

The Understanding of Free Trade Agreement

(FTA) in Cambodia among Civil Society for
Cambodian small-scale Organizations and
Grassroots Citizens



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Research Report

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Abbreviation

ADB	:	Asian Development Bank
ASEAN	:	Association of South East Asia Nations
ANSA	:	The Affiliated Network for Social Accountability-Cambodia
CCFTA	:	Cambodia-China Free Trade Agreement
CKFTA	:	Cambodia – South Korea Free Trade Agreement
CSO	:	Civil Society Organization
EBA	:	Everything But Arms
EU	:	European Union
ESCAP	:	The Economic and Social Commission for Asia and the Pacific
FTA	:	Free Trade Agreement
FGD	:	Focused Group Discussion
KII	:	Key Informant Interview
SME	:	Small and Medium Enterprises
RGC	:	The Royal Government of Cambodia
RCEP	:	Regional Comprehensive Economic Partnership
GSP	:	Generalized System of Preference
NGO	:	Non-governmental organization
MoC	:	Minister of Commerce (MoC)
MAFF	:	Ministry of Agriculture, Forestry and Fishery
UK	:	United Kingdom

Executive Summary

Currently, Cambodia has signed two bilateral Free Trade Agreements (FTAs) for the first time in its history, China-Cambodia Free Trade Agreement (CCFTA)¹ and Cambodia-South Korea Free Trade Agreement (CKFTA)². These two FTAs extend across a wide range of sectors, including trade in agriculture products, garment textiles, tourism, investment, and transportation. Agriculture products are the main highlighted to export under the two FTAs. However, the agriculture sector is highly fragmented and is dominated by small-scale farmers. They might not have the capacity to product efficiency in the sector, and quality standards to comply with FTAs' requirements to export. The country also lacks skilled workers and a decent job environment. The FTAs will directly impact either the country's economy or the households of small-scale farmers, and working people in general.

The participatory action research (PAR) explored and analyzed the government strategic intervention of bilateral free trade agreement with new trading partner countries, accessing citizens' understanding and their perceptions on the FTA arrangement, and finally to explore how the FTAs would be carried out in a more accountable governance manner for the benefit of Cambodian people, and a way to protect small-scale farmers' and labors' rights. The following are the key findings:

Knowledge among CSOs, small-scale producers and working people and information access to FTAs and its related benefits

The level of understanding of small-scale producers and working people on FTA is relatively low. Only 73.2 %of them have never been aware of the FTA arrangement process made by the government, but 26.8 percent of them were aware of the FTA. For the information access, 35.5 percent among them have accessed from NGOs or community networks, 29.8 have accessed from reading social media, and 15.8 percent have accessed from other sources. But all of them neither give a clear definition of the FTA term nor an explanation of its concepts. A few of the grassroots civil society organizations, trade unions, and farmer associations have good knowledge, they could explain the concept of the free trade system well. It is currently used by both capitalist and socialist social systems to liberalize trade in a so-called modern economic system.

A few small-scale producers and working people have realized that Cambodia had signed off the FTAs with China and South Korea. 40.3 percent of them got aware of the CCFTA, while 27.3 of them got aware of the CKFTA, and a few of them were aware that Cambodia had been involved in various multilateral free trade agreements at the regional level, including Asian EU FTA, the Asian China, and the Asian US. But they have not been educated on the impact of those FTAs on their livelihoods, and human rights, and environment. The government and its involved ministries did not have a transparent mechanism for sharing and disseminating the information to its citizens.

The perception of CSOs, small-scale producers and working people on the lack of access to information of the FTA

The two FTAs, CCKFTA and CKFTA come into force in 2022, but 87.6 percent of the small-scale producers and working people thought that Cambodia is not ready to implement the trade deals, saying that the government may need time to prepare the required internal legal frameworks, strengthen law enforcement, promote capacity in agriculture production. They emphasized that Cambodia faces many issues in agriculture

¹ Khmer Times / Xinhua, November 24, 2021, China-Cambodia FTA to take effect on Jan. 1, 2022

<https://www.khmertimeskh.com/50976287/china-cambodia-fta-to-take-effect-on-jan-1-2022-2/>

² *Bunly Ek- 26 October 2021*- Cambodia-Korea Free Trade Agreement: What does it mean for Cambodia?

<https://www.phnompenhpost.com/opinion/cambodia-korea-free-trade-agreement-what-does-it-mean-cambodia>

production. Those issues include lack of appropriate technology, lack of farming irrigation system, and arising labor force from the agriculture sector to the industrial in the town and city, while some others migrated to their other countries for seeking the appropriate and high-paid jobs, which lead to the shortage of labor force in agricultural production to meet standards required by trading partner countries and their markets. The small-scale farmers and their communities are currently failing in debt; their agriculture production outputs are usually lower than the expense of agriculture inputs. The market price of the agriculture products is not stable, it depends on the mouth of middlemen, saying the low quality of the products and give a low price to farmers producers, while the government and their responsible Ministry officials did not have a clear instruction of qualified standard to the farmer producers and technical knowledge of agriculture production that can be adapted to climate change and climate resilience. Importantly, the government does not have an effective subsidy program for the agriculture sector, and corruption practices make a big challenge for agriculture production.

The small-scale producers and working people expressed greater concerns over how FTA to be implemented transparently for their benefits and the national economic growth. 37.3 percent of them said lack of transparency, especially access to detailed information of FTA, 36.4 percent said they and their communities did not have been consulted by the government, 16.7 percent of them said Cambodia will get benefit less than its participating partner countries, and 9.6 percent said other issues. From inception to negotiation and to signing the contract, the FTA provisions and other related procedures were not consulted with people and not widely and publicly shared by the government. No sufficient consultation and sharing might provide enabling corruption environment when the FTAs get into force to the involved authority at all levels, especially for those who are at the customary office.

More importantly, the current production capacity of the small-scale producers may not reach the demanding standard and high quality for export. The government of Cambodia may renew the existing or extend new economic land concession to foreign private companies to invest in agriculture production. The investors will bring in a modern agriculture technique to produce high yield production to meet the market demands. In such a context, there will be increasing land disputes between local farmers and foreign investors in rural areas, the indigenous people and their communities will lose their culture, resources, and sustainable agriculture practice, and the adversely devastated environment. The small-scale farmers may leave their farms to become labor workers depending on their lives with those plantations instead or migrate to other areas for jobs.

Mechanism for strengthening transparency and accountability of FTAs

The small-scale producers and working people wanted the FTAs to be implemented in a transparent and countable manner, expecting to have benefits for all. 34.10 percent of them proposed the government to establish consultation mechanism, 28.6 percent of them proposed the FTAs to be implemented widely and openly to farmers' association, 28.6 percent of them proposed CSO engagement to enabling environment to strengthen the capacity of small-scale producers, and 8.7 percent of them proposed to increase collaboration support to local private sectors and small-scale producers to increase their production capacity and market access under the FTA framework.

The data shows that the establishment of the consultation mechanism plays an important role to improve transparency and accountability of the FTA implementation. The government and its ministries involved in FTA promote deep consultation with relevant stakeholders in the future, not only with private sectors but also with small-scale producers, working people, and CSO representatives in order to make sure that the FTA is shared and consulted. At the implementation stage, CSOs, small-scale producers and working people shall have rights to monitor the impacts of the investment under the FTAs

framework as it will be directly and indirectly affected their human rights, their livelihoods, and their working environment.

Additionally, the government and its relevant ministries are suggested conducting widely dissemination of FTAs to Cambodian citizens, particularly for local traders, small-scale farmer producers. Fully awareness of FTA among these people might allow them to fully participate in the FTA monitoring process, for motivating government officials involved in the implementation to work with the groups of people in a democratic approach in order to enhance transparency and accountability at all levels, from local trading to exporting to FTA participating countries.

In order to improve competitive capacity of domestic products with foreign commodities, the government and its relevant ministries are obligated to build capacity for small-scale producers on new innovations and technology for high-value production capacity, packaging, and marketing, and providing subsidies. In this regard, the government might need to deploy their experts to work closely with marginalized groups directly, educating them to understand FTA principles, building capacity in quality production, and facilitating trades locally. Infrastructure development for agriculture is also important to improve. The government might need to work with its donors and development partners to build up sustainable and climate-resilient irrigation systems and road infrastructure for sustainable agriculture production of small-scale farmers.

The FTAs are suggested being implemented in a transparent and accountable manner, and its benefits are fairly shared. 63.00 percent of the small-scale producers and working people wanted FTA to benefit to all the groups of people (the government, local communities, brokers and trading companies), 19.6 percent of them wanted FTA to benefits to local communities, 9.2 percent of them wanted FTA to benefits to the government and nation as a whole, 3.8 percent of them wanted the FTA to benefits to private trading companies, 1.1 percent of them want the FTA to benefits of the FTA to brokers, and 3.3 percent wanted the FTA to benefit to others groups of people.

The data shows that the small-scale producers and working people as well as NGOs and Trade Unions insisted the implementation of the FTA would be beneficial for all, the government, traders and producers as well as working people. Effective FTA implication would be based on effective legal frameworks to promote fair and equitable trade in Cambodia through transparent and accountable manners. In this regard, the majority of the interviewees strongly urged the government to set up a trade mechanism to ensure labor's rights are respected and small and medium enterprises are supported.

The study revealed that Cambodia is not ready for implementing the FTAs, because the small-scale producers, working people, and CSOs were exclude from the arrangement process of the two FTAs, CCFTA and CKFTA. A weakness of governance and law enforcement, lack of information access and awareness may lead to unsustainable investment and development, resulting in great devastation of social cohesion, community solidarity, their natural resources, and labor rights. However, the study confirmed that if a transparent mechanism is well-prepared, involved people are widely aware of the FTA's regulations and all relations information is open access, the FTAs are expected to boost agriculture, tourism, and garment-textile sectors. It can be one of the factors to sustainable development and revive economic growth. But the free trade will not be beneficial for small-scale farmers in Cambodia, it comes as a notion of a great threat to them. When agriculture investment is increased as both FTAs' expect, the government will facilitate and lease the land for investment to private companies. Such an arrangement will support longstanding land disputes between local farmers, fisherfolk, indigenous people, and investors.

1. Introduction

1.1. Brief background of the study

Cambodia, after Paris Peace Accord (PPA) and held the first national election in 1993 sponsored by UNACT, applied a liberal market economic system. In 1994, Cambodia applied for membership of the WTO³ and got approval for membership in September 2003, but the membership was effective one year later due to the internal political deadlock after the July 2003 national election. In 1999, Cambodia joined ASEAN as an open opportunity in the liberalized economy, and in 2004 as a member of the WTO, an open opportunity for trade relations. In 1995, Cambodia joined the International Organization for Standardization (ISO) and is also a member of the ASEAN Framework Agreement on Standards and Quality (ACCSQ). Cambodia ratified the ASEAN Framework Agreement on Mutual Recognition Arrangements. It has signed numerous trade agreements, including the U.S.-Cambodia Trade and Investment Framework Agreement (TIFA) in 2006. The TIFA also provides a forum to address bilateral trade issues and allows Cambodia to coordinate on regional and multilateral issues with any other countries at the regional level.

Currently, according to Asia Integration Center⁴, Cambodia is involved in 17 FTAs, 7 of them are in effect through the Asian mechanism while the other 10 FTAs are in the negotiation process. After having lost 20% of levy privilege access, imported Everything But Arms (EBA) to the European's market⁵ in the amount of 1 € billion (\$1.09 billion) of tariff trade, Cambodia has the most strategic intervention to arrange the Free Trade Agreement with many other potential countries of strong ally, mainly China. Recently, Cambodian Government has also been engaging with other trading partners for bilateral and multilateral free trade agreements including South Korea, England, Japan, India, Mongolia, Russia, and Eurasian Economic Union⁶.

