



# Annual Report 2021



**INVESTING IN THE FUTURE –  
The Arbitration Council’s Commitment to  
Sustainable and Harmonious Industrial Relations**

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## Message from the Chairman of the ACF Board of Directors

**Dear Readers,**

I would like to start with the 2021 impact of Covid-19 on social, business and employment environment and positive changes since then. In spite of massive Covid-19 infections with severe economic impacts, there were only a small number of mortalities due to massive coverage of vaccinations.

Phnom Penh lock-down and travel restrictions at the beginning of the Covid-19 pandemic in March and April 2021 forced a number of factories and enterprises to engage in mass termination or reduction of large number of workers with the claim of force majeure and/or lacking orders while the unions were apparently less active due to Covid-19 pandemic concerns. The number of collective disputes forwarded to the Arbitration Council (AC) dropped to 44 cases in 2021 as compared with 66 cases in 2020 and over 117 cases in 2019, while almost 150 factories were closed down and over 160 new factories opened in 2021 with reports of increasing sub-contracting factories from about 300 to over 500. The total value of exports by over 1,800 large-scale factories in operation employed nearly 1 million workers dropped about 15% as compared to 2020 figure.

So, in 2021, Cambodia's economic growth and employment situation was worse than in 2020. However, with the Royal Government of Cambodia's strong capacity to manage and control the spread and treatment of Covid-19 infection, production chain improvement, pick-up of orders from China, and relocation of production and diversification of orders from other countries, the business and employment prospects for 2022 in Cambodia are more hopeful and positive. The current situation is being facilitated by ample availability of raw materials, entry into force of new free trade agreements, peaceful atmosphere, Labour Law amendments and labour relations enhancement through implementation of newly enacted Law on Trade Unions as well as investment and business environment reforms through new Investment Law and regulations and introduction of automated systems for various business and employment registration.

While the number of collective labour dispute cases and the associated workload slightly declined for AC and ACF in 2021, with the new Labour Law amendment allowing individual labour disputes to be resolved by the AC after issuance of Prakas on Individual Labour Disputes Resolution (IDR) Procedure by the Ministry of Labour and Vocational Training, which is being expected in the near future, the AC/ACF and SAC have been working hard and strategically to support and prepare for piloting resolution of Individual Labour Disputes based on the AC core values of independence, credibility and sustainability.



In addition to continuing its remarkable and credible collective labour disputes resolution and publication of arbitral awards, the AC/ACF and SAC have worked on production of Bench Book on Employment Termination and Educational Videos (on Case Preparation Techniques, Mass Lay Off, and Labour Contract Formation and Amendment). Furthermore, and more importantly, AC/ACF and SAC have worked on collection and provision of important inputs for a Prakas on IDR Procedure, and engaging in more intensive discussion on the need and procedure for recruitment of new arbitrators to ensure sustainability of the AC. Moreover, ACF has been busy with designing curriculum for training on IDR for arbitrators, training of stakeholders, encouraging review and adoption of Code of Ethics for Arbitrators, and formulating Gender Equality and Policy for ACF.

All of the above could not be achieved without ongoing and increasing strong financial and political supports from the RGC through MEF and MoLVT, as well as invaluable grant-based assistance from development partners (SIDA, USAID/Solidarity Center, and Brands such as Levi's Strauss Foundation, H&M, VF, and GAP) as well as active participation and trust of all stakeholders, particularly the representatives of Employers and Workers in the culture of tripartism. Lastly, May 2022 bring a more positive, productive, healthy, harmonious and prosperous labour and professional relations in Cambodia in an environment of peace, security, safety, and effective and more accessible labour disputes resolution through the Arbitration Council.



**Nhean Somunin**

**Chairman for the ACF Board of Directors**

## Message from ACF Executive Director

**Dear readers:**

The Arbitration Council (AC) and its Foundation (ACF) continue to play a central role in dispute resolution and social dialogue. So far, nearly 3,000 cases of collective disputes have been resolved by the AC, with around 75% resolved successfully. The AC continues as an institution to build a reputation for integrity, independence, and efficiency. The average time to hear a case and issue an arbitral award is 18 days. It is a remarkable result when compared with any dispute resolution system around the world. Worker unions, employers, and Ministry of Labour and Vocational Training (MoLVT) again, share the view that the AC has an ample opportunity to ensure continued provisions of quality services to stakeholders in Cambodia and remain a model institution in the region.



His Excellency Dr. Ith Samheng, Minister of Labour and Vocational Training remarked in 2016 that it was time to strengthen, empower, and expand the AC institution. The Council and the Foundation have worked with relevant stakeholders and partners not only to further improve the AC dispute resolution services, but also enhance parties' access to AC jurisdiction. In 2021, worker unions, employer organizations, MoLVT have reiterated their strong commitment to maintain the AC as credible, strong, and independent. This commitment provided a very important support for a bright future of labour dispute resolution by the AC.

Despite COVID-19 pandemic in 2020 and 2021, the AC and ACF continue to receive financial and moral support from the Royal Government of Cambodia and international donors, and cooperation from many labour stakeholders. The AC and ACF have reconfirmed their commitment to achieve: i) transparent recruitment and training of new arbitrators; ii) sustainable funding by tripartite constituents of the AC; iii) improved or direct access to jurisdiction of the AC; and iv) well-planned individual and collective dispute resolution services by the AC.

