulfilling the duties as required by law for the Communes, in the place of the Communes.

Article 56:

The interventions as stated in the Sub-para.1, article 54 of this law, shall be rational and proportional to the volume duties required by law that the Commune Council failed to fulfill; and by enclosing instructions and other necessary supports therewith, to enable the Commune Councils to fulfill the duty as required

by law as usual.

The Minister of Interior may have right to enter into agreement in writing with any person or organization, or may issue written instructions to any official who represents the Royal Government at the provincial/municipal, district(Srok/khand) territorial administration levels to perform the works as necessary in order to intervene on his/her behalf on any matter.

Article 57:

If within 6 months, the intervention is unsuccessful in the fulfillment of any or a number duty(ies) as required by law , and moreover, if the Communes Council failed also to fulfill the duties, in general, as required by law, the Minister of Interior shall make a decision to dissolve that Commune Council and conduct a re-election according to the conditions as specified under this law and the Law on Elections of Commune Councils.

Article 58:

In case any Commune Council perform any activity contrary to the Constitution and Government policy, the Minister of Interior shall make a decision to dissolve such Commune Council immediately, and shall thereby holding a re-election of the Commune Council according to the conditions as specified under this law and the Law on Elections of Commune Councils.

Article 59:

An unit subordinated to the Ministry of Interior shall be set up as staff to deal with local administrative affairs.

The organization and functioning of this unit shall be determined by a Sub-decree following the proposal of the Minister of Interior.

CHAPTER VI

COMMUNE DEVELOPMENT PLAN

Article 60:

Commune Councils shall respectively prepare, approve and implement a commune development plan for the purpose of determining the scopes, programs and developments of their Communes (Khum-Sangkat).

Article 61:

A Commune development plan shall be consistent with the national economic and social development plan.

Article 62:

A Commune development plan shall be approved by the Commune Council in the first year of its mandate and shall be reviewed annually by its respective Commune Council, to provide new data.

Article 63:

In the preparation of the Commune development plan, the Commune Council shall take the following steps to:

- evaluate the existing level of development and development activities in its Commune (Khum-Sangkat);
- assemble all needs of the Commune and prioritize all those needs based on available resources ~~of~~ the Commune (Khum-Sangkat) and other acquired resources;
- prepare programs which may respond to these needs through providing of services and development and all these programs must be included in the annual budget of the Commune (Khum-Sangkat);
- provide services and development in accordance with its available budget;
- control, monitor and evaluate the implementation results of development plan;
- use the results to evaluate the level of new development in its Commune (Khum-Sangkat);
- report the results of implementation of Commune development plan to citizens in its Commune (Khum-Sangkat).

A Commune Council shall conduct its works consistent with its commune development plan.

Article 64:

The Commune development plan shall be made in writing, with maps, statistics and other relevant documents attached therewith.

The Commune development plan must also determine the methods and means to provide possibilities for the participation by the citizens of its Commune (Khum-Sangkat) throughout the whole process.

Article 65:

In case any commune development plan does not comply with the requirements of this law, the Minister of Interior may instruct the Commune Council to make its plan complies within 45 days upon reception a copy of this plan.

The Commune Council shall modify its commune development plan properly in accordance with the instructions of the Minister of Interior.

Article 66:

The Commune Council shall monitor, control and evaluate the implementation of the plans, programs, projects and the delivery of services with transparency and high accountability.

Article 67:

The Commune Council remains still responsible for the follow-up, control and evaluation of the plans, programs and other projects, even though such works are implemented by whichever component chosen by it.

Article 68:

The Minister of Interior shall instruct the Commune Councils on the methods for implementing the plans, control and evaluate the uses of capital fund allocated for the commune development plan.

Article 69:

The Commune Council shall make an annual report of:

- the prioritized works and objectives of delivery of services and

- commune development plan for the past financial year;
- the results of the performance of prioritized works, objectives for delivery of services and all commune development plans;
- the measures taken to improve any area where performance was deficient;
- the prioritized works and objectives for delivery of services and commune development plan for the present financial year.

The Commune Council shall adopt this report within 45 days after the end of each financial year.

Article 70:

The annual report as stated in the article 70 of this law, after adopted by Commune Council shall:

- copy to the Minister of Interior ;
- be deposited for the publics ;
- be made copies and distributed to important Organizations, Associations and the publics at cost price.

Article 71:

The Commune Council shall examine and consider on the comments that are made on the reports stated in the articles 69 and 70 of this law, and shall include the good comments into the commune development plan.

Article 72:

The Minister of Interior shall consult with relevant Ministries and institutions to issue instructions to Commune Councils the practical implementation of provisions set forth in Chapter 6 of this law.

