

*(National Coat-of-Arms)*

**KINGDOM OF CAMBODIA**

**Nation Religion King**



**Royal Government of Cambodia**

No. ....

**Press Release**

**on**

**Instruction of the Royal Government of Cambodia on the Additional Supportive Measures to Continue Managing the Impact on the Key Sectors of the National Economy in the Context of the Crisis and the Recovery and Boost of Cambodia's Economic Growth after the COVID-19 Crisis**

**(Round 5 of Intervening Measures, 31 July 2020)**

As COVID-19 continues to make its impact felt, in a proactive spirit and with active cooperation and contribution from citizens and the private sector, the Royal Government has issued four rounds of supportive measures to stabilise businesses in highly-affected economic sectors. As of now, Cambodia has achieved remarkable positive results. In fact, citizens and businesspeople are adopting their habits and behaviour in the context of COVID-19 and they decided to travel in family unit across the municipalities and provinces, and have resumed their business activities. However, the highly affected sectors, such as garments, textiles, footwear, tourism, and aviation sectors have not fully recovered and stabilised. Also, the poor and vulnerable families are facing daily challenges.

In this context, by observing the development of the economic, commercial and social landscape in the global, regional and local framework, the Royal Government has decided to release its fifth (5) round on additional supportive measures to: (1) continue recovering and promoting businesses' activities to boost economic growth after the COVID-19 crisis and (2) continue mitigating daily livelihood burdens of the poor and vulnerable families through cash support programmes. The Government's supportive measures (round five), which have been prepared through consultations with all stakeholders, include:

**1. Continued Measures to Support the Garment-Textile, Footwear, Travel Products, Bags and Tourism Sectors**

1.1. The Royal Government will continue to provide subsidies to employees/workers of those factories, enterprises and businesses in the formal economy, in the garments, textiles,

footwear, travel products, bags and tourism sectors, that were officially registered with the Ministry of Labour and Vocational Training, the Ministry of Commerce, the Ministry of Tourism and the General Department of Taxation of the Ministry of Economy of Finance. After those factories, enterprises and businesses in the above two sectors have obtained a permit to suspend employment contracts and/or an approval to extend the suspension of employment contract from the Ministry of Labour and Vocational Training, and after meeting the criteria and conditions for the aforementioned suspension of employment contract; as well as complying with the conditions in the previous phases, the Royal Government will provide:

- Renewal of the subsidy of USD 40 for an employee who worked in the garment-textile, footwear, traveling products and bag manufacturing sector for a further period of two (2) months, until the end of September 2020. The factories and enterprises in these sectors need to contribute USD 30 for an employee (each employee/worker will receive in total USD 70 per month);
- Renewal of the subsidy of USD 40 per month for an employee who worked in the tourism sector, including hotels, guesthouses, restaurants, and travel agents for a further two (2) months until the end of September 2020. In addition to the Government's subsidies, enterprises and businesses in the tourism sector may provide financial contribution to their employees on a voluntary basis or actual ability.

1.2. Renewal of exemptions of all types of monthly tax payments for those hotels, guesthouses, restaurants and travel agents that were registered with the General Department of Taxation and operating in Phnom Penh, Siem Reap, Preah Sihanouk, Kep, Kampot, Bavet and Poipet. The exemption will be extended to a further two (2) months from August to September 2020.

## **2. Continued Measure to Support the Aviation Sector**

- Renewal of exemption of the minimum tax for a further two (2) months from August to September 2020 to airline companies that were registered in Cambodia.

## **3. Cash Support Programme for Poor and Vulnerable Families**

- Continue to implement Cash Assistance Programmes for the poor and vulnerable families amid COVID-19 pandemic for a further two months in August and September 2020.

All relevant Ministries and Institutions must implement this instruction in accordance with their competencies in the most effective manner.

The Royal Government will continue to monitor the situation of COVID-19, along with the economic and financial landscape regionally and globally, to examine and evaluate the impact of COVID-19 on key sectors of the Cambodian economy, in order to update and prepare the necessary additional measures. This move aims to stabilise economic activities, as well as preparing to recover, and boost economic growth after the COVID-19 crisis.