In achieving these objectives, the AC and ACF will need to overcome a number of challenges which include anticipated various views and understandings of the existing law and amendments thereof particularly among the tripartite parties. For instance, challenges are expected especially when it comes to the question of whether parties may agree in advance as to which third party they may choose to resolve their disputes. Recruitment of new Arbitrators and funding are key to independence and credibility of the AC institution, while opening up the AC for individual disputes requires a great deal of preparation at both policy and technical levels.

So, 2021 has provided the AC and ACF team the opportunity to see other areas of possible cooperation with many partners, to improve performance, and to prepare well for the challenges that lay ahead in 2022.

A handwritten signature in blue ink, appearing to be 'Men Nimmith', written in a cursive style.

**Men Nimmith**

**Executive Director, ACF**

## Staff of the Arbitration Council Foundation in 2021-2022





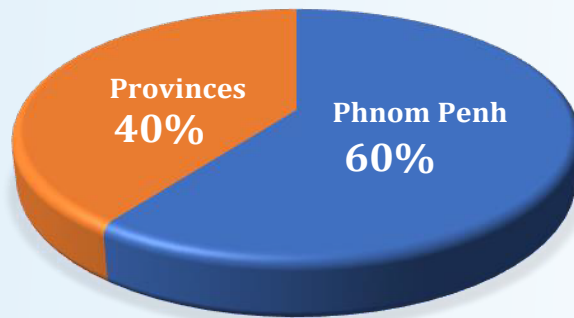


# 1. Labour Dispute Settlement by the Arbitration Council

## 1.1 Collective Labour Disputes Registered at the AC

Since its inception in 2003, the Arbitration Council (AC) has heard cases from a range of industries across Cambodia, including garment and footwear, handbag, hospitality and tourism, construction, transportation, food and services, security, media/telecom, printing, manufacturing, and agriculture sectors. It is also noteworthy that, from 2003 to 2021, 60% of cases came from Phnom Penh, and another 40% were from the provinces.

Figure 1: Percentage of registered cases by location, 2003-2021

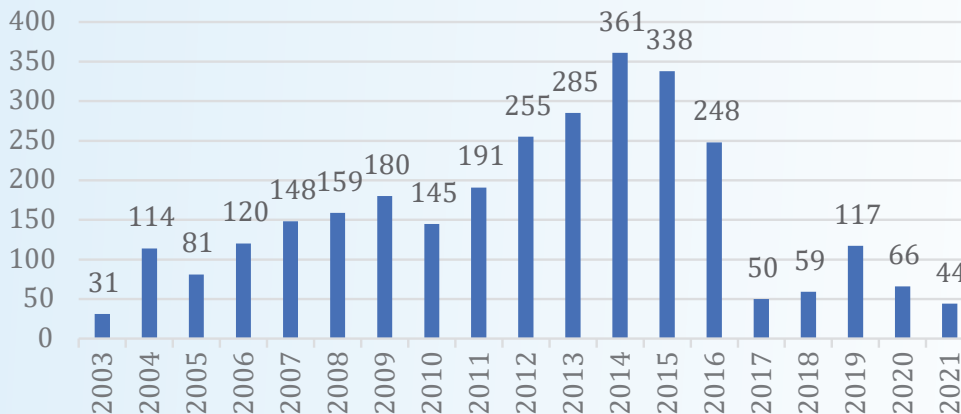


As of 2021, the AC has handled a total of 2,992 cases affecting more than 1.16 million workers; its process is cost-free to the parties. The success rate of this labour dispute resolution process is 75%.

## 1.2 Registered Cases Trend

Figure 2 below indicates significant changes in the trend of collective labour dispute cases registered at the AC from 2003 to 2021. The graph shows the number of cases dropped over the last 5 years from 2017 to 2021 at AC. In 2020, 66 cases were filed at the AC, but in 2021 the number of cases dropped to 44 cases. The decrease was possibly influenced by the COVID-19 pandemic, with some companies and factories suspending their work according to the COVID-19 suspension procedure while other companies, for example in the tourism sector, closed operations completely due to pandemic-related pressures.

Figure 2: Cases registered trend for the period of 2003-2021 by year



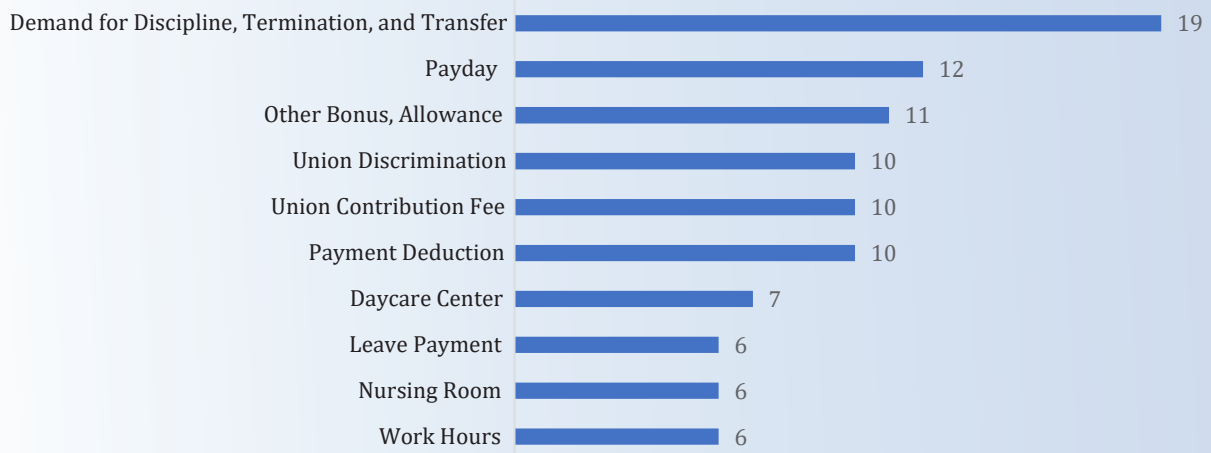
In 2021, two cases involved strikes; the AC issued 2 Return-to-Work Orders, one of which was followed by the employees.

