

#### NS/RKM/0520/582

#### ON

# ESTABLISHMENT OF NATIONAL SOCIAL SECURITY FUND AS PUBLIC ENTITY

#### We

Preah Karuna Preah Bat Samdech Preah Borom Neath NORODOM SIHAMONI,
Samanaphum Cheat Sasnare Rakhatakhatteya KhemarathRreastr
Puthiktrea Tha Rea Khemara Reachanea Samohopheasak
Kampuchea Ekreach Rath Boranak Sante Sopheak
Mangkolea Sereivibolea Khemara Srey Pi Reastr
Preah Chau Krong Kampuchea Thipadey

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen Royal Kret No. NS/RKT/0918/925, dated 06 September 2018, concerning the Appointment of the Royal Government of the Kingdom of Cambodia;
- Having seen Royal Kret No. NS/RKT/0320/421, dated 30 March 2020, concerning the Appointment and Revision of the Royal Government Compositions of the Kingdom of Cambodia;
- Having seen Royal Kram No. NS/RKM/0618/012, dated 28 June 2018, promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Having seen Royal Kram No. NS/RKM/0196/018, dated 24 January 1996, promulgating the Law on the Establishment of Ministry of Economy and Finance;
- Having seen Royal Kram No. NS/RKM/0105/003, dated 17 January 2005, promulgating the Law on the Establishment of Ministry of Labour and Vocational Training;
- Having seen Royal Kram No. NS/RKM/018, dated 02 November 2019, promulgating the Law on Social Security Schemes;
- Having seen Royal Kram No. NS/RKM/016, dated 13 May 2008, promulgating the Law on Public Finance System;
- Have Royal Kram No. NS/RKM/0112/004, dated 14 January 2012, promulgating the Law on Public Procurement;
- Having seen Royal Kram No. NS/RKM/0297/03, dated 24 February 1997, promulgating the Law on Taxation;
- Having seen Royal Kram No. 06/NS/94, dated 30 October 1994, promulgating the Law on the Common Statutes of Civil Servants of the Kingdom of Cambodia;

- Having seen Royal Kret No. NS/RKT/0815/872, dated 08 August 2015, concerning the Judicial Statutes of the Public Entity;
- Having seen Royal Kret No. NS/RKT/0518/590, dated 28 May 2018, concerning the Revision of Some Articles of Royal Kret No. NS/RKT/0815/872, dated 08 August 2015, concerning the Judicial Statutes of the Public Entity;
- Having seen the proposal of **Samdech Akka Moha Sena Padei Techo Hun Sen**, Prime Minister of the Kingdom of Cambodia.

#### **HEREBY DECIDED**

#### **CHAPTER I**

#### GENERAL PROVISIONS

#### Article 1.\_

National Social Security Fund (NSSF) is established as Public Entity under the technical tutelage of the Ministry of Labour and Vocational Training and the financial tutelage of the Ministry of Economy and Finance.

## Article 2.\_

NSSF is the legal entity of public law with its budgetary autonomy. NSSF shall ensure the existence of work continuity with the aim of protecting social security benefits of its members.

NSSF has its headquarter in Banla Saet Village, Sangkat Khmuonh, Khan Sen Sok, Phnom Penh, and branches in provinces, cities, districts, and Khan where necessary.

NSSF shall be subject to the provisions of this Royal Kret and comply with the provisions of the Law on Social Security Schemes.

#### Article 3.\_

NSSF shall have the following duties to:

- 1. Administrate all social security schemes.
- 2. Ensure the benefit provision of social security schemes to the NSSF members in a bid to alleviate the hardship of their livelihood when encountering the contingent risks—old age, invalidity, death, occupational risk, unemployment, maternity, illness, or injury and other contingencies.
- 3. Collect and administrate contributions of each social security scheme and other incomes.
- 4. Register and manage the identity code of the NSSF member.
- Monitor the implementation of the provisions of the Law on Social Security Schemes to performed by enterprises/establishments or relevant institutions under the competency of NSSF.
- 6. Educate, disseminate, and monitor the implementation of preventive measures to be taken for occupational risk and health prevention for the NSSF member.
- 7. Study, research, and investigate work injury.
- 8. Study, research, and prepare the legal instruments on the Determination of Occupational Disease Types.

