# **Tilleke & Gibbins**

# Cambodia Imposes Domestic Travel Restrictions and Other Measures to Limit COVID-19 Transmission

### **Domestic Travel Restrictions**

On April 9, 2020, the Cambodian government issued travel restrictions within Cambodia to prevent the progression of COVID-19 to the community transmission stage, effective from **12:00 a.m. Thursday, April 9**, **2020, to 12:00 a.m. Thursday, April 16, 2020**.

During this period, the following are prohibited:

- traveling from one province to another;
- traveling from one district to another (within one province or across provinces); or
- traveling in or out of Phnom Penh, the capital city of Cambodia.

This order by the Cambodian government, reinforced by an official statement from the Phnom Penh City Hall, emphasized that traveling within Phnom Penh will not be affected by these travel restrictions.

#### **Exceptions**

There are, however, some exceptions to these travel restrictions, such as travel by the following vehicles or for the following purposes:

- transportation of all kinds of goods;
- civil servants and members of the armed forces traveling for official business;
- ambulances of both private and public hospitals;
- firetrucks;
- dump trucks;
- transportation of workers authorized by the labor authorities; or
- traveling to the closest hospital or health center for emergency treatment with fewer than four people at a time.

#### **Partial Lifting of Domestic Travel Restrictions**

After implementing the in-country travel restrictions, on April 10, 2020, the Government of Cambodia decided to lessen the travel restrictions slightly by:

- Lifting the travel restrictions between one district to another within the same province. However, the restriction on traveling between provinces remains effective, and therefore crossing between one district in one province to another district in another province is still prohibited; and
- Treating Phnom Penh and Kandal Province (an area surrounding Phnom Penh) as one region, so that travel within and across Phnom Penh and Kandal Province is permitted.

# **Measures for Workplaces**

Cambodia's Ministry of Labor and Vocational Training (MLVT) also enacted the following implementation measures for the above restrictions.

#### **Obligations for Employees**

- Employees traveling between their residences and workplaces on their own must carry their work IDs, and their government-issued IDs or other documents showing their residential addresses. Employees traveling between their residences and workplaces on shared transportation must carry their work IDs and use vehicles that are authorized by the labor authorities. It is ambiguous whether these requirements apply only to employees that need to bypass the travel restrictions (e.g., from one province to another) or if they also apply to those who travel within the permitted areas (e.g., within Phnom Penh and Kandal Province).
- Employees are required to come to work during the period; otherwise, employees would be considered as committing an act of serious misconduct, which would allow an employer to terminate an employee without any compensation. Presumably, this rule only applies during this domestic travel restriction period, but the MLVT's notification is also unclear on this matter. Moreover, it is also unclear whether employees who were instructed to work from home, or those who take leave with the permission of their employers, could be considered as committing serious misconduct in this case.
- Employees who are at their workplaces must go to their workstations. They must not disturb other employees or disrupt their employers' business operations. Employees are also reminded not to incite, threaten, or intimidate other employees; otherwise, they will face legal consequences under Cambodian law, such as the Penal Code.

#### **Obligations for Employers**

- Employers must provide vehicle plate numbers to the labor inspector and cooperate with the labor inspector to obtain permits for vehicles transporting their employees. If any transportation service providers refuse to transport employees between their residences and workplaces, employers must terminate their transportation services immediately.
- Employers must guarantee that all of their employees have work IDs, and reissue IDs to employees if they are lost. Employers must accurately record the attendance of their employees in order to provide this information to the labor inspector and other competent authorities. Again, it is questionable whether an employee who is working from home must be noted accordingly or marked as absent from the workplace.
- Any company that does not maintain its production and operations will not be eligible to receive any incentives or financial packages from the government.

#### Obligations for Employee Transportation Service Providers and Drivers

- Transportation service providers and drivers must continue to transport employees to and from workplaces; otherwise, their service contracts may be terminated.
- In addition, in order to transport employees, transportation service providers must display permits on the front of their vehicles issued by the labor authorities.

# **Ambiguities**

These measures contain several ambiguities that we hope will be addressed in subsequent regulations.

- The MLVT notification refers to the governmental orders for the domestic travel restrictions, and thus it could mean that these measures and rules imposed by the MLVT are only applicable during the travel restriction period. However, the MLVT does not expressly limit its application to this period; thus the duration of these measures is uncertain.
- It is also unclear whether all measures are applicable to employees who do not need to travel outside of restricted areas (e.g., within a province or within Phnom Penh–Kandal Province area). In particular, it is uncertain whether they need to carry their work IDs and government-issued IDs, or can only travel to work via vehicles authorized by the labor authorities if they do not have their own vehicles.
- These measures seem most applicable to employees working in the garment, textile, and footwear production industry, which is a major part of Cambodia's workforce. However, if these measures are extended to other industries, the measures create a number of uncertainties. For example, if an employer has allowed its employees to work from home, and has supported other social distancing measures, it is not clear whether the employer would now have to require its employees to return to the office to work, or whether the employer must record these employees as absent and report the absent employees to the labor authorities.

Until these ambiguities become clear, companies should err on the side of caution when interpreting these rules to avoid unexpected penalties for noncompliance.

For more information on employment law in Cambodia, or any aspect of COVID-19's impact on doing business in the jurisdiction, please contact Tilleke & Gibbins' Phnom Penh office at <u>cambodia@tilleke.com</u> or +855 23 964 210.

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# **Our Commitment to Continuous Client Service**

During the COVID-19 outbreak, we are focused on maintaining high-quality client services while ensuring the safety and wellbeing of our team. Over the past several weeks, Tilleke & Gibbins has implemented our Business Continuity Plan across our offices in Cambodia, Indonesia, Laos, Myanmar, Thailand, and Vietnam. The vast majority of our team members are now working remotely, and based on our robust technology infrastructure, we are providing our full range of services as usual. We are now carrying out all client meetings through the use of technology, and, as many of you will have already experienced, this is proving to be a highly effective solution. By implementing a range of technology and agile working measures, we will ensure that you continue to receive the highest quality services with the fastest possible response times from our team. We know that you are facing complex business challenges during this crisis, and we have put together a bank of practical resources tracking the legal developments in the region as they happen—you can access them all at this link. In addition, we want to assure you that our team will be continuously available to help you navigate these issues across Southeast Asia. If you have any queries about these measures, please contact your usual client service partner, or email <u>communications@tilleke.com</u>.