### 1.3 Types of Dispute Issues Forwarded to the AC

The AC plays a role in solving collective labour disputes, only as specified in a non-conciliation report referred by a conciliator designated by the Ministry of Labour and Vocational Training (MoLVT) (Article 312 of the Labour Law, 1997).

One labour dispute case can have more than one issue and vary in kind. A full range over two hundred issues were brought to the AC in 2021, and the table in Figure 3 below shows the top ten types of issues.

Figure 3: Top Ten Types of Issues Brought to AC in 2021

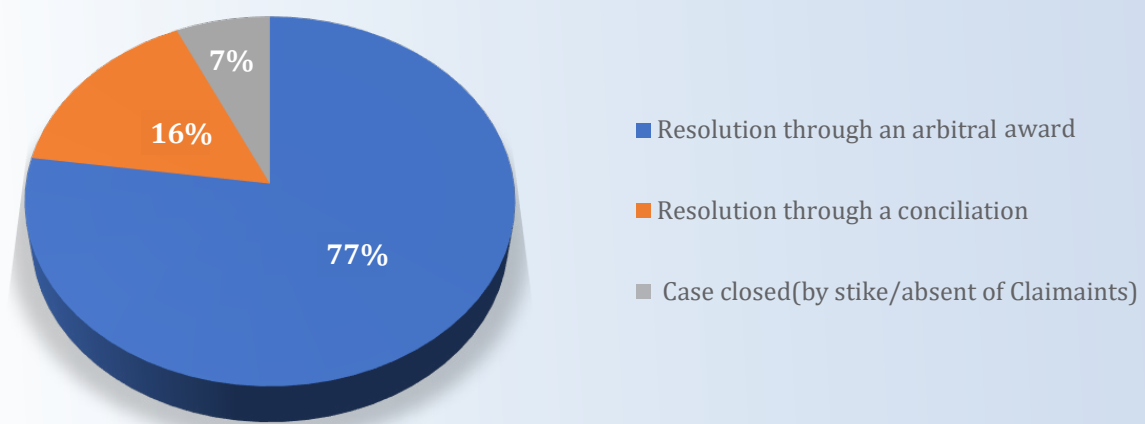


### 1.4 Reaching Agreement versus Arbitral Awards

A collective labour dispute referred to the AC can be resolved either by an agreement between the parties or by an arbitral award. Agreement is reached through conciliation by an Arbitral Panel; if no agreement can be reached, an arbitral award is issued. The arbitral awards data also include the cases that the AC decided to close due to ongoing strike action or the failure of the claimant to attend the hearing. Preparing an arbitral award after the hearing requires additional time for comprehensive research, law analysis, and award writing.

In 2021, the average number of days taken to resolve a dispute at the AC was 44. In the previous years, 2020 for example, the average number of days was 29 days. Some reasons the cases registered in 2021 were more complex included the effects of the COVID-19 pandemic as the disputing parties often required longer times and/or postponed the case hearing.

Figure 4: Rate of Resolution of Registered Cases in 2021



## 1.5 The Preparation for Individual Labour Dispute Resolution by the Arbitration Council

Having collaborated with MoLVT for over a decade, ACF has expected for the past few years that Cambodia's National Assembly would issue a Law on The Amendment of Labour Law (the Amendment) and that this would have an impact on the MoLVT and AC. The Amendment was indeed promulgated by the Royal Kram No. 1021/011 on 5 October 2021. Pursuant to Article 300 of the Amendment, the AC now has the jurisdiction to handle individual labour disputes following an issuance of a Prakas by the Minister in charge of Labour.

In mid-2021 (before the Amendment entered into force), the ACF and AC took the initiative to draft what they called a legal framework for governing the labour individual dispute resolution services in Cambodia. This draft legal framework of AC/F's was later turned into a draft Prakas which the ACF team hoped would be considered as a valuable contribution to the MoLVT's drafting process. The draft Prakas, which was completed by ACF/AC team in August 2021, was the first of its kind prescribed by the Amendment. ACF/AC team presented the draft Prakas to, and shared a soft copy of it with, MoLVT's delegates.

Expanding the role of the AC to include individual labour disputes settlement requires a great deal of preparation. It will require careful planning and piloting, including procedural rules, establishing human resources, arbitration/conciliation skills trainings, budgeting, workspace, and case management system etc. Therefore, ACF is continuing to work with the tripartite parties (MoLVT, Employer and Employee Representatives) and engage with partners and stakeholders to strengthening, empowering, to expand the AC's jurisdiction and to protect the ACs' core values— independence, credibility and sustainability.