CHAPTER VII

COMMUNE FINANCE

Article 73:

The Commune (Khum-Sangkat) shall have its own financial resources, budgets and assets.

Article 74:

The Commune (Khum-Sangkat) may have right to receive revenues directly from the incomes from fiscal taxes , non-fiscal taxes and service charges.

The above taxes include land tax, real estate tax and rental tax.

In case the Ministry of Economic and Finance collects directly the incomes of the Communes (Khum-Sangkat), such collection shall be done in the name of the Communes (Khum-Sangkat).

The types, rates and processes for the collection of the above incomes from the fiscal taxes , non-fiscal taxes and service charges shall be determined by law.

Article 75:

Each Commune (Khum-Sangkat) may have right to receive allocation resources from the national revenues for its own budget.

The allocation resources include:

- the total or partial transfer of specific incomes from the fiscal taxes and non-fiscal taxes of the State;
- Endowment, allocation resources, subsidies, or grants from national revenues.

The above allocation resources shall be provided to the Communes (Khum-Sangkat) through the Provincial/Municipal Treasury.

The organization and procedures of transfer of the above allocation budget shall be determined by a Sub-decree.

Article 76:

Each commune shall be entitled to receive fees from the performance of its role as an agency representing the State as assigned to it by the Royal Government or any Ministry or institution of the Royal Government.

The above fees are supplemented to the incomes of the Commune (Khum-Sangkat) or other grants received from the State's revenues, by the Commune (Khum-Sangkat).

The Royal Government or any Ministry or Institution of the Royal Government shall provide appropriate fees to any Commune (Khum-Sangkat) that performs the role as an agency represent the State as stated above.

If the delegation of the State's authority and functions to the Commune (Khum-Sangkat) is for permanently, the Royal Government shall manage for the allocation of a long term financial resources to the Commune (Khum-Sangkat)

The organization of the above fees shall be determined by a Sub-decree.

Article 77:

The State shall create the Commune fund.

The Commune fund is created in an objective to transfer of national revenues and other revenues to the budget of the Communes (Khum-Sangkat).

The transfer of national revenues to the above Commune fund shall comply with a formula or specific rate, for a period of at least three (3) years and not over five (5) years as determined by a Sub-decree (Anukret).

The procedure for application of this article shall be determined by a Sub-decree (Anukret).

Article 78:

The commune fund is obtained from:

- the allocation of specific part of State's revenues from State's annual budget as determined by Sub-decree;
- the grants and loans from both domestic and foreign sources,

The allotment of annual resources to the Commune (Khum-Sangkat) through the Commune fund shall be made in accordance with a formula as determined by a Sub-decree.

The management process, rules for the uses and procedures of withdrawal of money for expenses from the Commune fund, shall be determined by a Sub-decree.

Article 79:

The Commune (Khum-Sangkat) shall prepare and adopt its budget every year.

The Commune budget shall be prepared according to a form and adopted within or before a date in conformity with the national budgetary system.

There must be a balance between the total revenues and total expenditures, in the Commune budget.

Each Commune (Khum-Sangkat) may increase expenditures, but shall be consistent with its own incomes.

The Commune budget shall reflect of priorities and needs for the Commune development plans and investment programs.

The procedures for preparation and adoption of the above budget shall be determined by a Sub-decree.

Article 80:

The Commune (Khum-Sangkat) shall not have right to raise any loan.
The Commune may not give guarantee for any loan or any financial obligation.

Article 81:

The Commune is entitled to receive a transfer of any part of the State's assets into the assets of its Commune.

The Commune shall manage properly the assets which it acquired and the assets transferred to it by the State.

The Commune may use and exploit benefits from the assets which the State has transferred to its possession.

The Commune (Khum-Sangkat) must well maintain and protect all assets transferred to it by the State. The Commune may not have right to dispose of by selling, exchanging or transferring of ownership or the right of using of those properties without prior approval from the Minister of Economic and Finance, and upon there is consent of the Minister of Interior.

The procedures for management and use of the above assets shall be determined by a Sub-decree.

Article 82:

The Commune (Khum-Sangkat) shall establish a system for management, monitoring and control of its finance which includes:

- financial norms and standards and practical keeping of accounts;
- management of assets;
- requirements to proceed an audit;
- financial management with transparency, efficiency and accountability. ==

The system for management, monitoring and control of the Commune finance shall be determined by a Sub-decree.

Article 83:

The management of finance and assets of the Communes shall be subject to under the control of the Ministry of Economy and Finance, after having a discussion and agreement in principle with the Ministry of Interior.