- 9. Sign the agreement and monitor the agreement implementation of the contracted health facilities.
- 10. Study, analyze, and conduct the actuarial valuation of each social security scheme.
- 11. Implement the activities in relation to health and society involved with the benefits of the NSSF member.
- 12. Administrate the investment of social security funds.

# CHAPTER II LEADERSHIP AND MANAGEMENT PART I GOVERNING BODY OF NSSF

#### Article 4.\_

NSSF shall be led by one Governing Body that is the top leading organization and has missions to guide the implementation and monitor work activities of NSSF under the provisions of this Royal Kret and the provisions of the Law on Social Security Schemes.

#### Article 5.\_

The NSSF Governing Body has 11 (eleven) compositions as follows:

- Minister of the Ministry of Labour and Vocational Training		President
- Representative of the Ministry of Economy and Finance	01	Member
- Representative of the Ministry of Civil Service	01	Member
- Representative of the Ministry of Health	01	Member
- Representative of the Ministry of Social Affairs, Veterans and	01	Member
Youth Rehabilitation		
- Representative of the Office of Council of Ministers	01	Member
- Representatives of the Employer	02	Member
- Representatives of the NSSF member	02	Member
- Director General of NSSF	Permanent Member	

The NSSF Governing Body shall be established not later than 01 (one) month following the date of this Royal Kret comes into force.

# Article 6.\_

Candidacy for the Governing Body members shall be selected among civil servants or dignitaries with qualifications and working experience as follows:

- Khmer nationality
- At least five-year working experience
- Having never been convicted of misdemeanor or crime charges
- Qualification in social affairs, economics, health, or law.

Candidacy for the NSSF Governing Body members who represents the employer and the NSSF member shall be selected by the respective professional organizations. These representatives shall have adequate working experience and qualification in social affairs, economics, health, or law and have never been convicted of misdemeanor or crime charges.

Apart from the permanent member of the Governing Body, the other members shall have a three-year mandate and be appointed and terminated by sub-decree in line with the request of ministries and institutions whose members represent. The mandate shall be terminated and renewed by sub-decree but not more than 02 (two) mandates.

#### Article 7.\_

The Governing Body membership shall be terminated prior to the defined mandate in line with the request of the ministry, institution, or professional organization concerned in case the member concerned loses legitimacy as representative of his ministry, institution, or professional organization, passes away, requests to resign in written, has invalidity with the certificate issued by the competent ministry or institution, is bankrupt, fails to pay his mandatory contributions in order to receive benefits from any contract signed with NSSF or provide any service to NSSF although in a direct or indirect manner, or has been convicted of misdemeanor or crime charges.

Each Governing Body shall keep on its work continuity until the Governing Body in the new mandate shall be appointed. The Governing Body in the new mandate is appointed not later than 01 (one) month after the Governing Body in the old mandate shall be terminated. Before the mandate of the Governing Body is terminated, Ministry of Labour and Vocational Training shall request ministries, institutions, or professional organizations involved in a bid to nominate their candidacy as the Governing Body member in the new mandate. The appointment of each Governing Body member shall be defined the mandate of those members.

The new member of the Governing Body shall be appointed for the available position in line with the conditions above in a qualifying period of the residual mandate of the Governing Body member.

The functions of the NSSF Governing Body member, except the Governing Body President, have incompatibility with the functions of the member of the Royal Government, National Assembly, and Senate.

The functions of the President of the NSSF Governing Body have incompatibility with the functions of the NSSF Director General.

Civil liability in the functional implementation of the NSSF Governing Body member shall be borne by NSSF except that any member commits any seriously incautious or intentional guilt.

Each Governing Body member shall hold liable for criminal penalty for his offenses.

The Governing Body member has obligation to participate in the meeting in line with the invitation by adhering strictly to his stance in a bid to report regularly the work activities of his authority to ministry, institution, or professional organization represented and obey code of conduct, disciplines, and internal regulations of NSSF.

## Article 8.\_

President and all members of the Governing Body shall receive remunerations and other allowances in line with principles coming into force.