## 1.6 Significant Cases

### Can the Employer Demote Workers who Committed Misconduct?

*This case note is extracted from Case 033/21—Chok Chey Finance Plc heard by arbitrator panel: Kong Phallack, Ann Vireak and Mar Samborana. The arbitral award of this case was issued on 15 December 2021.*

The claimants (the Employees) brought this case against the Employer whose core business is monetary intermediation. This case involved seven issues, five of which were withdrawn by the Employees. The remaining two issues were arbitrated by the Arbitration Panel ('AP'). This case note will examine only Issue No.2 which engaged in wage deduction of nine employees due to demotion.

In this present issue, the Employees demanded the Employer to pay back the wage deducted from the nine employees due to demotion.

The Employer confirmed that as the nine employees had committed misconduct; they were demoted to lower positions and received a new lower rate of their wage. The Employees contended that the demotion was illegal.

## **The key legal question regarding this issue is whether the demotion of the Employees was illegal?**

Article 27 of Labour Law stipulates the proportion between disciplinary sanction and seriousness of misconduct.

The AP in this present case concurred with AP in previous cases on the interpretation of Article 27 which allows the employer to discipline employees who commit misconduct, but the disciplinary sanction must be proportional to the seriousness of the misconduct and in accordance with the law, the internal work rules of the company, or the employment contract

*(see Arbitral Awards: 109/07-Kingsland, Issue No. 5, AA 18/04 - InterContinental, Issue No. 1. And AA 158/12 - Horus Industrial Corp, Issue No. 7)*

For the current issue, the Employer asserted that the demotion complied with 4.13 of Human Resource Management Policy issued in 2018 and the internal work rules of the company, while the Employees argued that the Employer should refer to and implement the Human Resource Management Policy Handbook issued in 2020. Remarkably, both parties submitted identical Human Resource Management Policy Handbooks issued in 2020 as evidence. In addition, the Employer submitted the English version of Human Resource Management Policy issued in 2018 to the AP.

The AP rejected consideration the English version of Human Resource Management Policy issued in 2018 and used the Human Resource Management Policy Handbook issued in 2020 as the basis for consideration (See the AP interpretation of Clause 23 and Clause 25 of Prakas No. 099 which were cited in Issue No.1 of this case).

The AP found no provision in the Human Resource Management Policy Handbook issued in 2020, internal work rules of the company, or employment contract authorising the Employer to demote the Employees who commit misconduct. Thus, even if the nine Employees had really committed serious misconduct, the Employer must comply with the Labour Law, internal work rules, or employment contract to discipline those Employees and cannot demote them without any basis. In conclusion, the demotion and wage deduction in this context was in fact, illegal.

Pursuant to Clause 34 of Prakas No. 099 which recognises the power and authority of the AP to provide any remedy including the order of immediate payment of back pay, the AP decided to order the Employer to pay back the wage which had been deducted from the nine Employees.

This case has highlighted three significant lessons learnt. Firstly, employers must comply with the Labour Law, internal work rules, or employment contract to discipline employees who commit misconduct, and employers cannot demote employees if no provision allows this. Secondly, the documents/evidence submitted to the AP must be in Khmer, other foreign languages used without translation and explanation will not be taken into consideration. Finally, the power and authority of the AP to provide any civil remedy including the order of immediate payment was also precisely demonstrated.

## 2. Training and Outreach Activities

### 2.1 Outreach Training on AC Process and Case Preparation Techniques

ACF continues to provide training and outreach activities to raise public awareness and knowledge about AC process of resolving labour disputes. The trainings were organized in collaboration with the Bar Association of the Kingdom of Cambodia, the Royal Academy of Judicial Professions, and public and private universities. ACF has also organized training for workers, and employers and



Training on AC Process, and Case Preparation for Public

relevant industrial relations entities to equip them with the knowledge and skills about how the cases are processed at the AC and how to prepare and present their cases at AC hearings. In 2021, 9 trainings were organized with participation from 438 people, including 36 women, who are student judges, lawyers, trainee lawyers, law students, workers, employers, civil servants, and staff of civil society organizations.

Figure 5: Outreach training programme and target participants

#### Training on AC Process, AC and the Court

**Objective:** To increase public awareness and knowledge about the Arbitration Council services to resolve collective disputes.

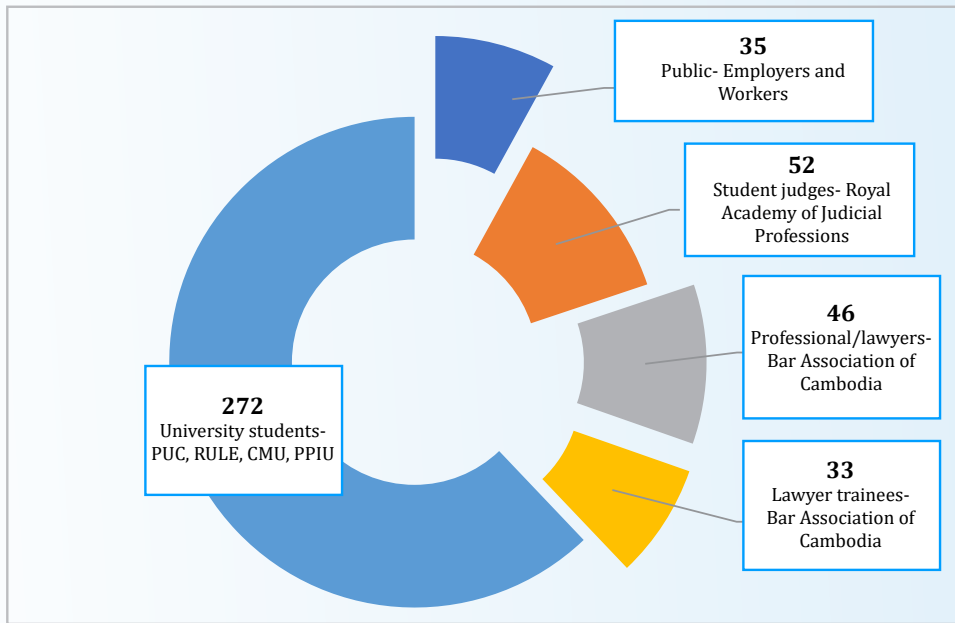
- 1 training to student judges from Royal Academy of Judicial Professions.
- 2 trainings to trainee lawyers and professional lawyers, from the Bar Association of Cambodia and some NGOs
- 4 trainings to university students in law subject, including Paññāsāstra University of Cambodia, Royal University of Law and Economics, Cambodian Mekong University, and Phnom Penh International University