In a historical move, Cambodia has secured the FTA with China, mainly covering the exporting of Cambodian agricultural products to China as its first bilateral free trade agreement. When the two countries entered into agreement by 5 October, 2020, it signified not only the strengthening strategic cooperation partnership, but also tied trade between the two countries, which was expected to boost Cambodia's agricultural products. These products that are listed for the satisfied export to China have been maintained over 350 agriculture inputs. The Main staple food including rice and others including nuts, honey, vegetable, fish, meats, and seafood have been the key export products listed for Chinese FTA. With this CCFTA, about 25 percent of Cambodian agricultural products are expected to export to China; however, China is expected to export those products when they are processed back to Cambodia's market in a large quantity with about 98 percent.

Besides China, the Cambodian Government has succeeded in securing FTAs with two countries and also attempted to negotiate with other countries in the region. In 2020, Cambodia Government has secured an agreement with South Korea, namely Cambodia and South Korea Free Trade Agreement (CKFTA)⁷, by receiving an exemption of a zero-tariff bilateral trade beyond ASEAN market. Cambodian exports to South Korea include

³ Samnang Chea and Hach Sok - Cambodia's Accession to the WTO: 'Fast Track' Accession by a Least Developed Country https://www.wto.org/english/res_e/booksp_e/casestudies_e/case8_e.htm

⁴ <https://aric.adb.org/fta-country>

⁵ <https://cambodianess.com/article/cambodia-loses-1-billion-in-exports-to-eu-in-partial-eba-suspension>

⁶ The EEU is a trade agreement of currently 5 countries mainly located in Central Asia and in Eastern Europe, Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia. All member states comprise a total area of 20.26 million km² and about 181.81 million people. This is 13.4% of the habitable area around the world and 2.3% of the world population. With an economic output of 1,733.97 bn US dollars annually, they represent around 2 percent of the global economy.

⁷ <https://www.khmertimeskh.com/50929846/free-trade-deal-with-south-korea-ready-next-month/>

garments and textiles, footwear, travel bags, spare parts, electronic equipment, rubber and agricultural products, while South Korea exports automobiles, electronics, appliances, beverages, pharmaceuticals and plastic products. In 2022, it is likely that Cambodian Government could secure tariff exemption, namely Generalized System of Preference (GSP)⁸ with the UK. Most of Cambodia's exports to the UK comprised clothing, footwear, bicycles, milled rice and agricultural products, while its imports mainly consisted of cars and machinery products.

The government of Cambodia expects that the Generalized System of Preferences (GSP) granted to Cambodia by the UK will make up for the partial withdrawal of the Everything But Arms (EBA) scheme from the country by the European Union. But, the controversial discussions, however, among CSOs and academics demonstrated that those FTAs including from CCFTA and the UK might not compensate the loss of EBA to the EU's market. These FTAs may impose challenges on human rights including farmers' rights and also the benefits of those FTAs to Cambodian people may not be equated with the benefits to Cambodian elites and foreign investors due to the weakness of accountable governance, low competitive trade capacity, and quality production.

Therefore, the action research aims to study the strategic intervention of the Free Trade Agreements, accessing citizen's understanding of FTAs, and exploring how Cambodian FTAs could be carried out in a more accountable governance manner for the benefit of Cambodian people, including protecting labors' and small-scale farmers' rights.

1.2. The Research purpose

The action research aims to study the strategic intervention of the Free Trade Agreements, accessing citizens' understanding of FTAs, and exploring how Cambodian FTAs could be carried out in a more accountable governance manner for the benefit of Cambodian people, including protecting laborers and small-scale farmers' rights.

The specific Objectives:

1. To give an overview on the government's existing strategic intervention and arrangement of several FTAs with other countries.
2. To assess the understanding of the general concepts of FTAs among civil society organizations, Trade Unions, farmers, fisher-folks, and youths,
3. To explore feedbacks on how Cambodia FTAs could be implemented in a more accountable manner for the benefits of small-scale farmers and other related beneficiaries,

The study was headed by the following guiding research questions.

1. What for and how are the government's strategic interventions and arrangements of FTAs with other countries?
2. What are the understandings of CSOs, Trade Unions, farmers, fisher-folks, and youths on FTAs and their benefits to economic growth?
3. What may the concerns arise among the CSOs, Trade Unions, farmers, fisher-folks, and youths if there is a lack of access to information on FTA?
4. In what mechanism do CSOs, Trade Unions, farmers, fisher-folks, and youths think that an FTA is accountable for the benefits of Cambodians?

2. The government's strategic intervention for recovering economic growth

⁸ <https://www.phnompenhpost.com/business/bilateral-trade-britain-reaches-813m>

2.1. The current Cambodia's economy

Cambodia's economy has a stable average annual growth rate of 7.7 percent between 1998 and 2019, reaching "Lower Middle-Income" status in 2015, and it has been forecasted to become an "Upper Middle-Income" country by 2030, and a high-income economy by 2050. Garments exports, tourism, and agriculture were playing key roles to sustain the economic progress, (The World Bank's country reviews updated 2021). In 2020, the service and tourism represented 36.21 percent followed by 34.67 percent of the combined export industry, while the rest of 22.84 percent is from the agriculture sector, (Aaron O'Neill, The Statista, Jul 22, 2021).

However, since the end of 2019, Cambodia's economy has already been heavily hit by EU withdrawal of 20 percent of privilege access, imported Everything But Arms (EBA) to the European's market, making loss of the amount of 1 € billion (\$1.09 billion) of tariff trade. Again, from the early 2020, as other countries in the world, Cambodia's economy had been hardly hit by global health crisis, the Covid-19, resulting in decreasing of Cambodia's GDP which has drastically dropped to 2.3 percent in 2020, but it has been increased to 5.7 in 2021, forecasted by the Asian Development Bank, (The ADB Economic updated, 2021). The bank also updated that garment manufacturing, which is considered as the first main sector for Cambodia's economic growth, was dramatically affected after the withdrawal of 20 percent of EU preference by 2019, and the suspension of Generalized System Preference of the US due to accusation of human rights violation in Cambodia and political crackdown. The two preferences of duty-free were the most favorable support to the growth of the garment sector as they provided a great market to export the garment products. By 2019, the value of export of the garment products was accounted for over US\$ 7 billion to the countries of the European Union and another US\$ 1 billion to the United States of America.

The EBA cut and GSP suspension, somehow, have been contributed significantly to the garment and agriculture products' export of Cambodia included the garment, footwear, travel goods, and sugar industries to the developed countries where are the largest market of the sector, which could cost around one-fifth or 1 billion euros (\$1.1 billion) of Cambodia's annual exports to the EU market. The garment export was also impacted significantly by the Covid-19 pandemic, where many factories were closed down, either due to the Covid-19 pandemic in the factories or, in many cases, and reduction of orders from the buying countries. After consumer demand collapsed, more than 237 apparel and footwear factories that employ almost 120,000 people combined suspended operations. The impacts have been quite severe for several hundred thousand garment workers, (Ang Len- The Diplomat, July 29, 2020).

Other sources estimated that, in 2020, the demand-side shock to the global apparel industry as a result of the Covid-19 pandemic has had a huge negative impact in Cambodia, with an estimated 35-40,000 workers out of some 800,000 workers who have lost their jobs without finding another formal job to replace them, and some estimated 150,000 workers reduced working hours. The Covid-19 pandemic has not only impacted the livelihoods of the garment workers, but also hundreds of thousands of their families who depend on those workers' remittances have also been affected. Also, a wide range of service sector jobs also depend on factory workers in and around the industrial zones, including food vendors, clothes sellers, transport operators, and many others, (Dr. Dennis Arnold, the CNV International, January 2021).

The tourism sector is considered the second-largest driver of economic growth, which was adversely affected by the peak of the Covid-19 outbreak in February 2020, when the first case of Covid-19 was found in the country. The arrival of international tourists suddenly declined. In May 2020, over 50 percent of the around 15,990 tourism businesses were closed and over 90 percent of the number of international tourists' arrival were

dropped in the two main areas of Siem Reap and Sihanouk Ville. Just in the first quarter of 2020, more than 600,000-worker tourism sectors have dropped. The figures don't bode well for economic stability, (The Asia Foundation, October 2020–April 2021).

Agriculture sector is second most important driver of Cambodia's economic growth, after the garment sector, contributing about 22.84 percent of the total GDP and employing three million people, equaling to one third of Cambodia's workforce (OpenDevelopment Cambodia, 27 April 2021). Based on the MAFF report, 2021, agriculture productivity has been more stable than other sectors during the COVID-19 outbreak. For the first ten months of 2021, Cambodia exported some 4,221,153 tons of agricultural products, accounting for US\$2.833 billion to foreign markets. These products included cassava, cashew nuts, corn, fresh banana, pomelos, mangos, pepper, chili, milled rice, and so on. China remains the largest market for Cambodia's milled rice. Thus, the agriculture products of small-scale farmers continue to suffer from poor market access, lack of market information sharing. This is the key factor hampering the farmers to gain benefits from their agriculture and productivity. Their products have often been neither low cost nor competitive, with the import of agriculture products from neighboring countries, Vietnam, and Thailand.

In order to restore economic decline, the RGC provided disbursement in a loan with low interest to small and medium enterprises, suffering from the Covid-19 pandemic, creating new jobs to replace the job through a financial loan scheme with lower interest and easier conditions for small and medium enterprises in Cambodia through banking and micro-financial institutions. The report said that at the end of the third quarter of 2021, the National Bank of Cambodia (NBC) disbursed \$44.9 billion in loans to agriculture, construction, manufacturing, services, wholesale and retail trade, and household units, and this accounted for a 23-percent increase when compared to the same period last year. The agricultural sector only amounts to \$17.5 trillion. The loan scheme attempted to direct the laborers from another sector to agriculture for the first phase, and the second will be supported by the tourism service operators. With these strategic economic recovery frameworks, the RGC and businessmen expected that the economic growth is far better predicted a rise of 2.2 percent at the end of 2021 and back to be stable economic growth for 7 percent as it was before Covid-19⁹, (The Khmer Time, Dec 22, 2021).

2.2. The government's strategic intervention and arrangement of FTAs

After having lost 20 percent of levy privilege access, imported Everything But Arms (EBA) to the European market, the Royal Government of Cambodia (RGC) has the most strategic intervention to arrange FTAs with many other potential countries for trading partners in both forms, bilateral and multilateral free trade agreements. These countries include England, Japan, India, Mongolia, Russia, and the Eurasian Economic Union. As a result of the efforts, according to the Asia Integration Center, Cambodia has been involved in 17 FTAs, and rights of them are in effect through the Asian mechanism, and two reached agreements, while the other 7 FTAs are in feasibility studies and the negotiation process, (FTA databases tracks, The ARIC¹⁰, 2021).

As a historical move, Cambodia has signed off two bilateral FTAs, with China and the Republic of South Korea. When the China-Cambodia FTA (CCFTA) comes to enter into force, which has been proposed in January 2022, it signified not only the strengthening of strategic cooperation partnerships but also tied trade ties between the two countries, which was expected to boost Cambodia's agricultural products and other commodities.

⁹ Kaing Tong Ngy, spokesman for the Cambodian Microfinance Association, quoted by The Khmer Times

¹⁰The Asian Integration Center (ARIC), the ARIC FTA database tracks and provides a comprehensive listing of bilateral and plurilateral FTAs with at least one of ADB's 48 regional members as signatory. It covers all agreements at all stages of development, from those under study or consultation to those in force, see also <https://aric.adb.org/fta>

According to the CCFTA annex, these products that are listed for the satisfied export to China have been maintained over 350 agriculture inputs. Main staple food including rice and others including nuts, honey, vegetable, fish, meats, and seafood has been the key export products listed for Chinese FTA. With this CCFTA, about 25 percent of Cambodian agricultural products are expected to export to China; however, China is expected to export those products when they are processed back to Cambodia's market in a large quantity with about 98 percent without custom tariffs and other trade barriers.

On October 26, 2021, the Royal Government of Cambodia signed an agreement with the Republic of South Korea, namely the Cambodia - South Korea Free Trade Agreement (CKFTA), by receiving an exemption of a zero-tariff bilateral trade beyond the ASEAN market. Cambodian exports to South Korea include garments and textiles, footwear, travel bags, spare parts, electronic equipment, rubber, and agricultural products, while South Korea exports automobiles, electronics, appliances, beverages, pharmaceuticals, and plastic products.

