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General - COVID-19

RGC's Subsidy for Employees During the Employment Suspension

The Ministry of Labour and Vocational Training ("**MLVT**") issued notifications dated 26 May 2020, 1 June and 3 June 2020 on the amount of subsidy provided by the Royal Government of Cambodia ("**RGC**") to employees whose employment contracts are suspended in accordance with Notification No. 045/20 dated 17 April 2020 of the MLVT on the contract suspension and the third-round of the RGC's measures put out to support private sectors and employees heavily impacted by COVID-19.

The subsidy will be provided to employees in the factories/enterprise in the garment and tourism sectors, the list of which is annexed to the notifications, via Wing (Cambodia) Limited Specialised Bank ("Bank") in Khmer Riel ("KHR") and based on the suspension period.

For the notification dated 26 May 2020

The subsidy will be provided to 33,231 employees of 111 factories/enterprises as follows:

- KHR 60,750 (approximately USD15) for the employment suspension from seven to 10 days;
- KHR 121,500 (approximately USD30) for the employment suspension from 11 to 20 days; and
- KHR 162,000 (approximately USD40) for the employment suspension from 21 days to one month.

The payment will be made in two instalments and four instalments for suspension of a period from 21 days to one month and two months respectively. Each instalment is KHR 81,000 (approximately USD20).

For the notification dated 1 June 2020

The subsidy will be provided to 25,588 employees of 67 factories/enterprises as follows:

- KHR 60,750 (approximately USD15) for the employment suspension from seven to 10 days;
- KHR 121,500 (approximately USD30) for the employment suspension from 11 to 20 days; and

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- KHR 162,000 (approximately USD40) for the employment suspension from 21 days to one month.

The payment will be made in two instalments and four instalments for suspension of period from 21 days to one month and two months respectively. Each instalment is KHR 81,000 (approximately USD20).

For the notification dated 3 June 2020

The subsidy will be provided to 49,960 employees of 165 factories/enterprises as follows:

- KHR 61,500 (approximately USD15) for the employment suspension from seven to 10 days;
- KHR 123,000 (approximately USD30) for the employment suspension from 11 to 20 days;
 and
- KHR 164,000 (approximately USD40) for the employment suspension from 21 days to one month.

The payment will be made in two instalments and four instalments for suspension of period from 21 days to one month and two months respectively. Each instalment is KHR 82,000 (approximately USD20).

Employees shall cash out the subsidy within 10 days after receiving the notice of the payment, the subsidy will be automatically transferred back to the RGC.

In the event the employees do not receive the notice of payment, the employees may contact his/her factory/enterprise administrator.

Visit our <u>COVID-19 Resource Centre</u> for views from our lawyers across the region on common issues and legal implications brought about by COVID-19. For specific inquiries, please reach out to your relationship partner or send an email to our <u>COVID-19 Legal Team</u>.

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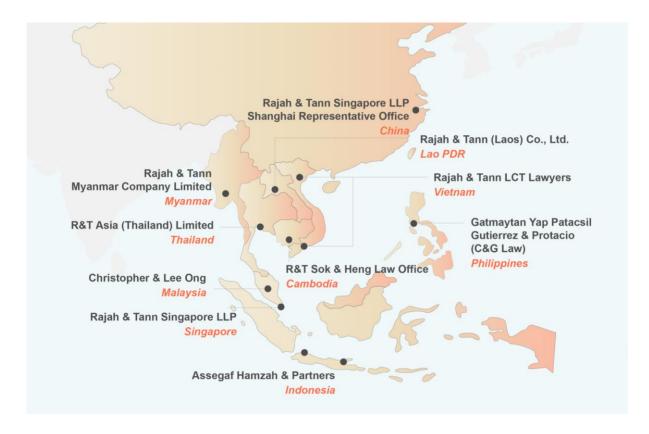
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