#### Training on AC Process, and Case Preparation Techniques

**Objective:** To raise the awareness and knowledge about the Arbitration Council services and the case preparation techniques.

- Target participants: External stakeholders in public and private sectors, including workers employers, unions, lawyers, civil servants, students, and civil society organizations.
- 2 trainings to employers and workers and public interest participants.

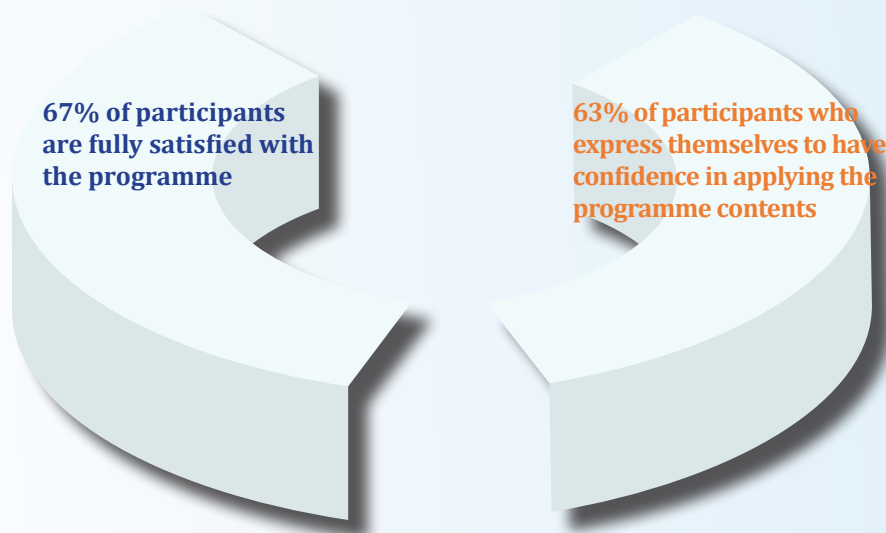
Figure 6: Number of target participants who attended outreach training in 2021



## 2.2 Workplace Labour Dispute Prevention and Resolution Programme

ACF also provides training through the 'Workplace Labour Dispute Prevention and Resolution Programme' which is aimed at providing employers and workers with the essential skills to establish and maintain harmonious industrial relations by facilitating improved communication, prevention and settlement of workplace disputes on the factory floor. In 2021, ACF continued to provide this training and coaching process respectively with Horizon Outdoor factory, and SEES Global factory, and expanded the programme to a new factory, Sportex Industry.

Figure 7: Participant satisfaction rate and their confidence in applying the programme



In total, 35 participants (22 women), including employer representatives, trade unions and worker representatives from SEES Global, and Sportex Industry were trained on the topics: Building Employment Relations, Workplace Cooperation Mechanisms, and Communication for Negotiation. The outcome was that 63% of participants demonstrated their confidence and proved that they can apply and integrate the training concepts into employment relation-building at their workplaces.

As part of the programme, each factory is encouraged to establish a workplace dispute prevention and resolution committee founded by selected participants who attended the training. The committee members are oriented to and practiced their roles based on the Conflict Analysis and Resolution Tool through coaching and drilling sessions. In 2021, 25 committee members, including 15 women, from the three factories participated in the coaching and drilling sessions.

Starting from 2022, ACF will incorporate the individual components of the original training programme on labour dispute prevention and resolution, and the process of coaching/drilling, and follow-up support activities into the comprehensive Workplace Labour Dispute Mechanism (LDM) programme. The Workplace LDM programme will be implemented through the following approach.

### Workplace LDM Programme Approach

<b>Step One: Programme Orientation</b>	<ul style="list-style-type: none"> <li>• Identification of the factory in collaboration with brands.</li> <li>• Programme orientation to the selected factory</li> <li>• Discussion on the workplan</li> </ul>
<b>Step Two: Three one-day trainings</b>	<ul style="list-style-type: none"> <li>• Provision of training to participants from selected factories on (1) Building Employment Relations, (2) Workplace Cooperation Mechanisms, and (3) Communication for Negotiation.</li> </ul>
<b>Step Three: Coaching and Mentoring</b>	<ul style="list-style-type: none"> <li>• Formation of a Workplace LDM Committee</li> <li>• Organization of 6 coaching and mentoring sessions for the committee member based on the Conflict Analysis and Resolution Tool.</li> <li>• The LDM Committee drilling in the development and implementation of their action plan to prevent dispute at workplace.</li> </ul>
<b>Step Four: Follow-up support</b>	<ul style="list-style-type: none"> <li>• Follow-up call and or site visit to collect information and do reflection on the function of the LDM Committee.</li> <li>• Reflection workshop with participation of the committee members and employer/ representative.</li> </ul>

### 2.3 Production of Labour Education Videos

ACF produced three educational videos in 2021, to enrich public awareness and understanding about labour dispute resolutions and the most common issues that bring conflicts and disputes in the workplace. The videos produced include: i). Case Preparation Techniques, ii). Mass Lay Off, and iii). Labour Contract Formation and Amendment. The videos are also used as materials to support the training activities organized for employees and employers’ representatives, public and private sectors, and civil society organizations.