The government continued negotiating with many other countries in Asia, the EU, and the United States. As a result, in 2022, the Cambodian Government could likely secure tariff exemption, namely the Generalized System of Preference (GSP) with the United Kingdom (UK). Most of Cambodia's exports to the UK comprised clothing, footwear, bicycles, milled rice, and agricultural products, while its imports mainly consisted of cars and machinery products, (Hin Pisei, the Phnom Penh Post, date 21 December 2020).

2.3. The FTAs and Cambodia's economy growth

Picture 1: Pictures of the signing ceremonies of the FTAs taken by the Phnom Penh Post.



The Ministry of Commerce (MoC) reported that the bilateral trade between Cambodia and China reached nearly \$7.968 billion in the first nine months of 2021, increasing by more than 38.36 percent year-on-year. In January-September, the Kingdom exported \$1.093 billion, up by more than 52.74 percent year-on-year, and imported \$6.875 billion, increasing by 36.32 percent compared to the same period in 2020, but according to data from the Korea International Trade Association (KITA), the bilateral trade between Cambodia and South Korea reached \$869.735 million in the first 11 months of 2021, an 8.805 percent surge from \$799.354 million in the same period last year. From January-November, Cambodian exports to South Korea amounted to \$309.074 million, up by 5.872 percent year-on-year from \$291.933 million, while imports clocked in at \$560.661 million, rising by 10.492 percent from \$507.421 million in the same period last year. Cambodia's trade deficit with South Korea widened by 16.752 percent from \$215.488 million to \$251.587 million, (Hin Pisei, the Phnom Penh Post, date 21 December 2021).

Signing the bilateral free trade agreement with China, the kingdom has historically moved its economic development into the new era of economic development. The CCFTA signing came two months after the European Union decided on August 12, 2020, to withdraw 20 percent of the everything but arms (EBA) preferential trade scheme. The free

trade deal is expected to help facilitate economic ties between both countries. It aims to diversify the export destination of Cambodian products; boost bilateral trade, services, and investment; and promote post-Covid-19 economic recovery in both countries. According to ADB, the trade deals are also seen to redouble to Asian Regional Comprehensive Partnership (RCEP), which has the same goals to expand opened and inclusive trade and investment regimes to enhance economic recovery beyond the COVID-19 pandemic, (The ADB, Dec 2020). More importantly, the trade deal is also expected to undermine mutual commitment to strengthening the China-Cambodia comprehensive strategic partnership of what is called “a community with a shared future” through the Belt and Road Initiative (BRI), the report said.

The CCFTA is expected to take effect in early 2022. When it comes into enforce, the deal itself will provide opportunities for local and foreign investors to do more investment, extend their business in Cambodia, and re-export to China's market. The companies will help spur domestic job creation, skills enhancement, technology transfer, and supply chain integration, making Cambodia more competitive regionally and helping them move up the value chain. As the Minister of MoC said during the FTA signing ceremony on Oct.12, 2020, that “the new free trade deal with China expected to leverage and better develop Cambodia's agriculture industry to export to the China market, adding that “the more trade deals, the more opportunities, and Cambodia will have for evaluation of agriculture, production, and exports”, (the MoC Report, 2021). Besides, the agreement would prop up Cambodia's agricultural exports to the Chinese market, despite the Kingdom's vast trade deficit and China's expansive agricultural portfolio, Cambodia expected that the CCFTA will push the economic plan between Cambodia and China to reach bilateral trade to \$10 billion by 2023, the report wrote.

Also, Cambodia and the Republic of South Korea pledged during the virtual signing ceremony on October 26, 2021, to liberalize the trade and enhance the economic and social cooperation through mutual advantages and understanding, as well as binding and laying a catalyst roadmap of economic recovery from the overwhelming impacts of Covid-19 outbreak in both countries, (The Phnom Penh Post, date 26 October 2021). The RGC has optimism that the CKFTA will be beneficial for both countries, Cambodia, and South Korea for the exports and imports between the nations with lower tariffs beyond the existing ASEAN-Korea FTA, and it is believed to double the Regional Comprehensive Economic Partnership (RCEP). It means that Cambodia will have more additional market destinations for trading, (The statement of MoC, 2021). The trade between the two countries has steadily increased, even as the Covid-19 outbreak has been happening, and it is expected that the CKFTA will help the trade values further increase when it comes to entering into force, it will attract more Korean investment to Cambodia (The Royal Academy of Cambodia, 2021). The CKFTA will build up a considerable head of steam for Cambodian exports to South Korea, providing duty-free access or partial tariff reductions to a broad range of goods and services, (The Cambodia Chamber of Commerce, 2021). According to the Ministry of Commerce, the CKFTA will provide duty-free access for more than 10,000 Cambodian items to the South Korean market; the Kingdom will lift tariffs on 93.8 percent of goods traded, with South Korea scrapping duties on 95.6 percent, (The South Korean trade ministry, October, 2021).

However, there are some concerns over the capacity of Cambodia to offer commodities for export to China and Korea under the FTAs. One local export expressed his concerns over the product standardization, saying that “a difficult point is the commodities problem – having the kind of product that is suitable and meets their trading countries' needs. In Cambodia, the products and goods are still limited and don't meet the demands for export, (The Royal Academy of Cambodia, 2021). Another regional expert was also worried about Cambodia's capacity on agriculture and production to compete with other nations,

exporting to both countries, saying that the “agriculture sector of Cambodia is highly fragmented and is dominated by small-scale farmers, and many of them are unskilled in sustainable production to meet the quality of standard compliance for export. This is one of the biggest challenges for boosting agriculture production. Cambodia needs better infrastructure and investments in downstream segments, such as processing facilities, (Dezan Shira, The ASEAN Briefing, Sept 13, 2021).

Additionally, the assessment carried out by the ADB in July 2021 identified that the post-harvest handling and processing are limited. Only about 10 percent of the total products have been processed in the country. The agriculture inputs and machinery are at a high cost, making low or no profits gained for the small-scale farmers from their farming. The market is controlled by traders; the farmers are dominant price takers. The local transports remain at a high cost, while logistic infrastructure and services are not efficient for agri-food value chains. The small-scale farmers have a rank of low capacity of using technology, thus the government developed several policies to improve digital communication in the agriculture sector. The credit to agriculture and agribusinesses together accounted for only 9.4 percent of formal finance in Cambodia in 2018, while the loan was restricted in 2020 due to the Covid-19 outbreak. The extension of service and cooperatives are also considered as the main drivers of agriculture and development. The public or private extension services remain generic and tend to be supply-driven, and the government has been trying to reorient its extension services to be demand-driven, decentralized to enhance outreach, and varied to support agriculture diversification. The government and development partners support registered 2100 Agriculture Cooperatives (AC); however, their capacity is low in product standardization and in business operation. Moreover, the ACs are less powerful in decision-making, and all managerial tasks and leadership are under the control of government officials or NGO workers who work with them, (The ADB, July 2021).

Therefore, boosting agriculture exports will not be a large progressive step for Cambodia, which is looking for moving its export base from low-skilled and low-cost manufacturing to high-end manufacturing, and the percentage of employment in the agriculture sector fell from around 75 percent in 1991 to 30 percent in 2018, (Dezan Shira, The ASEAN Briefing, Sept 13, 2021). Hence, the EBA status withdrawal and the Covid-19 outbreak that already heavily hit the country economic growth, tremendously dropping GDP in 2020, the FTAs enforcement may not recover the loss. From the initial estimates of the CCFTA, the trade pact will add US\$325 million, plus CKFTA will add about \$451.98 million or about three percent of total GDP to Cambodia’s economy, whereas the withdrawal of Cambodia’s EBA status impacted one-fifth of the country’s exports to the EU, totaling US\$1.1 billion, (Dezan Shira, The ASEAN Briefing, Sept 13, 2021).

The FTAs expect to attract many more foreign investors to do investment in Cambodia, including agriculture, tourism, and garment sectors, to restore economic growth, but some scholars argue that trade deals, especially with China, could potentially increase the ability of the only existing Chinese investors to enlarge their business operation in the counties, as newcomers will be a few. “The deal is good for both countries to build a stronger relationship for a geopolitical stance to resist the power of the West in Asian countries, but the recent push on the agriculture development of the Cambodia government will be of little benefit for farmers and replacement of the new employment for the laid-off workers impacted by Covid-19. The trade deal would likely be of little benefit to Cambodia's small-scale farmers, but it would be of large benefit to the private companies with privileged access to land for rice cultivation and agricultural crops in Economic Land Concessions (ELCs)”, (Ang Len - The Diplomat, July 29, 2020).

In addition to FTAs, Cambodia has recently adopted a new investment law to prioritize and facilitate more easily foreign direct investment (FDI) in attracting investment from

abroad. With the new law, Cambodia provides many more benefits to foreign investors. The FDI's incentives available to investors include 100-percent foreign ownership of companies, corporate tax holidays of up to eight years, a 20-percent corporate tax rate after the incentive period ends, duty-free import of capital goods, and no restrictions on capital repatriation. However, the economic update in 2021 informed that Cambodia's economic outlook remains highly uncertain, and risks are tilted to the downside. Despite fast-tracked vaccination progress, the risks of a protracted COVID-19 outbreak and further disruption remain high. In such a situation, it may be hard for the government to attract many more foreign investments to the Kingdom to enhance economic recovery, create decent jobs for local people, and rebuild economic growth in Cambodia after Covid-19 outbreak, (The WB economic update on Oct 20, 2021).

Moreover, the corruption¹¹ in Cambodia remains high in all forms of the government public services, especially in the trade and business operation application, (TI, Corruption Perception Index, 2020). While the democratic collapse, dissolving main opposition party, attacking and arresting their leaders and other political activists, crackdown of civil society organizations, arresting rights and environment defenders, and restriction of freedom of expression may interfere foreign credible investors from wealthy countries to bring their investments to the Kingdom, (BTI 2020 Country Report, Cambodia).

Hence, the majority of the participants from working people groups, farmers, and youth also agreed that free trade deals with China and South Korea may not be a good economic arrangement to attract more Western and EU investors to the country, due to Cambodia still not having a good enable business environment, but despite the existing investments, there will be more Korean and Chinese investors to come to the country to do investment in many sectors including real-estate, construction and agriculture to export back to their countries. Those foreign investors will be a huge benefit from the trade deals, while local and small enterprises are facing unfair competitiveness. The local farmers and working people take only a low wage, as one of the key informants described.¹²

"It's hard to believe that the government can strengthen the stable growth of Cambodia's economy or replace job losses through trade cooperation with China and Korea. Also, the trade agreements may not likely attract foreign investment from credible and well-known companies from Asian and Western countries due to the weakness of law enforcement, the weakness in public services, lack of transparency, and accountability in all government approval processes."

However, some participants from NGOs, local and international, seemed to have a bit different view. They see that the FTAs will be something to help improve Cambodia's economic growth by attracting new investments from the FTA participating countries, as well as the Asian Nations. They believed that the FTA and the Belt and Road Initiative (BRI) project in Cambodia would at least have the resilience of Cambodia's economy in protecting existing Chinese investment, and maybe new ones to come. But they also expressed their concerns over the laborer's rights and destruction of natural environment will be worsening as Chinese investment neither respects human rights nor protects the natural environment, as one of key informants said¹³;

"Under current China's influence and the CCFTA, Cambodia will attract more investment, and it will soon become a Chinese Economic Hub in Southeast Asia, as seen now many economic zones in Phnom Penh, Sihanouk Vile, Siem Reap, and Svay Rieng provinces are controlled by Chinese investment. But, besides the economic benefits, Cambodia will greatly suffer from the negative impact on human rights, liberal democracy, and natural resources."

¹¹ Cambodia ranked 160 out of the 180 countries involved in the global ranking system to assess perceived levels of corruption in public sectors in 2020 by International Transparency. Corruption Index in Cambodia increased to 21 points in 2020 from 20 Points in 2019.

