

Kingdom of Cambodia
Nation Religion King

Ministry of Labour and Vocational Training

No: 045/20 K.B/S.N.N.Kh.L

Instruction

On

**Employment Contract Suspension and Suspension of NSSF Contribution Payment for
Factories, Enterprises, Establishments in the Garment and Tourism Sectors Severely
Affected by Covid-19**

According to the press release on instructions of the Royal Government of Cambodia on further measures to help the private sector and workers/employees severely affected by Covid-19 (Round 3, 07 April 2020) and according to the Labour Law, the Ministry of Labour and Vocational Training would like to instruct 1) owners or director of factories, enterprises, establishment in the garment sector (including textile, garment and footwear and travel goods and bag factories) and tourism sector in Phnom Penh, Siem Reap, Preah Sihanouk, Kep and Kampot provinces (including hotels, guesthouses, restaurants and travel agencies) facing a shortage of raw materials or having no orders or no export markets or no customers for services or facing any particular difficulty leading to suspension of production activity or business temporarily and 2) workers/employees working in those factories, enterprises, establishments to jointly fulfill the procedures of employment contract suspension and application for suspension of paying contribution to the National Social Security Fund (NSSF) as follows:

A- Application for Employment Contract Suspension

A1- For owners or directors of factories, enterprises, establishments in the garment and tourism sectors that have not provided an update to the Ministry of Labour and Vocational Training in late March 2020, must:

- Submit an application for employment contract suspension to the Minister of Labour and Vocational Training through the Labour Inspection Department for factories, enterprises, establishments in Phnom Penh and through Provincial Department of Labour and Vocational Training for factories, enterprises, establishments in provinces as per the format in Annex 1 and 2 of this instruction and can be downloaded on the website of the Ministry www.mlvt.gov.kh.

The duration of the employment contract suspension is 2 months maximum and can delay further if necessary and according to the actual situation.

- Openly and widely disseminate and give notice to workers/employees whose employment contracts will be suspended to provide 1) Cambodian identity card number 2) personal phone number (or relative's phone number) to the Ministry so that the Ministry takes it as a basis for transferring the allowance of US\$40 per month via Wing Specialized Bank.
- Prepare a name list of workers/employees whose employment contract will be suspended duly as per the format attached in Annex 3 of this instruction by requiring workers/employees to thumbprint on their name to confirm that the Cambodia identity card number and phone number prepared by the factory, enterprise, establishment is correct.

Any owner or director of factory, enterprise, establishment who fails to disseminate it openly to workers/employees about the above requirements or fails to ask workers/employees to thumbprint to recognize their Cambodian identity card number and phone number compiled must be responsible for paying workers/employees the Royal Government's allowance of US\$40 per month.

- Must absolutely attach three copies of each document 1) list of last month's wage before the employment contract suspension with the stamp of the factory, enterprise, establishment on all pages 2) business certificate 3) tourism license (for tourism sector) 4) patent 5) certificate of registration of enterprise, establishment with NSSF (if any) and 6) bank account of the factory, enterprise, establishment.

After receiving the application for employment contract suspension with complete documents, the labour inspector will conduct an inspection and verification visit to the factory, enterprise, establishment within 2 working days.

A2- For owners or directors of factories, enterprises, establishment in the garment and tourism sectors that already provided an update to the Ministry of Labour and Vocational Training or through Provincial Departments of Labour and Vocational Training in late March 2020, must:

- Follow the procedure stipulated in Point A1 above completely but do it via automation system <https://suspension.mlvt.gov.kh> with an instruction on how to use this system as in Annex 4 of this instruction.

A3- Other obligations of owners or directors of factories, enterprises, establishments in the garment and tourism sectors:

- For factories, enterprises, establishments in the garment sector, must provide an allowance of US\$30 for each worker/employee per month, in which:
 - US\$10 is provided for the duration of employment contract suspension from 7 days to 10 days.
 - US\$20 is provided for the duration of employment contract suspension from 11 days to 20 days.
 - US\$30 is provided for the duration of employment contract suspension from 21 days to 1 month.
- For enterprises, establishments in the tourism sector, must provide an allowance for workers/employees according to their ability and on a voluntary basis during the employment contract suspension and set a procedure for paying this allowance.
- Must implement the employment contract suspension as per the date and duration set in the Ministry's permit for the employment contract suspension. In case of ending the employment contract suspension (return to work) before the due date set in the permit for the employment contract suspension, a notice letter must be made to the Minister of Labour and Vocational Training through the Labour Inspection Department or Provincial Department of Labour and Vocational Training at least 2 days (of working days) before returning to work as per the format in Annex 5 and 6 of this instruction.
- Be responsible before the law for any conspiracy and false information provided to the Ministry of Labour and Vocational Training and repay the Royal Government.