Providing remunerations and other allowances to the president and the member of the Governing Body shall be approved in principle by Minister of the Ministry of Economy and Finance in line with the request of the NSSF Governing Body.

Providing remunerations and other allowances above shall be postponed in case the Governing Body member concerned does not perform his obligations as follows:

- 1. Obeying code of conduct and professional conscience;
- 2. Obeying orders and regulations of NSSF;
- 3. Exercising his roles and duties in the Governing Body;
- 4. Performing his obligation to report his work activities to ministry, institution, or professional organization represented.

The Governing Body President will be able to invite the dignitaries who are not the Governing Body member, with working experience in relevant sectors such as administration, social affairs, health, culture, education, science, and technique and representatives of development partners to participate in the Governing Body meeting. Those dignitaries have rights to advise but have no rights to vote for approval.

Other allowances for dignitaries, financial control officer, accountant, and secretary who participate in the Governing Body meeting shall be approved as principles by the NSSF Governing Body in line with the personnel statute of NSSF.

## Article 9.\_

The Governing Body has missions to lead, guide, and monitor the implementation of NSSF. The Governing Body shall have duties as follows:

- Check and approve the internal regulations and the personnel statute of NSSF;
- Check and approve the medium-and-long-term development plan of NSSF;
- Check and approve the annual budget and procurement plans of NSSF;
- Check and approve the NSSF management report, financial report, annual state property management report, and public procurement report;
- Determine the organizational structure and the general duties of units under NSSF;
- Urge the implementation of council or specialized committee under NSSF;
- Determine the procedures of recruiting, promoting, or providing remunerations and other allowances to the personnel in line with the request of the NSSF Director General;
- Check and approve the request of the NSSF Director General for the annual determination of the number of civil servants by grade and contract staff;
- Check and approve the request on each social security contribution rate;
- Check and approve the request on the determination of social security benefits;
- Evaluate the annual, semester, and quarter achievements and propose the corrective measures for action plans.

# Article 10.\_

Not later than 01 (one) month after the Governing Body is established, the Governing Body President shall convene the first Governing Body meeting with main agendas on Preparation of Draft Sub-Decree concerning the Organization and Functioning of NSSF and Internal Regulations of NSSF.

The NSSF Governing Body has annual, semester, and quarter ordinary meeting and extraordinary meeting in line with the initiative of the President, request of two-thirds members, or request of the NSSF Director General where necessary.

Annual, semester, and quarter meeting of the Governing Body shall be included necessarily agendas in relation to budget implementation as well as check and approval of financial report.

The NSSF Director General shall participate in the Governing Body meeting and nominate an official as secretary of the Governing Body meeting. This secretary has no rights to vote.

The Governing Body shall discuss the planned agendas. The agenda shall be submitted not later than 10 (ten) days of working day to all the Governing Body members and other relevant members.

Financial control officer as set forth in article 29 of this Royal Kret shall participate in the Governing Body meeting but has no rights to vote.

The Governing Body meeting will not be able to be convened only if the number of the Governing Body members is more than 50% percent of all. The absent member cannot be replaced.

In case of lack of quorum, the Governing Body President shall renew the invitation to convene the meeting in the next 15 (fifteen) days. This next meeting shall not be required to have adequate quorum by discussing only the missed agenda in the first invitation.

The participants in the meeting shall sign the attendance list.

Any decision of the Governing Body shall be approved by majority of the present members. In case of a tie, the Governing Body President is to have preponderance.

Any decision of the Governing Body shall be done in written with signature of the President and kept at the NSSF headquarter.

The Governing Body meeting shall be taken as minutes. The minutes shall reflect the factual state of the meeting. The secretary of the Governing Body meeting shall prepare and submit the draft minutes to all the Governing Body members within 02 (two) days following the date of each meeting. The Governing Body members have 05 (five) days of working day counted from the date of receiving the meeting minutes in a bid to certify the correctness or comment on the minutes. Within 10 (ten) days counted from the date of the meeting, the Governing Body President shall sign the minutes revised or agreed by all the Governing Body members.