¹² Interview a trade union leader in Phnom Penh on 29/10/2021

¹³ Interview a foreign NGOs staff, working on conservation in Cambodia on 20/11/2021.

Many development agencies in Cambodia, who work on social justice and inclusive development also do not have an optimistic to the trade deal. They thought that the deal will not help economic growth recovery due to Cambodia is not ready enough and the country has huge impact of Covid-19 outbreak on socio-economic development, as one of the key informants said

“I think it is an important trade policy for Cambodia to take new partnership with other countries after losing EBA and GSP preferences and adverse impact of Covid-19 outbreak. However, I think it is hard for Cambodia to restore socio-economic growth in the short-term, it needs long time to recover it by which it shall promote pro-poor policy to protect the rights of small-producers and working people¹⁴.”

3. The Research Methodology and Sampling

The participatory action research approach was used for this study and people who participated in the study had full participation, having in-depth learning and analyzing the issues that will arise from the FTAs implication in Cambodia. The process had been attracting them to join a workshop for advocacy strategy development after the end of the research fieldwork. The advocacy plan has been developed by the participants, aiming to promote accountability and transparent FTA implementation in order to make benefits for all. This method of the study had been used a mix-method, and both qualitative and quantitative data have been collected. We designed guiding questions and then detailed them into three forms of questionnaires, for an individual survey, Key Informants interview, and group discussion. All of them cover the same topic, but they have different questions. All research participants were encouraged to discuss fairly and freely, ensuring that the ideas of each individual are raised.

3.1. Data collection tool and Sampling:

We had used three tools for our data collection: an individual survey, key informant interview, and focused group discussion. However, due to the Covid-19 outbreak, we conducted our fieldwork online. The majority of farmers and fisherfolks were reached by telephone call, while CSOs and trade unions have been contacted by different social media platforms including Zoom, Jitsi Meet, Microsoft Team, Telegram, and Signal.

The primary data collection was recorded and not in the computer and then analyzed by using SPSS (the Statistical Package for Social Sciences) software. The process of data collection involved three ways as follows:

3.1.1 Desk review on relevant information:

The desk review has been conducted to review available documents of FTA and other related policies to support background and understand the government strategic intervention and TFA arrangement. We focused on:

- The current impact of Cambodia's economy
- The government's strategic intervention and arrangement of FTAs, and
- The FTAs help to revive Cambodia's economic growth,

3.1.2. Individual Survey:

The survey has been conducted online through phone calls with a structured questionnaire, interviewing individual farmers, fisherfolks, garment workers, community youths, and students from selected universities in Phnom Penh. All information gathered were recorded on the computer and then transferred to SPSS for analysis,

3.1.3. Key informant interview (KII):

¹⁴ Interview with a senior staff from a funding agency who supports land rights and community livelihoods development in Cambodia on 3/11/2021

The KII with semi-structured questionnaires has been interviewed concerned group leaders including civil society organizations, trade unions, youth groups, and academia to have more understanding of the FTA involved with people on the ground,

3.1.4. Focused Group Discussions (FGDs):

It has been done with semi-structured questionnaires, having in-depth discussions with trade unions and CSOs leaders to get more insights and get more understanding of people's perception on FTAs dealing with government perspective on economic development,

The purposive criterion sampling approach was used for the study, with discussion among the research team and guiding assistance of ANSA. The groups of people who participated in the study are included:

- Small-scale producers (farmers and fisherfolks), recognized or unrecognized groups from different provinces in Cambodia,
- Working people from different sectors (the garment workers and agro-plantations and or farming and fishing scale),
- Youth and students, who are learning and exchanging the concept of liberal free trade and another form of business and trading for future sustainable economic growth,
- Civil society organizations and trade union workers and leaders who work to support small-scale producers to learn their understanding and perception on FTA and new trade form of the country,

3.2. Ethical Considerations

The protocol, questionnaire, and informed consent form have been discussed and prepared prior to the start of the field study. All research team members have been oriented. Given the situation of Covid-19 transmission, verbal consent was asked from the respondent to interview online to keep safe from Covid-19. Prior to the interview, the research team informed the respondents of the following points: The participation in this study was completely voluntary,

- Prior to the interview, respondents have clearly been introduced for the purpose of the research.
- The respondents were requested for verbal consent.
- The respondents have the right to withdraw at any time if they want;
- The respondents were informed not to get any incentive to participate in the study,
- Confidential has been guaranteed to respondents,
- The transcriptions and data are coded with numbers and kept safely in a folder on a locked computer and shared only within the research team;

Information from respondents will be analyzed and presented in the form of aggregated figures, and no personally identifiable information could be traced. Photos from the interviews could be presented in the report and shared with stakeholders and the public. Thus, prior consents from respondents are mandatory.

3.3. Research constrain/ Limitation

There are many constrain in the study was happening during the whole study process.

- FTA is the high-level policy on business and trading. We met a large majority of people in both quantitative and qualitative data collection processes, presented no willingness to join the study due to concerns of being involved in politics when we told about the FTA with China and Korea. Thus, we used a participatory approach, our data collectors usually respect the rights of the interviewees to decide to join and or not to take part in the survey, and if they reject, the data collectors leave and move to other participants.

- Due to the Covid-19 pandemic, the survey was conducted online. It was very hard for data collection, both quantitative and qualitative, to interact with the participants. In this case, the method of participatory action research was not fully implemented. Each interview by phone or by social media, including zoom, Jitsi program was not like a face-to-face meeting. Each discussion with participants could not make it in long hours, and that has affected details information shared among the interviewers and interviewees.
- The timeframe of the study was a very short period, which was only 15 days of November 2021. The number of people who participated in the study was only from CSOs, marginalized farmers, and working people. There were no people from the government and private sector to provide their perception on the FTA arrangement and implementation. There were a number of similar studies that have been done with those groups of people already.
- This survey does not represent the perception of Cambodian people as a whole; it reflects only a view of CSOs, small-scale farmers, and working people who participated in the study. But the survey reflects the real situation of the government FTA arrangement. This report may be reconsidered to use to build awareness to Cambodian citizens to promote social inclusiveness, accountability, and fair trade in Cambodia.

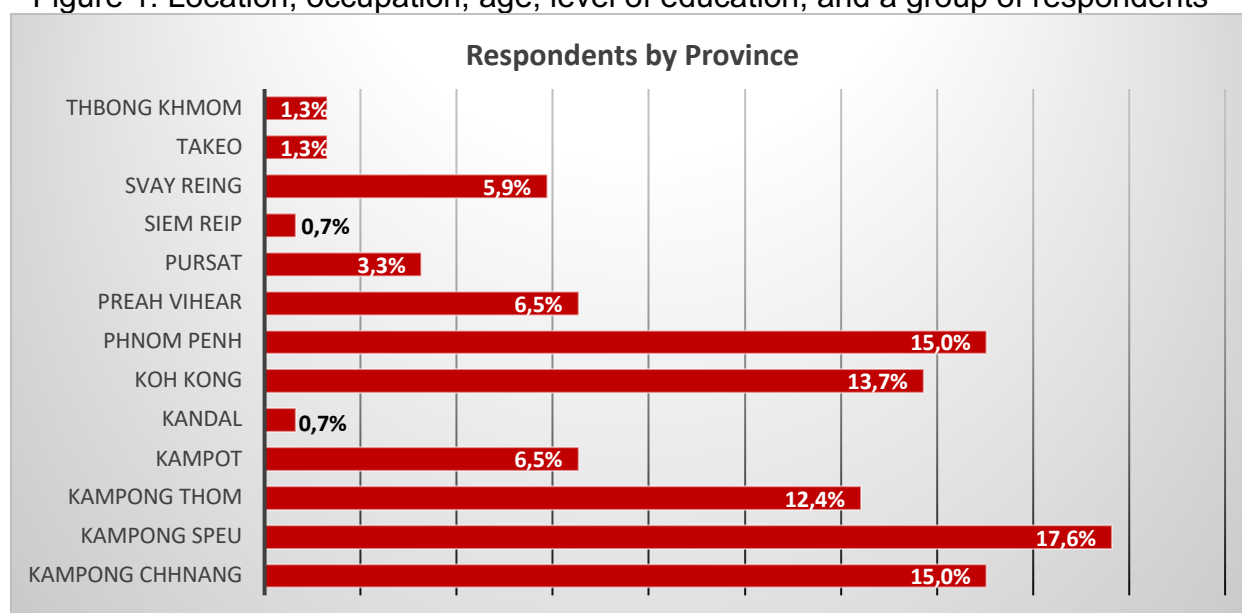
4. Key results of the study

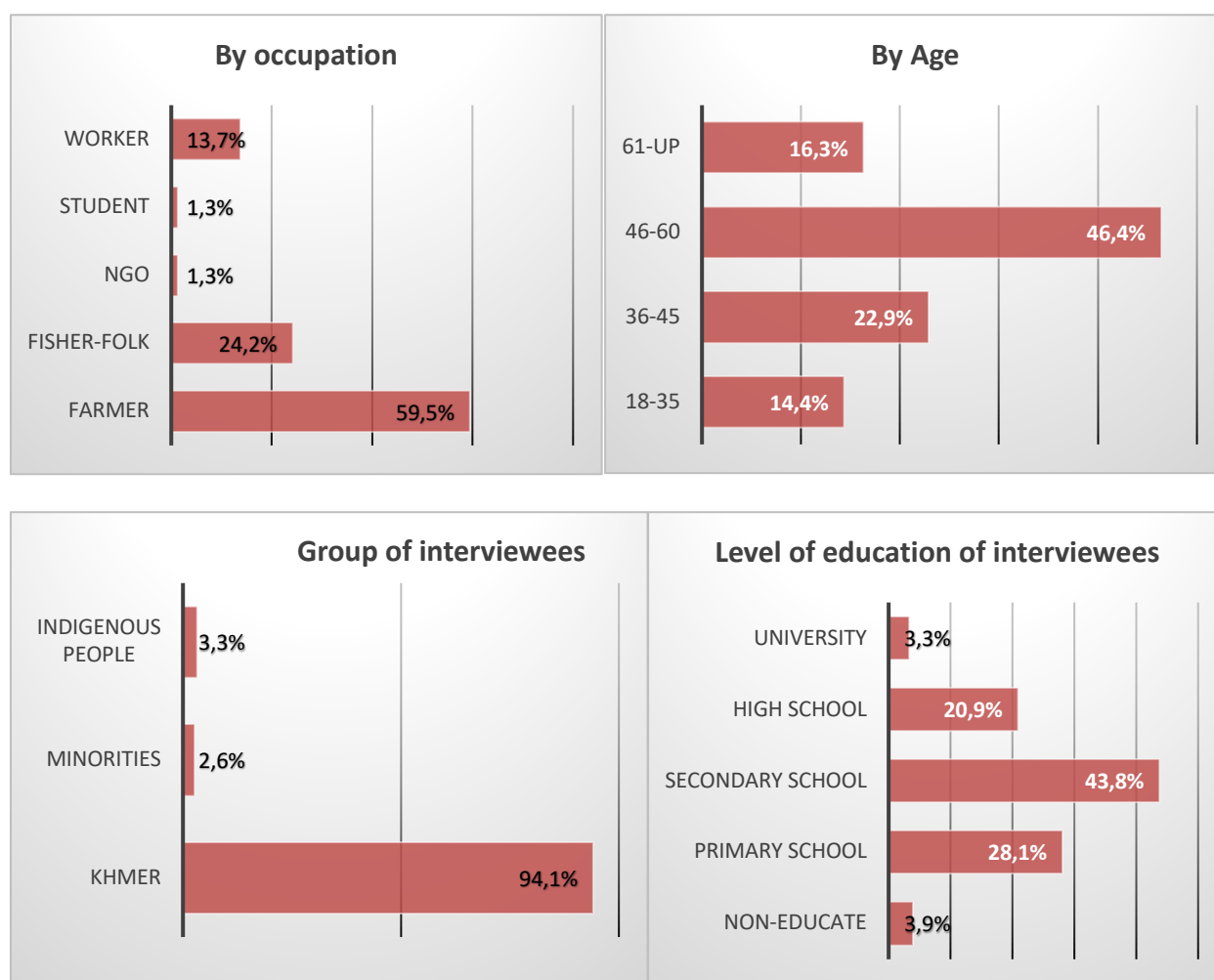
4.1. Background and Profile of Data Collection

Table 1: Number of participants/respondents

No.	Type of activity	# of participants	Male	Female	Total Participants
1	Survey	153	83	70	153
2	FGDs	2	7	6	13
3	KIIs	19	9	10	19
Total participants					185

Figure 1: Location, occupation, age, level of education, and a group of respondents





The study has three types of activities of data collection, the individual survey, focus group discussion (FGD), and key informant interview (KII). As presented in Table 1, this study interviewed 185 people, of which 153 were from individual surveys, 13 from FDG, and 19 from KII, and 46.48 percent of the total interviewees were females.

