
Labour

Suspension of the Payment of Back Seniority Payment Prior to 2019 and Seniority Payment for 2020

The Ministry of Labour and Vocational Training issued Notification No. 018/20 dated 2 June 2020 on the Suspension of the Payment of the Back Seniority Payment prior to 2019 and the Seniority Payment for 2020 (“**Notification**”). This Notification was implemented in line with Point 7 of the Royal Government of Cambodia’s press release dated 7 April 2020 which provides for additional measures to assist the private sector and employees heavily impacted by COVID-19.

Per the Notification above, factory/enterprise owners/directors, employees and professional organizations using undermined duration contracts (“**UDC**”) shall be notified as below:

1. The payment of the back seniority payment prior to 2019 in the textile, garment, and footwear sectors and the seniority payment for 2020 of all sectors are suspended until 2021.
2. In the event of the termination of contract during this suspension period, the factory/enterprise owner/director shall pay the back seniority payment prior to 2019 and seniority payment for 2020 in accordance with the Labour Law and applicable regulations. However, this will not apply in the event that the employee commits serious misconduct or resigns.

The Notification is effective from 2 June 2020 onwards.

Visit our [COVID-19 Resource Centre](#) 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 [COVID-19 Legal Team](#).

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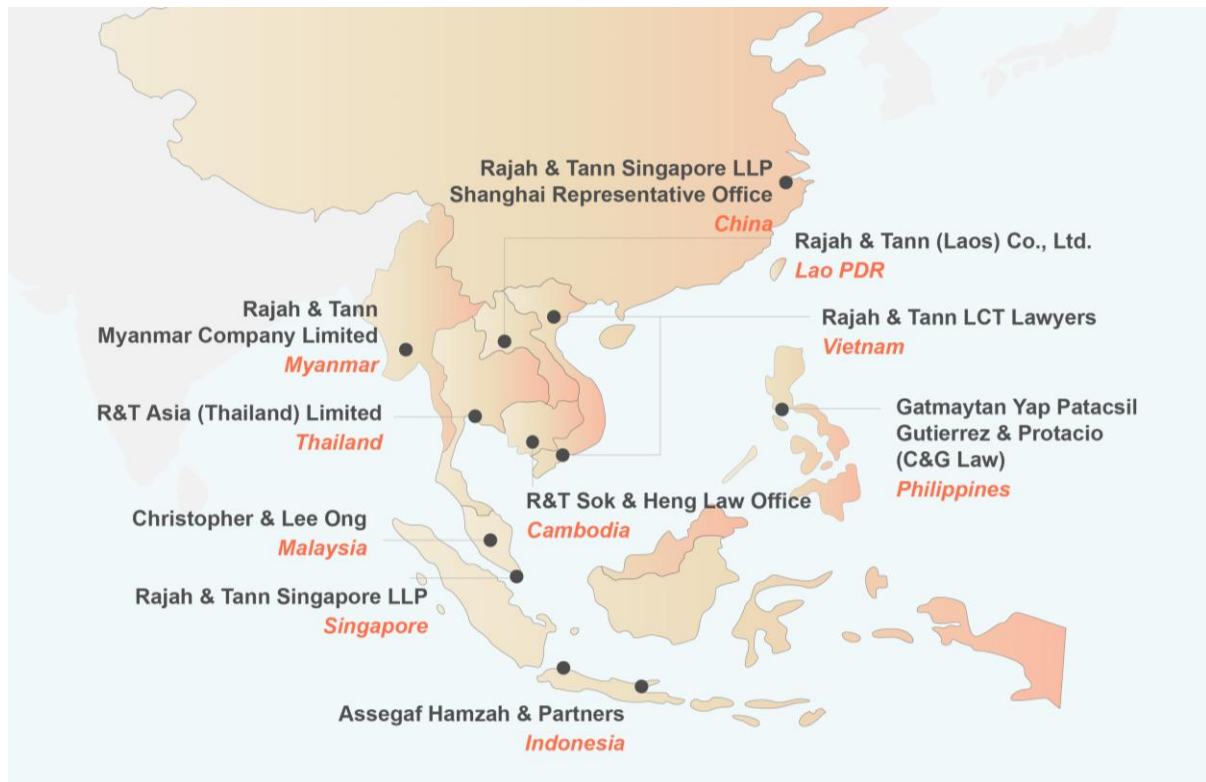
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