A4- For workers/employees, must:

- Provide their Cambodian identity card number and personal phone number that is contactable to the owner or director of factory, enterprise, establishment in the garment and tourism sectors in order to be compiled as a list and sent to the Ministry to prepare the payment of the Royal Government's allowance of US\$40 per month via Wing Specialized Bank to workers/employees.

In case of no personal phone number, must provide the phone number of their spouse, child, parent or sibling and must not change the phone number.

- Receive the allowance from the Royal Government via Wing Agent as follows:
 - US\$ 15 for the duration of employment contract suspension from 7 days to 10 days
 - US\$ 30 for the duration of employment contract suspension from 11 days to 20 days
 - US\$ 40 for the duration of employment contract suspension from 21 days to 1 month.
- After 10 days of employment contract suspension, workers/employees will receive a phone message from Wing Specialized Bank about the amount of the allowance.
- After receiving the phone message, workers/employees must bring along their Cambodian identity card and the phone that receives the message to any Wing Agent nearest to their house to collect the allowance of the Royal Government. The Wing Specialized Bank will refund the allowance to the Royal Government if any worker/employee fails to go to collect the allowance within 10 days after the Wing Specialized Bank has sent the phone message to workers/employees.

The Ministry would like to remind workers/employees to cooperate in providing Cambodian identity card number and contactable phone number to the factory, enterprise, establishment and must properly check the Cambodian identity card number and phone number in the name list of workers/employees whose employment contracts are suspended before thumbprinting it to confirm it.

Any worker/employee fails to provide Cambodian identity card number and phone number to the factory, enterprise, establishment means the worker/employee has agreed to not receive the allowance of US\$40 per month from the Royal Government.

A5- For the Ministry of Labour and Vocational Training

- Must make a copy of the employment contract suspension permit as per the format as in Annex 7 and 8 of this instruction to the Ministry of Commerce, Ministry of Tourism (for tourism sector), Ministry of Industry, Science, Technology and Innovation, Ministry of Mines and Energy, National Bank of Cambodia, Ministry of Economy and Finance, General Department of Taxation of the Ministry of Economy and Finance, National Social Security Fund and relevant municipal and provincial halls.

B- Application for contribution payment suspension and continuation of NSSF benefits

- Owners or directors of factories, enterprises, establishments who are members of NSSF must make a notice letter on suspension of NSSF contribution payment as per the

format in Annex 9 of this instruction and can be downloaded on the website of the Ministry www.mlv.gov.kh.

- During the employment contract suspension, workers/employees will continue to receive health care benefits from the NSSF.
- Workers/employees still continue to receive an allowance for giving birth from the Royal Government (400,000 Riels for one child, 800,000 Riels for twins and 1,200,000 Riels for triplets and 5 million Riels from **Samdech Techo Prime Minister** and **Samdech Kittipritbandit**).

For more information, please contact: Mr. Ouk Chanthou (012 872 161), Mr. Huon Sokpheaneath (089 676 821), Mr. Manh Narith (087 525 656) and Mr. Dim Oudom (092 208 797).

Owners or directors of factories, enterprises, establishments and workers/employees of the garment sector including textile, garment, footwear and travel goods and bag factories and tourism sector in Phnom Penh, Siem Reap, Preah Sihanouk, Kep and Kampot provinces including hotels, guesthouses, restaurants and travel agencies must participate in implementing this instruction in an effective and highly responsible manner from the date of signature.

Phnom Penh, 17 April 2020

Minister

(signed and stamped)

Ith Sam Heng

Recipients:

- Office of the Council of Ministers
- Cabinet of Samdech Akka Moha Sena Padei Techo Prime Minister
- Cabinet of Samdech, Excellency, Lok Chumteav Deputy Prime Minister
- Ministry of Industry, Science, Technology and Innovation
- Ministry of Commerce
- Ministry of Tourism
- Ministry of Mines and Energy
- National Bank of Cambodia
- General Department of Taxation of the Ministry of Economy and Finance
- Municipal and Provincial Halls
“for information”
- Archives