The geographical areas of this study covered 13 provinces. The majority of the respondents are from Kampong Speu followed by Phnom Penh and Kampong Chhang, and the last number was from Kandal and Siem Reap province. The data collection approach was done on a voluntary basis; therefore, the number of participants was not reaching the same amount from each province.

The interviewees were from garment workers (13.7 percent), university students (1.3 percent), non-governmental organization (NGO) staff (1.3 percent), fisher-folks (24.2 percent), and small-scale farmers (59.5 percent). They were classified by age, and the majority of them were seniors from 46 to 60. They are from different groups of ethnicities. The majority of the interviewees were Khmer (94.1 percent) followed by Indigenous peoples – Souy, Por, and Kui (3.3 percent), and minority groups – Vietnamese and Cham people (2.6 percent).

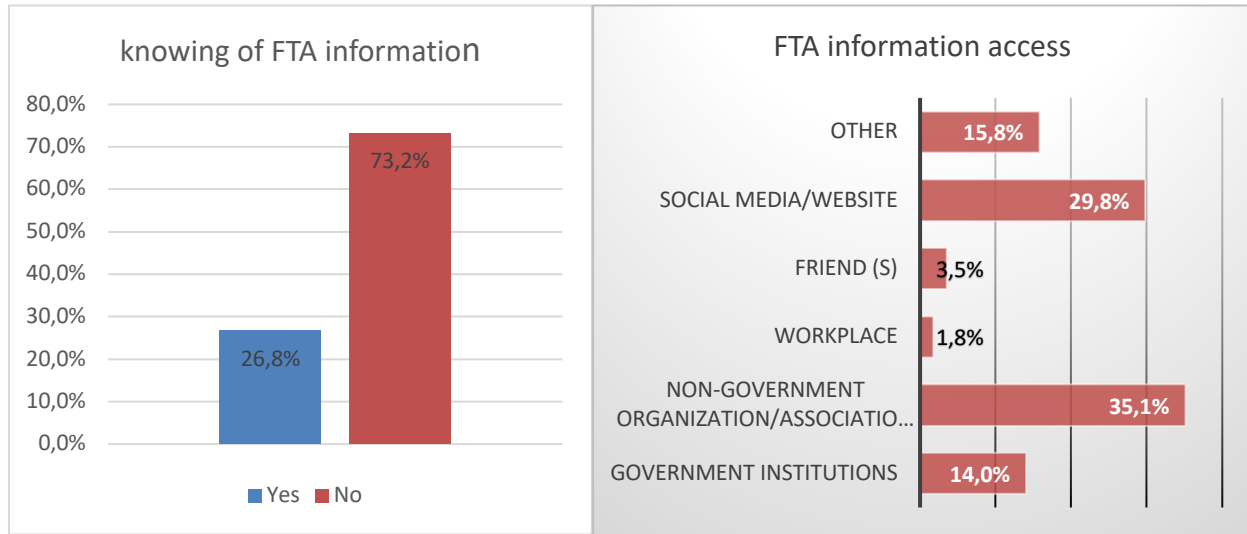
In terms of educational attainment, a large majority (43.8 percent) attained only a secondary-school level of education and only 3.3 percent had attained a university level of education, while a few others (3.9 percent) never attained school. The respondents have been recorded as people with disabilities were 4.6 percent. The participation from different levels of livelihood and educational backgrounds, genders and ethnic minority and people with a disability provides inclusive views presented in the report.

4.2. knowledge of CSOs, small-scale producers and working people and

information access to FTAs and its benefits

4.2.1. Level of knowledge, and information access to FTA

Figure 2: Level of knowledge of CSOs and vulnerable groups, and information access to FTA,



The term “FTA” seemed to be contested to the survey participants. The majority of them found it to be a really new concept of the trade deal. Most of them could not explain it in the right concept of the trade deal. As seen in figure 2, Cambodian small-scale farmers, garment workers, and youths as well as NGO workers have less knowledge of the FTAs. When asked about knowing of FTAs, the majority of interviewees (73.2 percent) said they have never been informed about it, only 26.8 percent were aware of FTAs’ information when the government of Cambodia held a signing agreement ceremony with China and the Republic of South Korea. This indicated that the small-scale producers and working people were not well-informed of FTA, while the governments and its relevant institutions did not have a clear mechanism for sharing and dissemination of the FTA to Cambodian people.

However, when asked from which institutions they access information about FTAs, the majority (35.5 percent) among the 26.8 percent of the respondents who got informed about FTAs said they access the information to non-governmental organizations followed by Social Media (29.8 percent) and other sources (15.8 percent). The data indicated that ordinary people were less informed about FTA because the government did not widely conduct awareness for all Cambodian people. The participants of the survey are less informed, and no one has an opportunity to participate in an open forum or consultation workshop conducted by the government. Only a few of them received the information from their friends who work for the government office. The government ministries did not share or promote the information flow of FTA to the grassroots communities, small and medium enterprises, working people, and even the CSOs groups.

The key Interviewees from NGO, Trade Unions, and Key Farmer leaders were also found to be very new to the concept of the trade deal, while most of them realized the Preferences of EU EBA and the US GSP, which Cambodia recently lost. When asked to define what the “FTA” is, the majority of them from the NGOs and Trade Unions said they were not sure, having no thought critically about the term. For many of them, the FTA is not their capacity to understand, saying that it is about the internal foreign trade policies of the government, involving traders and government only, but they expected that it would impact all people, especially small-scale producers and working people. The following sentiments were resonated during most interviews.

I do not have well equip to the term definition, but I think in general the FTA refer to trade deal in general and not just to Cambodia. The goal is to liberalize trading activities. In the case of Cambodia, we look at the favorable geographical situation in making FTAs with China, ASEAN members or the United States or European countries. In ASEAN, there is a favorable situation for FTAs due to the similar situation¹⁵.

I do not explore the detailed definition of the FTA. In particular, I see that our people know very little because everyone is busy with their respective work every day. And this work is the role of the state to disseminate widely. NGOs and media could also play an important part in disseminating and creating a debate between the state and the people, bringing the ideas and issues of workers and local people to put on the TFA implementation stage¹⁶.

For me, I have a little understanding of FTA through sharing with the Trade Union team. I have never been informed and consulted by any government institutions about it. I think the state should hold deep consultation with the respective groups of people so that they can help the state be accountable for the trade deal implementation in the future¹⁷.

I do not know what the FTA is because the promotion and disclosure of information about it are not widespread, and our target groups also don't know it as they neither track the information nor have it been direct disseminated to them by the government. The government also never consulted with us and with our target groups before the FTA had been signed¹⁸.

For me, I got this information by listening to the news broadcast on a foreign radio speaking the Khmer language and by other social media. But I do not understand it clearly, and I think the farmers that we work with may have hardly received the information of FTA, they do not understand it deeply¹⁹.

Generally, people understand that the FTA is set for businessmen and private companies who trade across international borders. They think it does not impact ordinary people and vulnerable groups including small-scale farmers, indigenous people, fisherfolk, and working people. While the government of Cambodia spent much of their time working with those private sectors, but less interest in education to the general public; especially the vulnerable groups to understand the FTA due to the lack of open access to the FTA information. Notwithstanding such ambiguity, some participants from NGOs and Trade Unions still gave options about the meaning of the FTA based on their exposure to the term in their daily working environment. Some leaders of NGOs and Trade Unions obviously illustrated that FTA is a trade policy, which is to promote liberal trade between two or more countries in the modern era. The trade policy is to promote larger zones of trading markets, facilitating import and export commodities among the participating countries. It has been covered the economic activities from production to market, in which it impacts the economic activities of all folks of lives in a society. With this context, the interviewees identified that it is important for all people, especially small-producers and working people to understand the FTA that it might be impacted on the social cohesion and solidarity of their communities. When the people understand it, they will be participating to demand the government to be accountable for and to promote just and fair trade under the FTA implementation.

Figure 3: Countries or regions that signed FTAs with Cambodia,

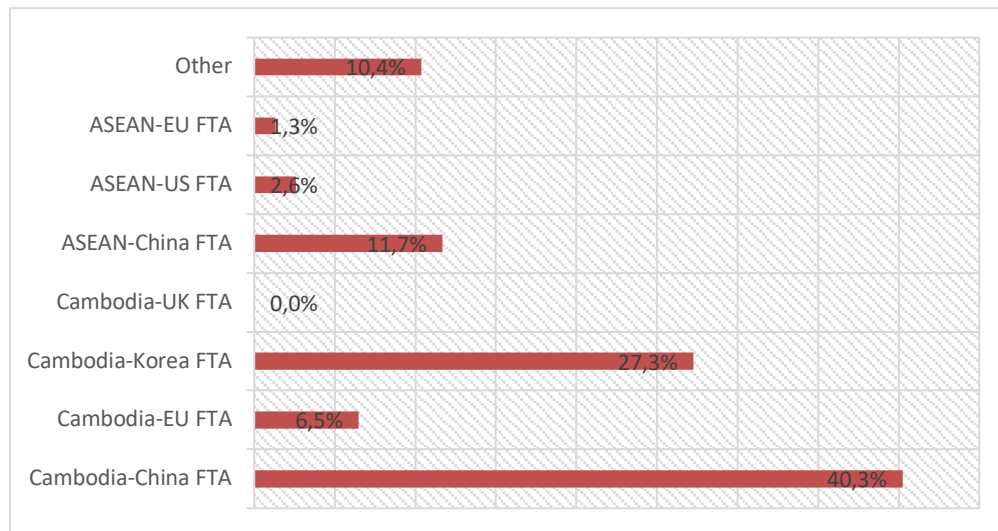
¹⁵ Interview with a senior staff from a foreign NGO in Cambodia on land and natural resource on 4/11/2021.

¹⁶ Interview of a senior staff of a local association, working on a non-formal business in Cambodia on 29/10/2021.

¹⁷ Interview with Trade Union leader who work in the food and entertainment sector in Cambodia on 29/10/2021.

¹⁸ Interview of a local Association senior staff working on tourism and service in Cambodia on 2/11/2021.

¹⁹ Interview of A Farmers Association senior staff working to support farmers 'advocacy in Cambodia on 5/11/2021.



When asked if they know which countries and regions have signed free trade agreements with Cambodia, most of the participants were hard to tell about it. But the study team was trying to explain the context and the current FTA arrangement of the Cambodian government, making them aware of the bilateral and multilateral agreements that Cambodia did with many other countries. As seen in the last figure of the group of figures #3, the majority of the respondents (40.3 percent) realized that Cambodia had signed the bilateral agreement with China, it called China-Cambodia Free Trade Agreement (CCFTA), while others (27.3 percent) knew that the government of Cambodia signed the bilateral agreement with Republic of South Korea, it called Cambodia-Korea Free Trade Agreement (CKFTA). The figure also indicated that a few respondents realized that Cambodia had been involved in various multilateral free trade agreements at the regional level including Asian EU FTA, Asian China, Asian US, etc. However, those respondents did not have clear information and well understanding of those FTAs' principles, including their impacts on their livelihoods, their rights, and their natural resource destruction caused by the development under the trade deals.

