Client Update: Cambodia

2021 FEBRUARY



Labour

MLVT Issues Notification on Seniority Payment (i) Prior to 2019 and (ii) 2020 and 2021

The Ministry of Labour and Vocational Training ("MLVT") has issued Notification No. 003/21 dated 21 January 2021 on the Payment of the Back Pay of Seniority Payment prior to 2019 and the Seniority Payment for 2020 and 2021 for Manufacturing Factories/Enterprises ("Notification").

According to the Notification, the payment of back pay of seniority payment prior to 2019 and seniority payment for 2020 and 2021 for manufacturing factories/enterprises shall resume in 2021.

The payment is applicable to employees holding contracts of undetermined duration and shall be made according to the schedule as follows:

- 1. Payment of back seniority payment prior to 2019 shall be made:
 - in the first and third quarters of 2021 if there is any back seniority payment prior to 2019 that was supposed to be paid in 2020; and
 - in the second and fourth quarters of 2021 if there is any back seniority payment prior to 2019 that shall be paid in 2021.
- 2. Payment of seniority payment for 2020 shall be made in the first and third quarters of 2021.
- 3. Payment of seniority payment for 2021 shall be made in the second and fourth quarters of 2021.

Notwithstanding the schedule, the Notification further provides that employers and employees may negotiate to determine the procedure and specific date of the above payment depending on the factory/enterprise conditions and operations.

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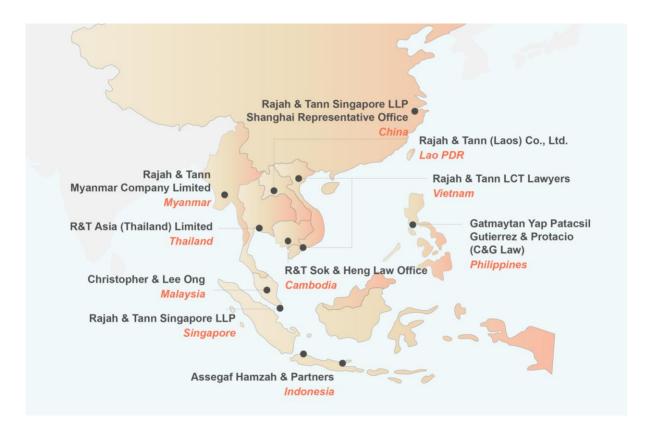
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