Any minutes and decision of the Governing Body meeting above shall be sent within 15 (fifteen) days counted from the date of the meeting to all the Governing Body members and meeting members.

Annual, semester, and quarter ordinary meeting shall be convened necessarily by the end of quarter, semester, and year. Missing to convene annual, semester, and quarter meeting of the Governing Body shall be borne by the Governing Body President.

# PART II EXECUTIVE UNIT OF NSSF

#### Article11.\_

NSSF shall be managed and administrated daily work by one Director General appointed by Royal Kret in line with the proposal of Prime Minister. The NSSF Director General is Executive Director. The appointment of the NSSF Director General shall be done not later than 01 (one) month after this Royal Kret comes into force.

Functions of the NSSF Director General have incompatibility with the functions as the member of the Royal Government, National Assembly, and Senate as well as the function as the Governing Body President. The NSSF Director General shall prepare organizational structure to be submitted to the Governing Body for check and approval in the Governing Body meeting not later than 01 (one) month after appointed.

#### Article 12.\_

The NSSF Director General is the representative of NSSF to hold relation with the third party.

The NSSF Director General shall fulfill roles and duties as follows:

- Arrange the Governing Body meeting;
- Prepare the draft internal regulations and the personnel statute of NSSF to be submitted to the Governing Body for check and approval;
- Implement the decision of the Governing Body as well as policy, strategy, and action plan regulated by the Governing Body;

- Prepare the development plan of NSSF to be submitted to the Governing Body for check and approval;
- Prepare the annual budget plan of NSSF to be submitted to the Governing Body for check and approval;
- Prepare the annual procurement of NSSF to be submitted to the Governing Body for check and approval;
- Prepare the NSSF management report, financial report, annual state property management report, and public procurement report to be submitted to the Governing Body for check and approval;
- Prepare all state inventories under the management and utilization of NSSF to be submitted to the Governing Body for check and approval;
- Submit those inventories to Ministry of Economy and Finance to be kept and monitored as well as report annually the result of state inventory preparation;
- Clarify in the necessary case of authorizing duties to other units under NSSF;
- Propose to prepare organizational structure, functional determination, number of civil servants by grade, and recruitment of civil servant to the Governing Body for check and approval and request Ministry of Civil Service for check and approval;
- Propose to prepare the organizational structure, functional determination, number of civil servants by grade, and recruitment of civil servants to be submitted to the Governing Body for check and approval;
- Propose the preparation and determination of function, number of civil servants by grade, and number of contract staff to be submitted to the Governing Body for check and approval;
- Propose the remuneration and other allowances for all types of staff to be submitted to the Governing Body for check and approval;
- Manage and implement the public procurement in compliance with law and legal instruments in relation to the public inventory coming into force;
- Fulfill administrative functions and other managements authorized in line with the decision of the Governing Body.

The NSSF Director General shall propose to Ministry of Labour and Vocational Training in a bid to request the Royal Government to appoint some Deputy Director General as assistants where necessary. Deputy Director Generals shall have technical knowledge based on the assigned responsibilities.

#### Article 13.\_

Organization and functioning of NSSF shall be regulated in sub-decree.

# PART III PERSONNEL OF NSSF

#### Article 14.\_

The NSSF personnel shall be the civil servant in civil services who are transferred or newly recruited in line with the proposal of the NSSF Director General.

The civil servant in civil services who are transferred or newly recruited to work in NSSF shall take the examination necessarily which is done directly by NSSF.

NSSF shall be authorized to recruit contract staff to perform work in line with its necessary requirement in compliance with the internal regulations and the personnel statute of NSSF.

Contract staff of NSSF shall be under the internal regulations and the personnel statute regulated by the Governing Body in line with the provisions of the Labour Law and Law on Social Security Schemes.

Internal regulations in relation to the personnel as civil servant in civil services shall be in compliance with the provisions of laws and legal instruments involved of civil servants in civil services.

The personnel as civil servant in civil services performing duties in NSSF shall receive remunerations and other allowances from state budget in line with laws and regulations coming into force.

Providing remunerations and other allowances out of state budget to the personnel as civil servant in civil services of NSSF shall be approved by the NSSF Director General in compliance with the principles regulated in the personnel statute of NSSF.