Video on Mass Lay Off



Video on Labour Contract Formation and Amendment

### 3. Gender Equality Mainstreaming Programme

The concept of gender equality has been integrated into ACF functions both within ACF workplace and communicated to its stakeholders through trainings, workshops and other outreach activities that have been carried out for the whole year in an attempt to equip parties to have a better understanding of and improve their behavior toward gender equality. By doing so, ACF has created and ensured a culture of equal participation in all activities and provides opportunities to women to raise their voices, concerns, and opinions during discussions.

#### 3.1 ACF Joined the ‘16 Days’ Campaign Against Gender Based Violence (GBV)

In solidarity with other international actions, ACF participated this year in the international ‘16 Days of Activism Against Gender-Based Violence’ campaign, which launches annually on 25 November to 10 December. ACF joined in with a social media campaign with the theme “Good Workplace Environment, Improve Gender Equality”. A group photo of the ACF staff holding banners with a Gender Equality message was designed as a 16 Days campaign poster, and it was posted on ACF’s social media platforms such as Facebook and Twitter.

ACF was proud to participate in the 16 days campaign of 2021 which calls for actions globally to prevent and eliminate all forms of gender-based violence across all sectors, particularly the labour sector at the national, regional, and international levels.

#### 3.2 Gender Equality and Policy Formulation

This year the ACF Gender Equality Focal Committee drafted a Workplace Harassment Policy and Complaint Mechanism. This policy has been sent to all ACF staff for feedback and significant inputs to ensure that the policy is more inclusive and can be implemented after approval from the ACF’s management. By the end of 2021, the Workplace Harassment Policy and Complaint Mechanism is in the final draft stage, and it will continue to be discussed among ACF Management Team in 2022 before presenting the policy and complaint mechanism for approval.

A part of the internal ACF staff capacity building, the In-House Training and Mentoring Plan (ITMP) provided an introductory and information sharing session on Gender Equality for new staff of the ACF to ensure that they have a basic understanding of how to integrate Gender Mainstreaming into their work in the programme.



ACF staff joined 16 days campaign



## 4. Organizational Development

### 4.1 The Future of Labour Dispute Settlement by the Arbitration Council – Tripartite Forum



*Tripartite Forum was presided over by the Minister of MoLVT*

After several consultations with trade unions, employer organizations and Ministry of Labour and Vocational Training (MoLVT) with the support from the International Labour Organisation (ILO), on 13 December 2021, the Tripartite Forum on the Future of Labour Dispute Settlement by the Arbitration Council (AC) was established, which was co-organised by the Arbitration Council Foundation (ACF), MoLVT and the ILO Country Office for Cambodia, Lao PDR and Thailand in a hybrid format (in-person and online via Zoom link) at Hotel Raffles Le Royal Phnom Penh.

During the opening session, H.E Ith Samheng, Minister of Labour and Vocational Training emphasized to all parties involved in this in-depth discussion and study regarding the challenges of resolving labour dispute resolution, the importance of ensuring industrial relations harmony as a core factor to attract investment.

The (approximately) 80 participants, from senior representatives of the Government's line ministries, employers' and workers' organizations, relevant development partners, international stakeholders, ILO, and AC/F, discussed the enhancement of AC and ACF's human resources, including its sustainability, the comprehensive process for individual dispute resolution at the AC and improving parties' access to AC jurisdiction/services.

The forum proceeded with 2 separate sessions – 1) AC's Status and Current and Future Challenges and, 2) Preparations for Individual Dispute Settlement by the AC – with panel discussions comprised of panel members from ACF, MoLVT, Employer and Employee representatives and moderated by Dr. Ok Serei Sopheak, Freelance Consultant and Mr. John Ritchotte, ILO Industrial Relation Specialist.

During the forum, all parties expressed appreciation of the core value of the AC function of dispute resolution which contributes and sustains industrial relations harmony. A strong commitment to maintain the creditability and to continue guaranteeing the independence, reliability, and sustainability of the AC was also demonstrated during the forum. The result of the forum was an agreement from all parties to proceed with the development of a joint roadmap for further action to achieve the above commitments and to comprehensively prepare the AC/F institutional capacity to resolve individual disputes which is important for the future of labour dispute settlement by the AC in the country.

## 4.2 Regular Arbitrators Meeting (RAM) in 2021

Regular Arbitrators Meetings ('RAM') are regularly scheduled to gather arbitrators, legal service department staff and the secretariat of AC, to discuss relevant issues regarding labour dispute settlement. In 2021, there were 3 RAMs which were conducted in February, June and September respectively. The RAMs discussed several topics in detail as listed below:

1. The difference between the executive and the interpretation of the law,
2. The AC hearing plan during the Covid-19 pandemic, and,
3. The Draft Prakas on Procedural Rule for Individual Dispute Resolution at the Arbitration Council ('IDR'), prepared by the Arbitration Council Foundation in the purpose of giving comments and recommendations to the Ministry of Labour and Vocational Training on its forthcoming IDR Prakas.

