

27 October 2017

Prime Minister Samdech Akka Moha Sena Padei Techo Hun Sen  
Royal Government of Cambodia  
Kingdom of Cambodia

c/o His Excellency Chum Bun Rong  
The Ambassador of the Kingdom of Cambodia  
Royal Embassy of Cambodia  
4530 16th Street, NW  
Washington, DC 20011  
United States of America

Re: Respect for Workers' Rights in Cambodia

Dear Prime Minister Hun Sen,

We are writing to express our full support for the recent statements made by H.E. Dr. Ith Sam Heng, Minister of Labour and Vocational Training, on steps that will be taken to improve the conditions for workers in Cambodia. Specifically, we welcome the announcement that your Government will take measures to address concerns that have been raised with regard to the minimum wage law, union registration procedures, and labor dispute adjudication procedures.

Each of these initiatives represent a step forward in ensuring respect for workers' rights in Cambodia, and we look forward to supporting the implementation of these changes. Collectively, we represent apparel and footwear brands and industry associations that conduct business in Cambodia. We are committed to working with partners who uphold the legal rights of workers, including the fundamental workplace rights of freedom of association and collective bargaining, and to sourcing from countries in which rule of the law is respected. As organizations with specific interests in Cambodia's garment and footwear sector and in the rights of workers in this sector, we ask that you consider the following input as you move forward with reforms.

#### Minimum Wage Law

We applaud your Government's intention to revise Article 16 of the draft law on Minimum Wage. This change will be critical to ensuring that labor unions and other civil society organizations are able to conduct independent research and to participate in informed consultations with the government. Other problematic articles are still in place and deserve to be reconsidered as well. We remain troubled, for example, by provisions that impose heavy fines and penal sanctions on workers who express dissent with the wage level

set by the government. We encourage you to ensure that no provisions in the law hinder the fundamental freedoms of workers to freely discuss and advocate on the minimum wage.

#### Arbitration Council

We encourage the Government of Cambodia to continue efforts to improve the Arbitration Council, an institution that we believe has been independent and effective in promoting rule of law in the Cambodian garment industry. As noted by the ILO, the Arbitration Council could be improved by allowing minority unions access to the Council, and by ensuring that Arbitration Council awards are effectively implemented and enforced.

#### Law on Trade Unions and Law on Associations

As you move forward on reforms, we also encourage the Government of Cambodia to adhere closely to, and be guided by, its commitments to the rule of law and the rights of workers, including those affirmed in ILO Convention No. 87 on Freedom of Association and ILO Convention No. 98 on Collective Bargaining, both of which Cambodia has ratified.

The stated changes your Government is making regarding union registration procedures and minority unions are critical to improving the capacity of organizations to effectively represent workers in Cambodia. We ask that you address fully the concerns raised by social partners, and the ILO, on the draft and enacted Prakas that were issued pursuant to the trade union law.

We also note that parts of the Law on Trade Unions and the Law on Associations make it difficult for unions and civil society organizations to fully conduct their work and maintain their legal status in Cambodia. For example, implementation of the Law on Trade Unions has curtailed the ability of trade unions to bring collective disputes before the Arbitration Council, diminishing the effectiveness of a vital mechanism for constructively resolving workplace conflicts. Furthermore, the passage of the Law on Associations and NGOs in 2015 has undermined the ability of both domestic and international civil society organizations, including unions representing workers in the informal economy, to operate in Cambodia.

#### Freedom of Association

One immediate and concrete action that would further signal the Government of Cambodia's commitment to substantive social dialogue with all stakeholders would be to drop the pending criminal charges against union leaders stemming from the garment worker strikes in 2014. Specifically, we would like to see the charges dropped against Ath Thorn of the Coalition of Cambodian Apparel Workers' Democratic Unions (C.CAWDU); Mom Nimh of the National Independent Federation Trade Unions of Cambodia (NIFTUC); Yang Sophorn of the Cambodian Alliance of Trade Unions (CATU); Chea Mony of the Free Trade Union of Workers of the Kingdom of Cambodia (FTUWKC); Pav Sina of the Collective Union of Movement of Workers (CUMW); and Rong Chhun of the Cambodian Confederation of Unions (CCU).

Thank you for your time and consideration with respect to this very important issue. We recognize and appreciate the Government of Cambodia's commitment to addressing

fundamental worker rights concerns and to promoting improved livelihoods and working conditions for apparel and footwear industry workers in Cambodia.

Sincerely,



William Anderson  
Vice President, Social & Environmental Affairs  
Asia Pacific, Europe, Middle East & Africa  
adidas Group



Renzo Casavecchia  
Quality Assurance & Social Responsibility Manager  
Arena Italia S.p.A



Sharon Waxman  
President and CEO  
Fair Labor Association



Margreet Vrieling  
Associate Director  
Fair Wear Foundation



Claire Germanas  
Director of Global Sourcing & Production  
Samantha Kuchmak  
Social Compliance Manager  
MEC



Stefan Seidel  
Head of Corporate Sustainability  
Puma Group



Jane Hwang  
President and Chief Executive Officer  
Social Accountability International (SAI)



Michael Levine  
Vice President, Sustainability and CSR  
Under Armour