<table>
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<th>Cambodia</th>
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<td><strong>Policy responses</strong></td>
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| **Containment** | • April 10. State of emergency  
| | • June 12. Number of cases at 126. 124 recovered patients. No deaths as of yet. 21,700 tests conducted.  
| | • July 15. Number of cases at 165. 133 recovered patients. 32 remain hospitalized. No deaths as of yet.  
| | • New Year celebrations were cancelled.  
| | • Returning migrant workers are to self-isolate for 14 days, as also those workers who travelled during the Khmer New Year in April.  
| | • Schools, casinos, and entertainment venues are closed and the government has banned public events with more than 50 participants. Select schools with the capacity to ensure safety standards can reopen in August. Casinos now can reopen if they meet certain requirements on COVID-19 measures.  
| | • Domestic travel restrictions were lifted on 16 April.  
| | • From March 14 onwards, travel ban on foreigners from Italy, Germany, Spain, France and the United States. In late May, in late May travel ban was ended on flights from six countries, namely France, Iran, Italy, Spain, the United Kingdom and the United States.  
| | • Foreigners coming to Cambodia need to obtain a visa at a Cambodian diplomatic mission abroad, a health certificate before departure, and sufficient travel insurance. |
| **Fiscal** | • The Government has put aside between $800 million to $2 billion to help the economy weather the crisis. The latter figure applies if the global COVID-19 outbreak lasts until the end of the year. Much of this $2 billion stimulus package is not actual expenditure but expected reductions of state revenue because of tax breaks, delayed tax payments and other such measures that the government will now offer businesses.  
| | • Additional fiscal resources to the health sector of around $60 million (around 0.2 percent of 2019 GDP) are expected.  
| | • Social assistance is being strengthened, including grants to households and subsidies for wages and health and employment insurance. |
| **Monetary** | • The National Bank of Cambodia (NBC) has delayed additional increases in the Capital Conservation Buffer, cut the interest rate in its Liquidity Providing Collateralized Operations, decreasing banks’ funding costs in domestic currency; cut the interest rate on Negotiable Certificates of Deposit (the collateral for LPCOs), to encourage banks to disburse loans; and lowered required reserves that banking and financial institutions must maintain at the NBC both for local and foreign currencies.  
| | • The NBC moved in March to ease restrictions on borrowing, which means banks and other financial institutions can borrow at lower rates, giving them enough liquidity to accept suspended payments from customers. |
• The NBC also issued guidelines to financial institutions on loan restructuring for borrowers experiencing financial difficulties in priority sectors (tourism, garments, construction, transportation and logistics)

| Financial | • $50 million set aside for low-interest loans for struggling SMEs.  
  • On March 27, 2020, the NBC issued a directive to all banks and financial institutions to restructure loan repayments in order to maintain financial stability, support economic activity and ease the burden of debtors facing major revenue declines caused by the COVID-19 outbreak. |
| SME measures | **Subsidy and tax exemption:**
  • The authorities announced a tax exemption period for affected plants and proposed a 60 per cent wage support scheme for furloughed workers, of which 20 per cent is paid by the authorities and 40 per cent is paid by the plants.\(^1\)
  • The government announced that hotels, guesthouses, restaurants and travel agencies in Phnom Penh, Siem Reap, Preah Sihanouk, Kep, Kampot, Bavet city and Poipet city will be tax-free for three months from March 2020 to May 2020.\(^2\)

| Loan support: |
| • Memorandums of understanding (MoUs) has been signed by the state-owned Agriculture and Rural Development Bank (“ARDB”) and the Cambodia Food Manufacture Association (“CFMA”). The MoUs will help the Cambodian government issue a USD 50 million loan to SMEs to expand their business and productivity during the outbreak. SMEs can acquire low-interest loans from the ARDB. The fund is expected to support 500 SMEs. Each company can borrow up to USD 300,000. The annual interest rates for working capital loans and investment loans are 6 per cent and 6.5 per cent, respectively.\(^3\)
  • Co-Financing Scheme for Small and Medium Sized Enterprises: The Ministry of Economy and Finance has officially launched and implemented a USD 100 million Fund for SMEs jointly funded by the SME Bank of Cambodia and participating commercial banks and microfinance institutions. The maximum tenure of the loans are extended from four years to seven years, and payment of principal and interest can occur either monthly, quarterly or semi-annual repayments with intervals of not more than twelve months.\(^4\)
  • The government will disburse special low-interest loans through specialized SME and agriculture banks, in addition to packages issued to SMEs and rice producers.
  • The Central Bank has issued guidelines to financial institutions on loan restructuring for borrowers experiencing financial difficulties in |

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priority sectors: tourism, garments, construction, transportation and logistics.

**Employment support:**
- Payment of 60% of minimum wage ($190) for furloughed workers in the garment sector, with a third paid by employer and the rest by the state.\(^5\)

**Other policy measures**
- A 4 percent stamp duty tax on property purchases has been suspended, while hotels and guesthouses in major tourist areas have been exempted from paying tax until at least May.
- Cambodian import garment factories can also enjoy tax holidays until the end of the year. Precisely, many of these measures stemmed not from the COVID-19 crisis, but from Cambodia’s partial removal from a European Union preferential trade scheme last month.
- The clearest element to the relief package is state-contributions for garment workers who are made to take enforced leave if factories close because of the COVID-19 outbreak. The Government will provide 60 percent of minimum wage, which rose to $190 per month in 2020. A third will be paid by employers, and two-thirds by the state.
- Only “legally registered and formally verified” SMEs will receive benefits. However, 95 percent of Cambodian SMEs are informal businesses that are not officially registered.
- A subsidy of 20 per cent of Cambodia’s minimum wage will be paid monthly to laid-off workers in the hospitality industry.

References:
[https://opendevelopmentcambodia.net/tag/covid-19/#!/story=post-134888](https://opendevelopmentcambodia.net/tag/covid-19/#!/story=post-134888)