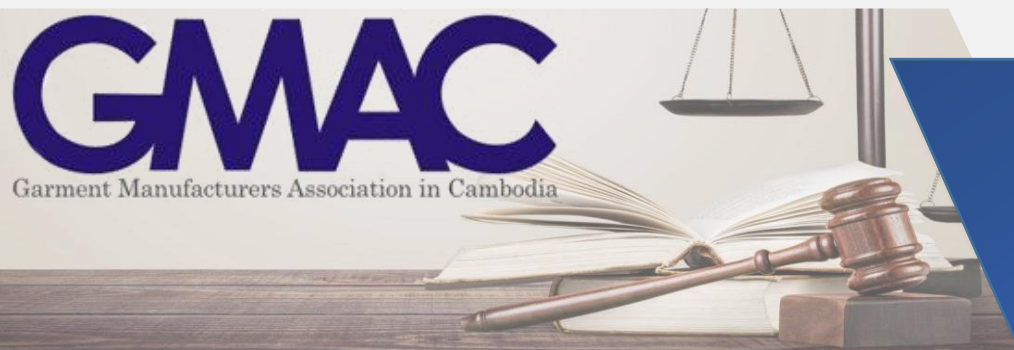


**Kingdom of Cambodia
Nation Religion King**



2022
August-September

**Legal Update for Textile, Garment,
Footwear, Travel Goods and Bag
Sector**

Table of Contents	Page
I. Legal Update for August	01
II. Legal Update for September	01

GMAC was established in 1996 due to the increasing need for the garment industries to stand together with a unified voice. GMAC has become one of the most active and prominent trade associations in the country, representing, promoting and safeguarding the rights and interests of its members. GMAC provides a forum for consultation and discussion among members / stakeholders of common interests and seek for the adoption of sound policies allowing the industry to grow and develop.

GMAC is headed by 25 Executive Committee members consisting of representatives from well-established factories. They are elected every two years during the Association's General Assembly. The elected members are responsible for providing advice on strategy and policy development, while day-to-day operation is carried out by 23 professional secretariat staff.

I. Legal Update for August

Sub-decree

1. Sub-decree 166 OrNKR.BK dated 12 August 2022 of the Royal Government of Cambodia on Holiday Calendar for Civil Servants, Workers/Employees for 2023 providing 20 public holidays in total.

(For details, please see reference documents.)

Notification

1. Notification 479 KB/OrK/PK dated 05 August 2022 of the Department of Occupational Safety and Health of the Ministry of Labour and Vocational Training on Training Courses on Occupational Safety and Health for enterprise physicians. For directors of factories/enterprises, enterprise physicians and physicians who wish to be an enterprise physician can attend this training course from 09 August 2022 onwards at the Training Bureau of the Department of Occupational Safety and Health via phone numbers: 012 888 561, 069 494 982, 098 477 234.

(For details, please see reference documents.)

2. Notification 20869 OrPD dated 31 August 2022 of the General Department of Taxation of the Ministry of Economy and Finance on List of Companies or Enterprises Licensed as Valid Tax Agents. The General Department of Taxation provides this list for the purpose of providing information and helping provide facilitation for owners of enterprises/companies who wish to use tax services (tax filing, tax return filing, paying monthly taxes and annual taxes etc.) from companies licensed as tax agents by the General Department of Taxation to avoid using tax services of persons with no license which could lead to fines and penalties.

(For details, please see reference documents.)

II. Legal Update for September

Sub-decree

1. Sub-decree 196 OrNKR.BK of the Royal Government of Cambodia on Annual Income Tax and Monthly Salary Tax Thresholds. The purpose of this Sub-decree is to determine parts of annual taxable income made by natural persons, sole proprietorships and dividend distributed to each shareholder of partnerships who are not deemed to be legal entity and parts of monthly taxable salary of resident employees. This Sub-decree shall cover income tax and salary tax.

(For details, please see reference documents.)

Prakas

1. Prakas 243 KB/BrK.Or.Th.K dated 07 September 2022 of the Ministry of Labour and Vocational Training on Public Holidays for 2023 allowing workers/employees to have 20 public holidays. The owner or director of the factory/enterprise can arrange workers/employees to have a public holiday

in a rotating manner if necessary or if unable to suspend operations. For taking public holidays in a rotating manner, a name list of the workers/employees must be kept regularly for the inspection of the labour inspector.

(For details, please see reference documents.)

2. Prakas 247/22 KB/BrK.Kh.L dated 21 September 2022 of the Ministry of Labour and Vocational Training on Determination of Minimum Wage for Workers/Employees in the Textile, Garment, Footwear, Travel Goods and Bag Industries for 2023. The minimum wage for workers/employees for 2023 is officially set at US\$200 (two hundred US\$) per month. For probationary workers/employees, the minimum wage is set at US\$198 (one hundred ninety-eight) per month.

(For details, please see reference documents.)

Notification

1. Notification 036 KB/S.Ch.N OrThK dated 07 September 2022 of the Ministry of Labour and Vocational Training on Implementation of Pchum Ben Holidays 2022. All owners or directors of factories/enterprises covered by the Labour Law shall allow their workers/employees to have paid holidays for the coming Pchum Ben festival for three days: 24th, 25th and 26th September 2022.

For factories/enterprises whose business is of global nature that requires regular operations which cannot be halted, the owner or director of the factory/enterprise shall arrange workers/employees to have a public holiday as per each public holiday in a rotating manner. Owners or directors of factories/enterprises shall prepare a list of workers/employees who have to have days off in a rotating manner as per the above dates and keep it for the inspection of the labour inspector.

(For details, please see reference documents.)

Other letters

1. Letter 3005 K.B/Or.K dated 09 September 2022 of the General Department of Labour on Guideline on Fines for Owners or Directors of Factories, Enterprises, Establishments Using Foreign Workforce without Work Permit and Employment Card. The General Department of Labour has instructed the Employment and Manpower Department and Municipal and Provincial Departments of Labour and Vocational Training that for owners or directors of factories, enterprises and establishments using foreign workforce without work permit and employment card and without a permit for using foreign workforce, the labour inspector shall fine them immediately in accordance with the law and regulations. This letter shows how to impose interim fines for violations as stipulated in this letter.

(For details, please see reference documents.)

By GMAC Legal and Labour Department

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