CHAPTER VIII

PENALTY

Article 84:

Any Commune Council member (Councilor) who does not comply with the provisions of this law, shall be subject to the following disciplinary sanctions, without including yet any other criminal punishments.

The disciplinary sanctions include:

- Reprimand in the meeting of Commune Council with a taking of record precisely in a Minutes;
- In case of repeated offenses, a part or the whole allowance shall be deducted.

The disciplinary sanction which requires to deduct one part of or the whole allowance as above, may not be applicable unless upon there is an approval in advance from the Minister of Interior, at the proposal of the Commune Council.

This above deducted allowance shall be for the benefit of the Commune (Khum-Sangkat) budget.

If the concerned person still does not give up repeating the offense after applying the above two forms of disciplinary sanctions, the Commune Council may dismiss that person from the function of Commune Council member, by an absolute majority votes of the entire members of the Commune Council, and then shall select/elect a new member for substitution according to the conditions as stated in the para. 2, article 16 of this law.

If the President of the Commune Council who is also a Commune Chief (Mékhum or Chau-Sangkat) is to receive a disciplinary sanction, shall select any member of the Council (Councilor) or an official appointed by the Ministry of Interior to chair the meeting of Commune Council, in order to apply the above disciplinary sanction.

The official who is appointed by the Minister of Interior to chair the above meeting has no right to adopt anything.

CHAPTER IX

TRANSITIONAL PROVISIONS

Article 85:

In order to be as basis for organizing the elections of Commune Councils and administration of the Communes, the Minister of Interior shall, within a period of nine (9) months before the date of elections of Commune Councils for this first mandate, issue a Proclamation (Prakas) concerning the number, names and boundaries of Communes in the territory of the Kingdom of Cambodia.

Article 86:

After the elections of Commune Councils for this first mandate, each Commune Council shall respectively re-organize the Village Chiefs (Méphoum) subordinate to its Commune (Khum-Sangkat) according to the formality and procedure as set forth in the article 30 of this law.

Article 87:

In order to facilitate the administration of Communes (Khum-Sangkat) according to a decentralization system, an Inter-Ministerial Committee shall be created, herein after called the " National Committee for Supporting the Communes (Khum- Sangkat) ", headed by the Minister of Interior.

The National Committee for Supporting the Communes shall be created by a Royal- decree (Reach-Kret), following the proposal of the Prime Minister.

The National Committee for Supporting the Communes (khum-sangkat) shall be created after this law takes effect, and shall terminate its mandate within nine (9) months prior to the date of elections of Commune Councils of the next mandate.

The National Committee for Supporting the Communes (Khum-Sangkat) may be divided into Sub-commissions as necessary.

The National Committee for Supporting the Communes (Khum-Sangkat) shall take the entity which is established under the article 59 of this law as its Secretariat.

Article 88:

The National Committee for Supporting the Communes (Khum-Sangkat), shall have competency to make recommendations to the Ministry of Interior and the Royal Government on the following matters:

- to research and re-determine the boundary demarcations of all Communes (Khum Sangkat) in the territory of the Kingdom of Cambodia;
- to divide functions, powers and duties between the Royal Government and the Communes (Khum-Sangkat) and to manage to have collaborations and coordination between two or more Communes (Khum-Sangkat);
- to develop the capacity of the Commune Councils;
- to manage the Commune revenues and fiscal taxes;
- to provide technical assistance to the communes;

- to seek for means to provide information and orientation of the public administration about the functioning of the commune administrative system according to democratic and decentralization processes;
- to provide recommendations to the Royal Government on the implementation of the decentralization policy under the effects of this law and on the reform of public administration;
- to draft juridical norm and standard documents for the application of this law;
- to share comments on the Sub-decree (Anoukret) relating to the works of the Commune level;
- to determine a transitional administrative procedure for those Communes which do not have sufficient qualifications for implementing the decentralization policy.

Article 89:

After the elections of Commune Councils for this first mandate, the Minister of Interior may, based on the recommendations of the National Committee for Supporting the Communes (Khum-Sangkat), request to establish, disestablish the Communes or modify the boundary demarcations or change the names of Communes (Khum-Sangkat) in accordance with conditions as provided for in the articles 6 and 18 of this law, in order to conduct the elections of Commune Councils for the second mandate.

CHAPTER X

FINAL PROVISIONS

Article 90

Any provision that is contrary to this law shall be hereby repealed./.

This law is adopted by the National Assembly of the Kingdom of Cambodia, on 12 January 2001, during the 5th Session of its 2nd Legislature.

Phnom Penh, on 15 January 2001.

THE PRESIDENT OF THE NATIONAL ASSEMBLY

Signature of:

Norodom Ranaridh