

A wide-angle, nighttime photograph of a city skyline, likely Phnom Penh, Cambodia. The image shows numerous high-rise buildings, some with lights on, and a river in the background. The sky is dark with some light clouds.

## Cambodia Legal Update: New Guidelines to Streamline Construction Setbacks and Permits

Urban development in Cambodia is entering a new stage of clarity and compliance. The Cambodian government is now taking a bold step to better urban planning and construction management to strengthen urban planning and construction compliance with the applicable regulations.

To ensure the streamlined implementation of the existing relevant regulations<sup>1</sup>, on 30 June 2025, the Ministry of Land Management, Urban Planning and Construction ("**MLMUPC**") issued Circular No. 002 on Building Setbacks and Construction Permits under the Jurisdiction of Board Governors of the Municipal, Provincial, City, District and Khan ("**Circular 002**").

### Key Highlights of Circular 002

The Circular 002 focuses on the two key areas:

1. Building setbacks – The Circular ensures buildings maintain appropriate distances from property boundaries, public infrastructure and public spaces.
2. Construction permits – The Circular clarifies the required steps for the due process of construction approvals.

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<sup>1</sup> Circular 002 is issued to ensure the full implementation of the Law on Construction of 2019, Sub-Decree 42 and Sub-Decree 76, which regulate building heights, setbacks, and urban zoning.

## **Building Setbacks Requirements**

Setbacks are no longer determined on a 'one-size-fits-all' basis. The new rules introduce flexibility requirements based on building type and land size, which help developers to optimize space while respecting urban design standards.

The land sites with existing setback lines must comply with the proposed layout plan or the projected land use plan approved by the MLMUPC, especially in areas designated for potential road expansion. However, the land sites without existing setback lines/plan must comply with the following rules, depending on building type and land size as follows:

### Buildings with Eight Floors or Less

- For front setback or setback from the roads: a minimum of 4 meters is required. However, in commercial or mixed-used zones, or for pillar-only structures where the ground floor is reserved for public pedestrian use, a minimum of 2 meters is acceptable.
- Rear and side setbacks: A minimum of 2 meters is required.
- For small land plots:
  - If the plot length is less than 20 meters, each side must have a setback equal to 10% of the plot length.
  - If the plot length exceeds 10 meters, each side must have a minimum setback of 1 meter or align with a shared wall (depending on the actual condition of the plot).
- For buildings located in the residential linked house areas:
  - The minimum front setback must be 4 meters from the road, or straight aligned with the design and height of adjacent existing legally constructed buildings; and
  - The buildings must be constructed up to the property line on both sides, or share walls with neighboring structures; and
  - Construction owners must be responsible for any damage their buildings cause to neighboring properties.

### Building with 9-11 Floors

- Buildings with 9–11 floors must comply with Sub-Decree 42 dated 03 April 2015 on Urbanization of the Capital, City and Urban Areas ("**Sub-Decree 42**"), and Sub-Decree 76 dated 9 June 2015 ("**Sub-Decree 76**"), which amends Articles 30, 34, 38, 50, 66, 74, and 82 of Sub-Decree 42.

**Construction Permits Approval Process**

1. For construction under Municipal or Provincial Administration (*applicable to constructions areas between 500 – 3,000 m<sup>2</sup>*), the owner must submit a construction permit request to the One Window Service Unit at the relevant municipal or provincial level. The Municipal/Provincial Department will review and issue approvals. The Governor of the municipal/provincial will make a final decision.
2. For construction under City, District, or Khan Administration (*applicable to constructions areas of 500 m<sup>2</sup> or less*), the owner must submit a construction permit request to the One Window Service Unit at the relevant city, district or Khan level. The Cadastral Office at the City/District/Khan level will review the application and issue a decision.

Should you need any further information or support on building setbacks rules or construction permits, please reach out to us via the contacts below.

*The information provided here is for information purposes only and is not intended to constitute legal advice. Legal advice should be obtained from qualified legal counsel for all specific situations.*

## Contacts

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