

LEGAL ALERT

Cambodia
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Updates from MLVT on Enterprise Declaration Requirements and Annual Foreign Workforce Quotas for 2019

On 19 July 2018, the Ministry of Labour and Vocational Training (“MLVT”) and the Ministry of Economy and Finance issued an Inter-Ministerial Prakas, Prakas No. 714, which came into force from 1 August 2018 in relation to the provision of public services. Prakas No. 714 introduced some new conditions particularly on: (1) the validity of the declaration of the opening of an enterprise (the “Declaration”); and (2) new public service fees.

Prakas No. 714 aims to increase the public service fee and to determine the validity of a number of documents. Interestingly, under Prakas No. 714, the validity of the Declaration has been limited to 3 years, meaning that all Declarations shall be renewed every 3 years in order to remain valid. Furthermore, the fees for applications, approvals, and other public services have increased under this new Prakas.

The previous Inter-Ministerial Prakas of the same title, Prakas No. 1009 on the “Provision of Public Service by Ministry of Labour and Vocational Training,” dated 28 December 2012 shall be abrogated.

On 20 August 2018, the MLVT has also announced the deadline for the application for a foreign workforce quota in relation to the employment of foreign workers and their work permits in 2019. Owners and directors of an enterprise and establishment in Cambodia, who wish to employ foreign staff must apply for a foreign workforce quota for their employees from 1 September to 30 November 2018. Applications for foreign employee’s work permits shall be applied from 1 January to 31 March 2018.

It is of great importance for enterprises and companies who are operating in Cambodia to comply with the requirements of the MLVT in order to ensure the legitimacy of their business operations and their employment relationship with their employees. As such, business owners shall renew their Declarations every 3 years and shall apply for the required annual foreign workforce quota and work permits for their foreign employees in accordance with the regulations issued by the MLVT.

We would be pleased to assist anyone who requires any further information about the matters set out above. We can also assist with completion of the requisite annual quota and work permit applications, registrations, and declaration of the opening of an enterprise. Please do not hesitate to get in touch.

If you have any questions with the above or require any assistance, please contact [Matthew Rendall](#), [Phirum Ol](#), [Muong Sovanponnarith](#) or the ZICO Law partner you usually deal with.

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