

Cambodian New Year Holiday Delayed Due to COVID-19

On April 7, 2020, Cambodia's Ministry of Labor and Vocational Training (MLVT) released an urgent notification to **postpone the Cambodian New Year holiday, and require all employers and employees to treat April 13 to April 16, 2020, as regular working days.** The postponement is in light of the current circumstances regarding the COVID-19 global pandemic, and presumably to prevent widespread travel during the holiday.

Under Cambodia's Labor Law, employers are normally obligated to give their employees days off during these public holidays without taking deductions from employees' salaries, or to pay overtime for working on the holidays at 200% of the employees' usual salary. However, this notification means employees should go to work as usual from Monday, April 13, 2020, to Thursday, April 16, 2020, and employers should only pay employees at the standard rate of pay (i.e. 100% of their salaries instead of 200% for working overtime during public holidays). Employees may take annual leave during this time, provided that they have accrued sufficient annual leave; however, Cambodia's government urges employees to go work instead of taking leave for the holiday in the hope of containing COVID-19 infections.

In addition, this development also affects private companies' payroll plans due to the legal requirement that employers make salary payments to employees twice a month. For example, companies that set the 16th of each month as the first salary payment date may proceed with their payroll plans as normal and without having to make the first salary payment before the now-canceled Cambodian New Year.

The MLVT notes in the notification that it will give employees a substitute holiday at a later date, and that this holiday will have five days (as opposed to the four days originally scheduled for the Cambodian New Year). The dates of this substitute holiday are not specified, but the MLVT will notify the public once a suitable time can be found.

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 cambodia@tilleke.com 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 communications@tilleke.com.

Stay well, safe, and healthy.