But, the majority of interviewees from Key Informants and group discussion seemed to have well-equipped information about the FTA arrangement of Cambodia with other countries, particularly bilateral agreements with China and Korea. They also knew that as Cambodia is a member of Asian Nations, Cambodia has been involved in a number of multilateral free trade agreements or Asian regional comprehensive partnerships. Those agreements are included the Asian-Republic of South Korea Free Trade Agreement, China-Asian Free Trade Agreement, Asian-EU Free Trade Agreement, and Asian US Free Trade Agreement.

Critically, when asked to compare how the other FTAs different from the FTA between Cambodia and China, the majority of the interviewers gave negative views on the trade deal with China. They are not optimistic for the future progressiveness of Cambodia's economy due to China adhering to communism that the country itself has less respect for human rights and liberal democracy. Additionally, China and Cambodia may not apply "the Fair-Trade Principles" of the World Trade Organization, which provides clear instruction to promote decent jobs, respect laborers' rights, and fair competitiveness as well as to ensure inclusive development and sustainability of the natural environment. Many other countries experienced the implementation of such a trade deal with China, which might have caused many problems to their countries, while China itself made more interests in both political influences and economic benefits in the region. The following ideas were commented on during the interviews:

China is a world-powerful communist country that is highly recorded human rights violations, their business rules have little respect for human rights and no democratic practice in their economic development, the trade deal will be no obligation setting, so the rights of working people and small producers will not be respected. China just makes its own political interests and economic benefits from Cambodia²⁰.

The trade deal will provide more opportunities for Chinese investment in Cambodia, but it will benefit China and Chinese investors. I see that the Chinese investors will come to invest in the extraction of natural resources, and when it all has been extracted, they will divert their investment to other countries. Such an investment is not sustainable for our country, and the Cambodian people will continue to suffer from poverty by losing their land and other natural resources they depend on for their livelihoods²¹.

We learned that China has a very bad experience with other countries in the world, they usually take advantage of the FTA participating countries. Their investments are usually focused on natural resource extraction of natural resources, minerals, agri-plantation, and gambling resulting in many social issues including prostitution, theft, and social insecurity²².

Many countries in the World such as South Java, Southern Thailand, and South Africa have bad experience with Chinese foreign investment on human rights violation and environmental pollution. Cambodia even not yet implementation of the CCFTA, but we already have bad experience, one yellow banana plantation in Monduliri province encouraged local farmers to overuse of chemical fertilizers and pesticides causing a big problem for health and environment²³.

While talking about the CKFTA, the majority of interviewees seemed to have an optimistic view of boosting economic growth in Cambodia and sustainable development than they have had with the China trade deal. Many Cambodian laborers experienced in selling their labors in the Republic of South Korea with having great income remitted to Cambodia. Cambodian laborers working abroad regularly home large remittances to Cambodia because they got high wages. According Ministry of Labour and Vocational Training, around 1,28 million of Cambodia migrant workers working abroad have sent \$2.8 billion back home in remittances in 2020²⁴. The amount is believed to transfer mostly from Korea and followed by Japan, where Cambodian workers receive higher wage. This reason trusted interviewees that the CKFTA will bring good model of investment in Cambodia which respect to labour rights. One interviewee precisely expressed during the interview:

I think CKFTA will be better than CCFTA, because I see that many Cambodia migrant workers work in Korea appraised and enjoyed with their jobs. The country had good working condition and respect to human rights. I do hope that CKFTA will attract more Korea investor to Cambodia, provide decent job for Cambodians, while at the same time Korea still need labor force from Cambodia working in their country²⁵.

The data shows that the study participants have differentiated the two bilateral trade agreements by their personal observation on previous actual experiences and behaviors of the people from those two countries committed in Cambodia. They are pessimistic about Chinese people and their investments that have been previously worsened to the environment and human rights respects. Contrary to that, they are optimistic about Korean people, observing that the Koreans and their investments in Cambodia are more likely to

²⁰ Interview with Trade Union leader who work in the food and entertainment sector in Cambodia on 29/10/2021.

²¹ Interview a leader of a grassroots trade union of federal workers on 1/11/2021.

²² Interview of a senior staff of a federation working on hospitality and tourism sector in Cambodia on 2/11/2021.

²³ Interview of a senior staff of a local NGO working with youth on empowering youth to advocate on land and natural resource in Cambodia on 05/11/2021.

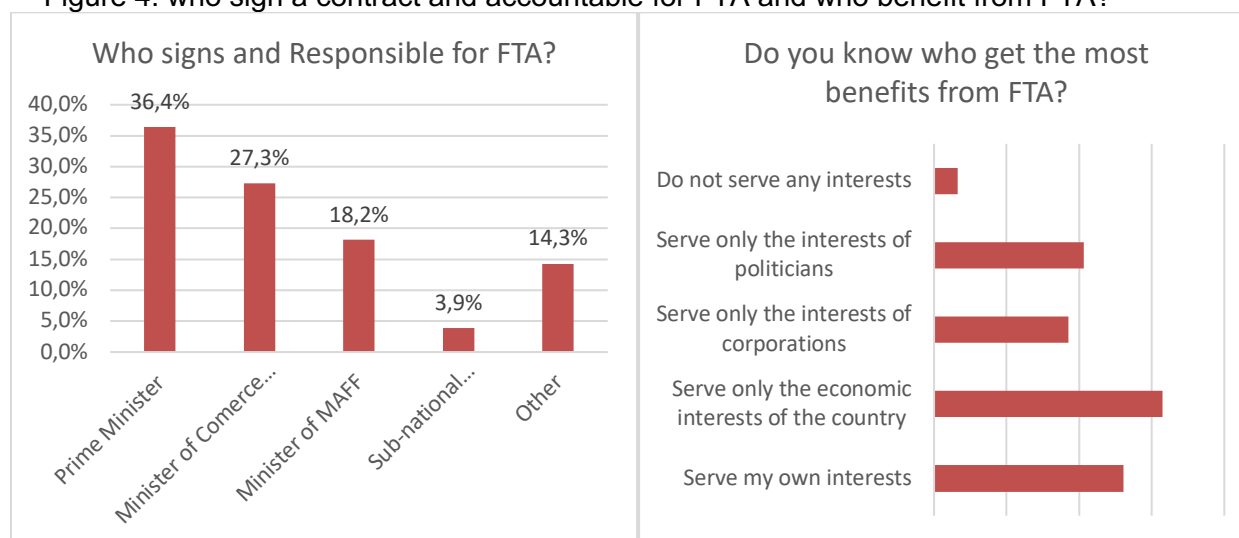
²⁴ The Phnom Penh Post, Mr. Thou Vireak, Migrant remittances total \$2.8B last year, Publication date 23 February 2020 <https://www.phnompenhpost.com/business/migrant-remittances-total-28b-last-year>

²⁵ Interview of the director of a local NGO working with youth on empowering youth to advocate on land and natural resource in Cambodia on 29/10/2021.

respect labour rights and provide a good wage as well as having good environment work than those with Chinese investors.

4.2.2. The ministry level responsible for signing, and who benefits from FTA

Figure 4: who sign a contract and accountable for FTA and who benefit from FTA?



Knowing which government ministries are responsible for the signing of the contract and how to implement the FTA is really important. There are many ministries involved in the process of FTA arrangement from negotiation to signing contract. It is also important for people to be aware of who the most powerful stakeholders in the FTA implementation are. When people are aware of this process, it is significant for them for their future engagement, lobby and advocacy work to help promote transparency and accountability for the FTA implementation.

When asked if they were aware of who/which ministries are responsible for signing FTA and monitoring the implementation, as seen in the figure #4, majority of respondents (36.4 percent) said ahead of government (Prime Minister), while some of them (27.3 percent) said the Minister of Ministry of Commerce (MoC) while other rest (18.2 percent) said Minister of Ministry of Agriculture, Forestry and Fishery (MAFF). Beside these, some of them (14.3 percent) said other (they did not know who are the responsible for signing the FTAs, while a few of them (3.9 percent) said the sub-national authority will be the responsible for signing FTA and implementing them. The survey indicated that most of the participants do not know the process of the FTA arrangement, what level the government and which ministry is involved in the FTA signing agreement, the majority of them said the Prime Ministry who signed the contract.

Significantly, when we asked who would get the most benefit from the FTAs, the majority of interviewees (31.5 percent) said it would serve the economic interests among the FTA participating countries, and some others (26.1 percent) said the FTAs will serve their interests through getting well-paid jobs. However, some of the respondents (20.7 percent) said the FTAs serve only the interests of politicians from ruling party in Cambodia for their political agenda, while some of the respondents (18.5 percent) said the FTAs will serve the interests of transboundary corporations, and large and medium enterprises, the small-scale and community-based enterprises will not. Only a few participants (3.39 percent) said the FTAs will not provide any benefit for Cambodian people and the nation.

Additionally, the majority of interviewees from NGOs and Trade Unions have similar views on the benefits of the FTAs. They acknowledged that the FTAs would provide more spaces for importers and more viability of commodities will be on the markets, making people have more choices to use with a cheaper price due to the commodities under the FTA being 100% tariff-free or having some tax holiday and tax exemption. The brokers

and exporters will be getting the most benefits, but as for agriculture sector, the small-scale farmers will not have benefits from the FTAs due to the farmers have no capacity to produce to meet standard required to export. The following sentiments were expressed during the interview:

Cambodian ordinary citizens will have less benefits from the FTA, meaning that it will not promote decent jobs for them, but instead it will create more poor condition jobs. For small-scale producers will stop working by their own due to lack of capacity to compete with private companies, they will become agro-plantation workers²⁶.

In case, the government did build skills for working people, promote social protection and other needs in order for them to response to the growing labor market, the working people will not benefit from the FTAs.

We think the FTAs will, more or less contribute to boost economic growth, but the great benefit will go to investors and traders. If the government promote social protection and decent jobs, the working people will also have somehow benefit from the FTAs. The government shall prepare laws and policies that serve people rather than just protect the investors²⁷.

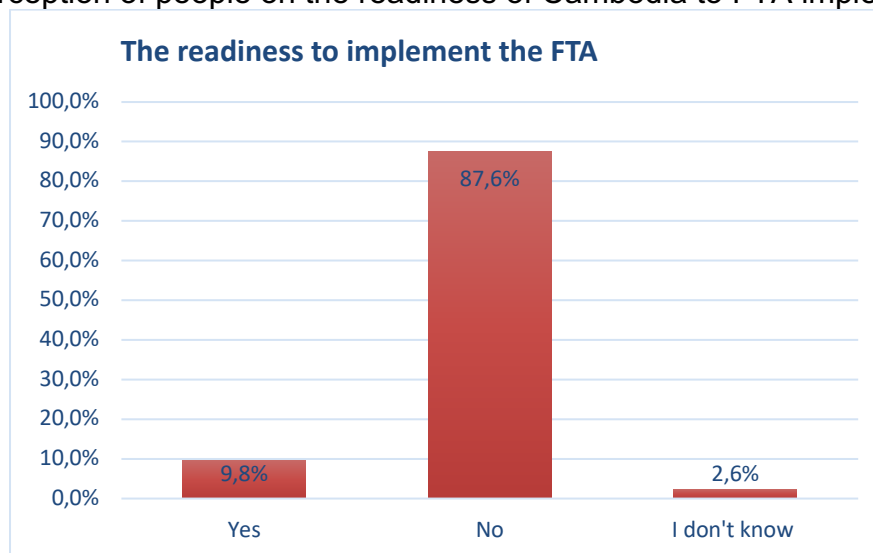
I don't think the FTAs attract foreign investments from liberal democratic countries, but maybe Chinese investors, but I think the Chinese investment will neither contribute to sustainable economic growth nor fair trade for Cambodia, but a great benefit will go to China for both economic and political reasons²⁸.

It can only help economic growth and provide benefits for Cambodian people if the FTA implementation can enforce the investment to be based on transparency, full engagement with stakeholders, and fair competitiveness. If not so, the FTA will create more difficulties for traders and local producers²⁹.