Providing remunerations and other allowances as the NSSF budget to the contract staff shall be approved by the NSSF Director General in compliance with the principles regulated in the personnel statute of NSSF.

# PART IV ASSET OF NSSF

## Article 15.\_

NSSF shall have the prerogative of the public power for collecting contribution, having debt paid and protecting assets.

NSSF shall have the privilege of all assets of its debtors in the first order after the debt is paid to workers.

Procedures of the prerogative implementation and the debt collection of NSSF shall be regulated by sub-decree.

# Article 16.\_

NSSF shall take responsibilities for holding and managing state property in line with the determination of laws and regulations coming into force in relation to the state property management.

NSSF has assets as follows:

- A. The initial fund provided by state shall be certified in the balance sheet enclosed with appendix of this Royal Kret. This balance sheet of the initial fund shall be prepared by the inter-ministerial commission between Ministry of Labour and Vocational Training and Ministry of Economy and Finance and approved by both tutelary ministries. The balance sheet shall be enclosed with the state inventory and other appendixes.
- B. Personal assets that shall be generated following the date of establishing NSSF shall be in compliance with laws and regulations coming into force in relation to the state property management.

NSSF shall establish one commission, called "Inventory Commission" in a bid to prepare the state inventory of NSSF. The NSSF Director General who is the chairman and other members of this commission shall take responsibility for and sign the already-prepared inventory. The inventory preparation shall be filled data of each asset completely and comprehensively in compliance with formalities, procedures, and forms of the Ministry of Economy and Finance.

NSSF shall have obligation to prepare the comparison table of the annual asset fluctuation correctly based on the state inventory and the balance sheet of the initial fund; and then NSSF shall submit this table to the State Property Management Authority of both tutelary ministries not later than at the end of the first semester of the next year.

NSSF shall purchase, sell, change, lease, and transfer and close movable and immovable property list only if those assets shall be register in the state inventory. Conditions and procedures of purchasing, selling, changing, leasing, and transferring and closing the state property list shall be in compliance with the approval of the NSSF Governing Body and the Ministry of Economy and Finance in line with laws and regulations.

In case NSSF shall be dissolved except that there is derogation set forth by sub-decree, the movable and immovable properties of NSSF shall be become state property after closing property list in line with procedures coming into force; foreign asset shall be transferred into single banking account of the National Treasury.

# PART V ACCOUNTING, FINANCE, AND BUDGET MANAGEMENT OF NSSF

#### Article 17.\_

NSSF shall have accountability of accounting, finance, and budget management.

Accounting, finance, and budget management of NSSF shall be regulated by sub-decree in line with the request of the Ministry of Economy and Finance.

#### Article 18.\_

The NSSF Director General is the NSSF principle budget administrator who has authorities as follows:

- Accrued and adjusted revenue.
- Accrued expense, closing entry, and issuance of payment warrant.

#### Article 19.\_

Fund Sources of NSSF are as follows:

- Contribution payment of State, employers, and the NSSF members
- Return on investment
- Other donations or legacies and other legal sources.

# PART VI TAXATION ON NSSF

#### Article 20.\_

With its operation, NSSF shall not be liable to taxes and duties. In case the operation of NSSF is for trade or profit, it shall be liable to taxes and duties with accordance with laws and regulations on Taxation coming into force.

# PART VII PROCUREMENT OF NSSF

# Article 21.\_

Managing, implementing, and monitoring the procurement in NSSF shall be in compliance with the Law on Public Procurement and relevant legal instruments coming into force.

#### **CHAPTER III**

#### **TUTELAGE**

#### Article 22.\_

NSSF has 02 (two) tutelages as follows:

- Technical tutelage is Ministry of Labour and Vocational Training.
- Financial tutelage is Ministry of Economy and Finance.

# Article 23.\_

NSSF shall provide the following documents to Ministry of Labour and Vocational Training, Ministry of Economy and Finance, and financial control officer not later than 15 (fifteen) days after the Governing Body checks and approves:

- Any minutes of the Governing Body meeting.
- Any decision of the Governing Body.
- Development plan of NSSF.
- Annual budget plan of NSSF.
- NSSF Management report, annual state property management report, public procurement report, and financial report.