The meetings provided the opportunity for the arbitrators to share various useful legal opinions, discuss the immediate concerns related to legal development, help everyone work toward effective dispute resolution by the AC, and professionally promote the AC.

## 4.3 60<sup>th</sup> General Meeting of Arbitrator in 2021

The Arbitration Council Foundation provided secretarial and administrative support to the Arbitration Council to organize the 6th General Arbitrators Meeting (GMA), attended by 16 arbitrators (3 women) in person and via Zoom. The meeting aimed at significantly improving the effectiveness of labour dispute resolution and upholding the independence, credibility, and transparency of the Arbitration Council.



*Group picture of arbitrators who joined GMA 2021*



*Meeting process of the GMA 2021*

The meeting focused on the key topic "Strengthening Labour Dispute Settlement by the Arbitration Council", and consisted of three focus areas, including (1) Updates regarding the status and future of the Arbitration Council and its expansion of Labour Dispute Resolution Services; (2) Code of Ethics of the Arbitrators; and (3) Workspace for the Arbitration Council and the Foundation.

As a result, arbitrators received updated information on the Individual Dispute Resolution process and the recruitment of new arbitrators process, both of which are a part of the expansion of labour dispute resolution services pursuant to the amendment of Article 300 of the Labour Law. The arbitrators expressed their readiness to work with the Ministry of Labour and Vocational Training and the Arbitration Council Foundation towards strengthening the human resources of the Arbitration Council in preparation to handle both collective and individual cases. Following the meeting, arbitrators agreed in principle that the Arbitration Council shall consider upgrading and expanding its working space in line with the need created by expansion of its labour dispute resolution services.

## 5. Staff Capacity Development

### 5.1 Legal Training of LSD team and SAC

The Legal Support staff of ACF and officials of Secretariat of the Arbitration Council (SAC) have important roles supporting the Arbitration Council (AC) in solving labour disputes effectively. To maintain effective support to the AC, the continued development of capacity of the support staff from both departments is one of ACF's priorities. The training activity designed to accomplish this capacity building involves inviting different legal experts and experienced arbitrators to share their knowledge, skills and experiences with staff.

On June 21 and 3 September 2021, five ACF legal support staff, and three SAC officials (including 4 women), attended an intensive two day training session with experienced labour arbitrator Kong Phallack on two topics: (1) Legal Interpretation and Application, and (2) Arbitral Award Drafting/ Writing.

Through these trainings, participants have increased their knowledge of the fundamentals of legal interpretation and its applicability in practice. Moreover, they also learned techniques from the trainer about how to identify loopholes or ambiguity in the legislation and how to deal with it. In addition, these sessions were also designed to enhance legal writing skills regarding fact-finding and legal application.

Lastly, the above training also deliberately reflected on the support work provided to the AC during labour dispute resolutions and aimed to prepare staff for the upcoming additional support required regarding individual labour settlement at AC in accordance with the recently amended Labour Law.

### 5.2 In-house Training and Mentoring Programme



*Mr. Men Nimmith, Executive Director of ACF was delivering session to new ACF staff*

In-house training and Mentoring Programme (ITMP) was initiated purposefully to equip the new staff with knowledge and skills about the organisation and its' programmes. The ITMP was run over the period of March to June 2021 and designed to cover five areas. These five areas aided new staff to quickly get familiar with the organisation, and to competently run the programme activities, especially the training programme on labour dispute prevention and resolution. 4 TCD staff, including 2 women were trained through the programme. For the training on labour dispute prevention and resolution, 9 TCD and LSD staff (5 women) were trained as trainers of the training programme itself.