4.3. The perception of CSOs, small-scale producers and working people on the lack of access to information of the FTA

4.3.1: Readiness of FTA arrangement to ensure accountability for Cambodian people, especially those engaged in agriculture and fisheries

Figure 5. Perception of people on the readiness of Cambodia to FTA implementation;



As seen in figure #5, the survey participants are clear that the government is not ready for FTA implementation as planned, to enter into force in January 2022. The government

²⁶ Interview with Trade Union leader who work in the food and entertainment sector in Cambodia on 29/10/2021.

²⁷ Interview of the director of a local NGO working with youth on empowering youth to advocate on land and natural resource in Cambodia on 29/10/2021.

²⁸ Interview of a senior staff of a federation working on hospitality and tourism sector in Cambodia on 2/11/2021.

²⁹ Interview with a senior staff from a funding agency who supports land rights and community livelihoods development in Cambodia on 3/11/2021.

may need times to prepare required internal legal frameworks, strengthen law enforcement, promote capacity in production. When asked if Cambodia is ready for FTA implementation, a large number of respondents (87.6 percent) said “No”, while some of them (9.8 percent) said “Yes”, and the rest (2.6 percent) said, “don’t know”.

The data of the survey respondents indicated that Cambodia is not yet ready to implement the FTAs, it needs to develop appropriated legal framework to make sure that the FTAs are equally applied. Additionally, Cambodia is facing many issues in agriculture production. Farmers did not yet have new and appropriate technology, lack of farming irrigation system, and arising labor force from the agriculture sector to the industrial in the cities, while some others migrated to their other countries for seeking high-paid jobs, which has been lack of labor force in agricultural production and not meet standards required by trading partner countries and their markets. The key informant interviewees provided some thoughts as following:

For me, Cambodia is not ready yet because Cambodia's productivity is still low. Cambodia aims to salvage its losses from the EBA and GSP by substituting trade partnerships with China and Korea. The trade partnership with these two countries is to restore the stability and growth of the national economy, whether it is ready or not³⁰.

The government shall focus on negotiating with the EU and the US to take back the main markets through EBA and GSP preferences rather than arranging the new free trade because Cambodia does not have a mechanism for monitoring and evaluation of the FTA implementation, grievance redressal mechanism³¹.

I don't think Cambodia is ready for the FTA implementation, because our workforces are still unskilled, our agriculture production is far from appropriate technology that cannot produce high quality standard to meet the export's criteria and to build trust with investors and consumers at the FTA participating countries³².

I see that Cambodia is not ready yet for starting the FTA, because there is a lot of work that the government has not done yet, such as restoration of freedom of expression, respect for human rights, enhancement of production techniques, strengthen law enforcement to reduce corruption practice, and setting up an effective legal framework to the rights of small producers and working people.³³

Additionally, the small-scale farmers and their communities are currently failing in an in-depth; their agriculture production outputs are usually lower than the expense of agriculture inputs. The market price of the agriculture products is not stable, it depends on the mouth of middlemen, saying the low quality of the products and give a low price to farmers producers, while the government and their responsible Ministry officials did not have a clear instruction of qualified standard to the farmer producers and technical knowledge of agriculture production that can be adapted to climate change and climate resilience. Importantly, the government does not have an effective subsidy program for the agriculture sector, and corruption practices make a big challenge for agriculture production.

4.3.2: The concerns of CSOs, small-scale producers and working people in FTA implementation in Cambodia

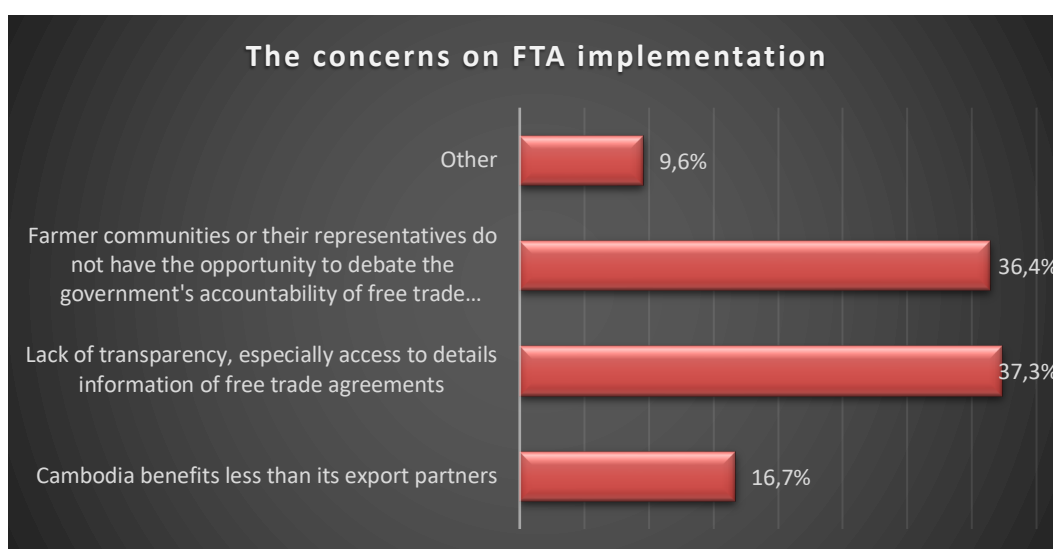
Figure 6. The concerns of CSOs and grassroots communities over FTA

³⁰ Interview of the director of a local NGO working with youth on empowering youth to advocate on land and natural resource in Cambodia on 29/10/2021.

³¹ Interview of a senior staff of NGOs working with garment workers in Cambodia on 3/11/2021.

³² Interview of the senior staff of a funding agency who support community development on 4/11/2021.

³³ Interview of a senior staff of an Association who work with non-formal economic groups on 08/11/2021.



Generally, FTA is involved in trades, however it impacts all folks of the society as a whole. A study on the social dimension of the FTA held by ILO presented that the process of FTA negotiation and implementation should be engaged all groups of people in the society including grassroots communities and labor forces for the promotion of equal and just trade³⁴. The participants, both in the survey and key interviews, expressed greater concerns over how FTA to be implemented transparently for their benefits and the national economic growth. As seen in figure#6, 37.3 percent of the respondents said lack of transparency, especially access to detailed information of FTA, 36.4 percent said they and their communities did not have been consulted by the government, 16.7 percent of them said Cambodia will get benefit less than its participating partner countries, and 9.6 percent said other issues.

The survey shows that the majority of respondents presented their huge concern over transparency of FTA information access, saying that from the stage of FTA inception to negotiation and signing contract, the government did not share it widely and publicly. For example, all criteria and obligations set in the FTAs with China and South Korea were not consulted publicly and widely with small-scale producers and working people.

The interviewees also raised many concerns over the transparency and information sharing by the state to local people who are involved in the trade deal agreement. In the process of the FTA arrangement, there was no sufficient information sharing and consultation with small-scale producers and working people that would enable a corrupt environment for the involved authorities at all levels. Until today, the government did not have a specific plan to support small-scale producers to enable them to be ready to produce highly qualified products to meet standards to export, as some interviews attested:

It's hard for us to get information from the government about FTA as it has been little disseminated and shared to the public as well as consulted with local people. Lack of information access allows political leaders and authorities to do whatever they want. Example, they will make a strong tie with traders to gain their economic benefits under the FTA³⁵.

The small-scale producers and their enterprises have no competitive capacity for skills, technology, and capital investment to produce qualified standard production to export, while

³⁴ ILO-Social Dimensions of Free Trade Agreements https://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/publication/wcms_228965.pdf

³⁵ Interview of a senior staff of a local federation working with food and service workers in Cambodia on 29/10/2021.

the state has yet set up a specific mechanism and legal framework to support them. They will lose benefit gains from the FTA implementation³⁶.

The government expects the FTA will provide a good environment for trade and investment, but I think that it will not because there is highly corruption practice in the trading and business sector, resulting in increased money laundering, gambling, and labour rights abuses³⁷.

Cambodian agriculture, which is fragmented and held by small-scale farmers with unskilled production or subsistent farming, may not produce qualified products to export set in the trade deal. The government of Cambodia may revitalize the existing or extend new economic land concession to foreign private companies to invest in agriculture production. The investors will bring in a modern agriculture technique to produce high yield production to meet the market demand of the FTA participating countries. In this context, the majority of interviewees expressed concerns that there will be increasing land disputes between local farmers and foreign investors in rural areas, the indigenous people and their communities will lose their culture, resources, and sustainable agriculture practice, and the adversely devastated environment. The following comments were made by the interviewees during the interview:

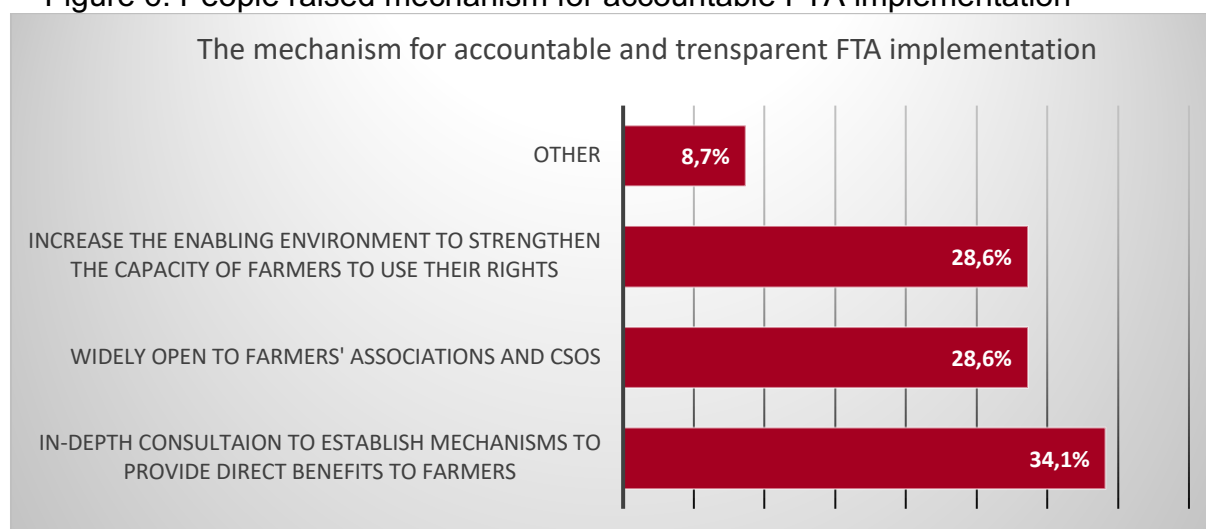
The small-scale producers in Cambodia are seen to lack the capacity to produce high yields to meet the market demand of the FTA participating countries. In this regard, we think that the government may lease more economic land concessions to foreign investors, particularly to China's state-owned companies. Our farmers and indigenous people will continue to lose the resources and land they used to enjoy³⁸.

The agriculture corporations will use a so-called modern agriculture technique for high yield production to meet the market demands of the FTA participating countries. This form of production will affect biodiversity, traditional culture, health, and the environment of local people. The farmers will be inspired to convert their sustainable farming practice to a new method, which needs many more agriculture inputs to farm that force them to fall into chronic debt³⁹.

4.4. Mechanism for strengthening transparency and accountability of FTAs

4.4.1: Suggested mechanism to ensure accountable and transparent FTA implementation

Figure 6. People raised mechanism for accountable FTA implementation



³⁶ Interview of a senior staff of a local Association working on youth and community empowerment on 29/10/2021.

³⁷ Interview of a leader of a grassroots trade union of federal workers on 1/11/2021.

³⁸ Interview of a leader of a grassroots trade union of federal workers on 1/11/2021.

³⁹ Interview of a senior staff of a local NGO working with youth on empowering youth to advocate on land and natural resource in Cambodia on 05/11/2021.

Overall, the participants in the research wanted the FTAs to be implemented in a transparent and accountable manner in which they expected the FTA will give benefits for all, traders, producers, and working people locally rather than to only foreign investors and traders. When asked “what should the government do to ensure transparency and accountability in the implementation of the two FTAs when it comes into force?”