After receiving the documents above, Ministry of Labour and Vocational Training, Ministry of Economy and Finance, and financial control officer to NSSF shall do continually their respective authorities in line with the regulations coming into force.

# PART I TECHNICAL TUTELAGE

#### Article 24.\_

Technical tutelage has duties as follows:

- To determine policies, strategies, and development plans in line with the National Social Protection Policy Framework for the implementation of NSSF.
- To monitor and evaluate the technical achievements of NSSF.
- To issue corrective measures in relation to the technical implementation of NSSF.

#### Article 25.\_

In case the Governing Body or the NSSF Director General does not comply with the measures as set forth in laws or regulations and internal regulations of NSSF, the technical tutelage shall issue the decision and use all necessary measures after guiding and constraining in written.

# PART II FINANCIAL TUTELAGE

#### Article 26.\_

Financial tutelage has duties as follows:

- Check and approve the development plan of NSSF.
- Check and approve the annual budget plan of NSSF.
- Check and approve the procurement plan of NSSF.
- Check and approve to administrate the state property utilization and the inventory clearance.
- Check and approve the annual financial report.
- Check and approve the decision on Provision of Remunerations and Other Allowances.

- Check and approve other documents in line with the request of Ministry of Labour and Vocational Training or the NSSF Director General in line with the regulations coming into force.
- Prepare and implement the measures and procedures of income and expense, income and expense standards, and other legal instruments in relation to the NSSF finance.

#### Article 27.\_

Any decision of the technical tutelage, the NSSF Director General, or the Governing Body in relation to financial works as set forth in article 26 of this Royal Kret shall not be subject to implementation in case the financial tutelage does not approve.

In case the financial tutelage disapproves the decision as set forth in paragraph 1 of this article, the financial tutelage shall submit its disapproval with precise reasons to the NSSF Director General. The NSSF Director General and the NSSF Governing Body shall check and address the mentioned case as soon as possible in compliance with the regulations coming into force.

#### Article 28.

The financial tutelage shall terminate or postpone the implementation of decision in relation to the financial aspect of the technical tutelage, the NSSF Director General, or the Governing Body in case:

- Any decision of the NSSF Director General or the NSSF Governing Body is contrary to laws and legal instruments.
- Any decision in relation to other lawsuits has not been addressed.

The termination and postponement of this implementation shall be certified precisely and informed the technical tutelage and the NSSF Director General in a bid to inform continually the Governing Body in the soonest period.

#### Article 29.\_

The financial tutelage shall nominate one financial control officer to NSSF in a bid to perform his duties in compliance with laws and legal instruments involved coming into force.

# CHAPTER IV MONITORING

#### Article 30.\_

NSSF shall be under the auditing of the National Audit Authority in line with other regulations coming into force. The Social Security Regulator or the NSSF Governing Body shall propose to get audited by any independent audit institutions where necessary.

# CHAPTER V TRANSITIONAL PROVISIONS

#### Article 31.\_

Any legal instruments in relation to the establishment of NSSF and the operation of NSSF shall be subject to the continual implementation until the new legal instruments shall be replaced in line with the provisions of this Royal Kret.

# CAHPTER VI FINAL PROVISIONS

Article 32.

Any provisions in contrary to this Royal Kret shall be abrogated.

Article 33.\_

Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia, shall be in charge of implementing this Royal Kret following the date of signature onwards.

Royal Palace, Phnom Penh, 30 May 2020

RPN. 2005.600

Have Proposed Signature to His Majesty **Prime Minister** 

**NORODOM Sihamoni** 

Samdech Akka Moha Sena Padei Techo HUN Sen

Have Informed Samdech Akka Moha Sena Padei Techo Prime Minister

**Deputy Prime Minister Minister of Economy and Finance** 

Minister of Labour and Vocational Training

**Academician General AUN Pornmoniroth** 

**IIT Samheng** 

Been Copied Correctly from the Original
Permanent Deputy Prime Minister
Minister in charge of Office of the Council of Ministers

Kitti Niti Korsol Bandit BEN Chhin