## 6. ACF Financial Portfolio

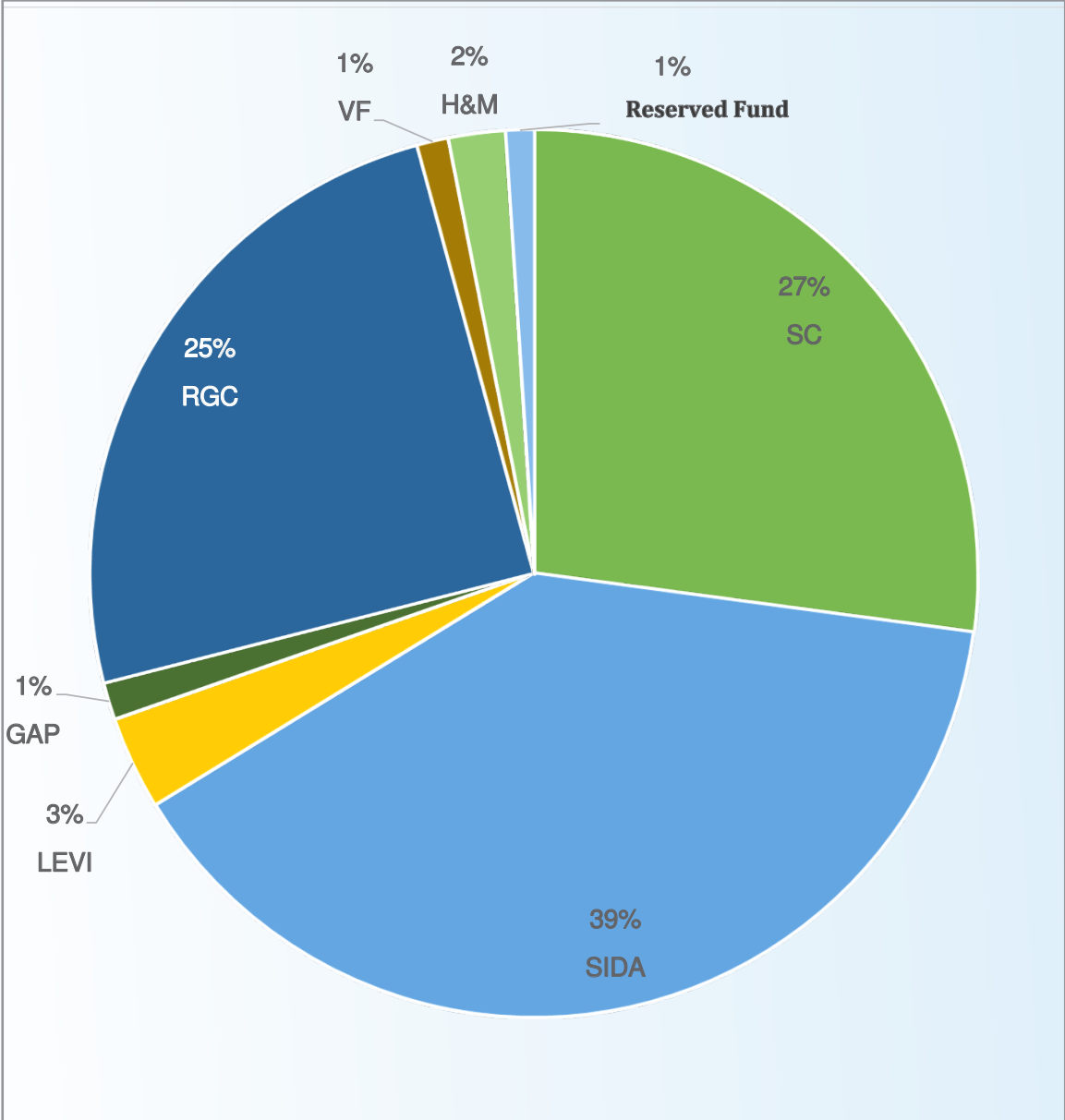
### STATEMENT OF FINANCIAL POSITION As at December 31,2021

	Y2021 (US\$)	Y2020 (US\$)
<b>ASSETS</b>		
Cash on Hand	\$ 1,267	\$ 1,722
Cash in Bank	\$ 1,178,315	\$ 463,593
Security Deposit	\$ 8,859	\$ 8,859
	<b>\$1,188,440</b>	<b>\$ 474,174</b>
<b>LIABILITIES</b>		
Withholding tax payables	\$ 3,402	\$ 2,827
Salary tax payables	\$ 2,641	\$ 1,897
Other Payable	\$ 185	\$ 27
Retention on Contract	-	\$ 11,911
	<b>\$ 6,228</b>	<b>\$ 16,662</b>
<b>TOTAL NET ASSETS</b>	<b>\$ 1,182,213</b>	<b>\$ 457,512</b>
<b>FUND BALANCE</b>		
Swedish International Development Cooperation Agency (SIDA)	\$ 448,655	\$ 9,257
Solidarity Center (SC)	\$ 21,419	\$ 8,219
Levi Strauss Foundation (LEVI)	\$ 121,336	\$ 40,562
Gap Inc. (GAP)	\$ 15,062	\$ 22,774
Royal Government of Cambodia (Ministry of Labor and Vocational Training (RGC)	\$ 422,448	\$ 262,805
H&M Hennes & Mauritz AB (Group)	\$ 51,389	\$ 23,241
VF Asia Sourcing Limited	\$ 18,521	\$ 25,029
Reserve Fund	\$ 83,383	\$ 65,626
<b>TOTAL FUND BALANCE</b>	<b>\$ 1,182,213</b>	<b>\$ 457,512</b>

**INCOME AND EXPENDITURE REPORT  
JANUARY TO DECEMBER 2021**

Description	2021	2020
<b>INCOME</b>		
Donor Fund Support/Grant Income	\$ 561,608	\$ 560,823
Other Income	\$ 23,425	\$ 8,747
<b>Total Income</b>	<b>\$ 585,03</b>	<b>\$ 569,57</b>
<b>EXPENSES</b>		
Labour Dispute Resolution	\$ 300,134	\$ 320,803
Partnership and Stakeholder Outreach and Training	\$ 192,123	\$ 160,104
Institutional Integrity and Sustainability	\$ 74,828	\$ 68,707
Gender Equality	\$ 191	\$ 13,511
<b>TOTAL EXPENS</b>	<b>\$ 567,27</b>	<b>\$ 563,12</b>
<b>DEFICIT/SURPLUS</b>	<b>\$ 17,757</b>	<b>\$ 6,446</b>
<b>FUND ACCOUNT as at 01 January 2021</b>	<b>\$ 65,627</b>	<b>\$ 59,181</b>
<b>FUND BALANCE as at 31 December 2021</b>	<b>\$ 83,384</b>	<b>\$ 65,627</b>

**INCOME AND EXPENDITURE REPORT  
JANUARY TO DECEMBER 2021**





## Contact Us



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