The majority of respondents of this study (34.10 percent) said in-deep consultation to establish a mechanism that provides direct benefit to small-farmers, while 28.6 percent of the respondents said they want widely open to farmers' associations and 28.6 percent said they want CSOs to increase the enabling environment to strengthen the capacity of farmers to use their rights, the rest (8.7 percent) said other things referring to increase in collaboration among local private sectors and small-scale farmers to help each other in production and market access under the FTA.

The interviewees also suggested the government and its ministries involved in FTA promote deep consultation with relevant stakeholders in the future, not only with private sectors but also with small-scale producers, working people, and CSO representatives in order to make sure that the FTA is shared and consulted. At the implementation stage, CSOs, small-scale producers and working people shall have rights to monitor the impacts of the investment under the FTAs framework as it will be directly and indirectly affected their human rights, their livelihoods, and their working environment. Many comments were made during the interview:

We, as civil society organizations, shall work together in large numbers to share information of the FTA and urge the government to carry out effectively implement the FTA in accountability and transparency with the people, while at the same time, the local authorities and grassroots people are to be aware of the FTA allowing them to have a wide-range consultation and debate as well as monitoring on the impact of the trade deal⁴⁰.

Honestly, I do not believe that the government will listen to the people, however, the only involvement of all stakeholders and experts in the process of the FTA arrangement from negotiation to implementation might improve transparency and accountability of the FTA implementation ensuring that all are benefiting of the FTA equitably⁴¹.

From the past until now, the government has consulted with the private sector more than civil society, which shows the lack of participation of civil society and the lack of specific accountability of the relevant ministries with small farmers. Therefore, it is essential that civil society organizations be involved in this process⁴².

For the more transparent and accountable implementation of the FTA, the government, private sectors, and civil society organizations are to work together to set up an effective mechanism to monitor violations or conflicts arising from FTAs and seek suitable solutions for equally treating investors and producers and working people⁴³.

Additionally, the interviewees suggested to the government and its relevant ministries to conduct widely dissemination of FTAs to Cambodian citizens, particularly for local traders, small-scale farmer producers. Fully awareness of FTA among these people might allow them to fully participate in the FTA monitoring process, for motivating government officials involved in the implementation to work with the groups of people in a democratic approach in order to enhance transparency and accountability at all levels, from local trading to exporting to FTA participating countries.

⁴⁰ Interview with Trade Union leader who work in the food and entertainment sector in Cambodia on 29/10/2021.

⁴¹ Interview of a leader of a grassroots trade union of federal workers on 1/11/2021.

⁴² Interview of a senior staff from a funding agency who supports land rights and community livelihoods development in Cambodia on 4 /11/2021.

⁴³ Interview of a senior staff of a federation working on hospitality and tourism sector in Cambodia on 2/11/2021.

For me, the government and other involved CSO groups shall widely disseminate the FTA knowledge and information to strengthen the knowledge of small-scale producers and their communities, and youth to better understand it⁴⁴.

The government has to use the national budget to organize open consultative forums, workshops, or media outlets to raise the awareness of the FTA to the people from the national to sub-national level to make sure that all are allowed to participate in, and all inputs of the people are accepted⁴⁵.

The citizen's involvement in the process of the FTA arrangement is very important from the negotiation to the implementation levels that can be done through a comprehensive inclusion in the education system and community outreach activities. Once the small-scale producers have enough information, they will be able to produce to meet market demand, locally and externally⁴⁶.

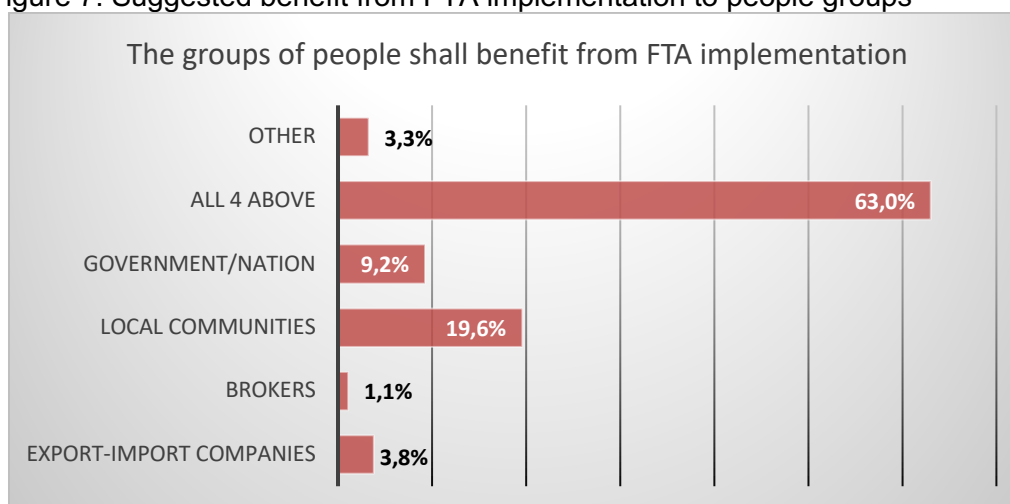
More importantly, the interviewees raised that in order to improve the capacity of competition of domestic products with foreign commodities, the government and its relevant ministries build capacity for small-scale producers on new innovations and technology for high-value production capacity, packaging, and marketing, and providing subsidies to enable to trade under FTA framework. To do this, the government might need to deploy their experts at the community level to work with marginalized. Infrastructure development for agriculture is also important. The government might need to work with its donors and development partners to build up sustainable and climate-resilient irrigation systems and road infrastructure for sustainable agriculture production of small-scale farmers. Some comments raised by the interviewees during the interviews as follow:

The government and development agencies required to focus on capacity enhancement of agriculture production to small-scale producers to produce quality standard by providing sufficient subsidy and resilient irrigation and appropriate technology⁴⁷.

The state is to build up specific mechanisms in place to regulate these FTAs, because it is possible to open up to foreign investment, but it should not be allowed to take their human resources to Cambodia, it should be allowed to use our existing human resources locally, but the government shall invest bigger in skilled development for Cambodians⁴⁸.

4.4.2: Suggested groups of people to benefit from FTA implementation

Figure 7. Suggested benefit from FTA implementation to people groups



⁴⁴ Interview of a leader of a grassroots trade union of federal workers on 1/11/2021.

⁴⁵ Interview of a senior staff of a local NGO working with youth on empowering youth to advocate on land and natural resource in Cambodia on 05/11/2021.

⁴⁶ Interview with a senior staff from a funding agency who supports land rights and community livelihoods development in Cambodia on 4 /11/2021.

⁴⁷ Interview of A Farmers Association senior staff working to support farmers 'advocacy in Cambodia on 5/11/2021.

⁴⁸ Interview of a senior staff of a local Association working on youth and community empowerment on 29/10/2021.

When asked who/which group of local people shall be receiving benefits from FTA implementation, the research participants suggested the benefits of FTA implementation being fairly shared to all of the groups of people involved including traders, middlemen, local community producers/workers, and government/nation. As indicated in figure #7, a large majority of the respondents (63 percent) said the benefits of the FTAs shall go to all groups (the government, local communities, brokers and trading companies), 19.6 percent of them said the benefits of the FTAs shall go to local communities, 9.2 percent of them said the benefits of the FTAs shall go to government and nation as a whole, 3.8 percent of them said the benefits of the FTAs shall go to private trading companies, 1.1 percent of them said the benefits of the FTAs shall go to brokers, and 3.3 percent said the benefit of the FTA shall go to others groups of people.

The interviews also had the same views. They insisted the implementation of the FTA would be beneficial for all, the government, traders and producers as well as working people. Effective FTA implication would be based on effective legal frameworks to promote fair and equitable trade in Cambodia through transparent and accountable manners. In this regard, the majority of the interviewees strongly urged the government to set up a trade mechanism to ensure labor's rights are respected and small and medium enterprises are supported. The interviewees strongly commented during the interviews as follows:

As of today, Cambodia still has not yet sufficient internal policies to protect local small-scale producers, small enterprises, and working people, therefore, the government is needed to prepare such policies, and extend social protection, while at the same time, it has to strengthen the laws and policies implementation for a better business and working environment that primarily serves the interests of Cambodian citizens and workers⁴⁹.

For us, we call for the government to ensure that the FTA implementation is beneficial for all, traders, investors, producers and working people. However, however, the labour rights are to be respected willingly, and the social protection policy is to be applied by the companies⁵⁰.

For me, I wish want to see the FTA is beneficial for all, but now I think that it provides less benefit to small and medium-sized business and small-scale producers, as their ability to market and supply products regularly is not yet technically competitive, while the working people are unskilled to take advantage from the FTA. All these matters are required to be improved by the state⁵¹.

The survey figure and data from the interviews are clear that the people who participated in the study are optimistic about the FTAs, and they want the trade deals to be implemented in a transparent manner, promoting shared fair benefits for all groups of people in the society. Law enforcement and strengthening other related regulations are the most important factors to achieve fair benefits of the FTAs to all people.

5. Discussion

5.1: General awareness of the FTA

The data shows clearly that a small number of people and the employees of NGOs at the grassroots level were aware of the FTA, either giving a definition of the concept or the procedure of the arrangement made by the government. This was because of not being broadly and publicly disseminated. A number of consultations and workshops discussing the new economic development trend and the FTA arrangement were conducted by the government with private sectors, but no one in the study was found to be engaged in consultations. On the other hand, the grassroots NGOs involved in the study have no

⁴⁹ Interview of a senior staff of NGOs working with garment workers in Cambodia on 3/11/2021.

⁵⁰ Interview of a leader of a grassroots trade union of federal workers on 1/11/2021.

⁵¹ Interview with a senior staff from a funding agency who supports land rights and community livelihoods development in Cambodia on 3/11/2021.

particular project to educate people and their communities about it, while their staff members also have less knowledge of it as well. These might lead to misinformation and misunderstanding among grassroots people and their communities on the free bilateral trade deal.

The data also presents that most of the participants in the study are less aware of the powerful ministries who engaged in the FTA arrangement. When discussing the process, it was hard for them to explain what level of government ministries are responsible for signing and implementing the FTA. In practice, according to administration procedure, the FTA arrangement is under the leadership of the Prime Minister, and it was signed by the minister of commerce (MoC). After signing, the ministry completed the subsequent internal procedures and submitted the relevant documents to a cabinet expert committee. With the committee's backing, and then the cabinet's approval, the documents were forwarded to the National Assembly (NA) expert committee for reviewing and then forwarded to the NA General Meeting for verification as an official trade agreement document. The study also found that open access to information plays a very important role in public interests. Whenever the vulnerable groups, especially small-scale producers and working people, get sufficient information and get the full message of the FTA, they will hold the government and private sectors accountable for the FTA implementation to promote transparency and fair trade to benefit all.

As for the benefits of the FTA, the government expected that the FTAs will contribute directly to greater economic activities and job creation in Cambodia, delivering opportunities for local traders and business enterprises to benefit from their trade and investment through elimination or reduction of tariff barriers and other complicated paper works at the internal borders. More importantly, it will give consumers improved access to a wider range of competitively priced goods and services, new technologies, and innovative practices. With the FTA, Cambodia will get more foreign investment, particularly in the agriculture sector, tourism, garment industries⁵².

The study data also indicates that the FTA will facilitate the recovery of economic growth in general after the severe impact of the Covid-19 outbreak by bringing Cambodia more investments, and agriculture production will be the most considered for the new investment. However, the participants realized that the benefits of the FTA go to investors greater than to small-scale producers and working people. During the interviews, the participants analyzed that the past experience of development through privatization yielded the worst results for rural dwellers. They cited some examples of China's state-owned sugarcane plantation in Preah Vihear, a Chinese private-owned yellow banana plantation in Rotanakiri, and sugarcane in Kampong Speu of a Cambodian powerful business and political figure that have worsened livelihoods and environment of the rural communities living around the development areas.

With new investment under the FTA, the participants projected that it definitely becomes the main driver to push small-scale farmers to stop farming for subsistence because they cannot pay a heavy price for standardization of their products to meet the demand of a new market arising from the trade deal. In such conditions, the farmers will automatically abandon farming to depend on the jobs within the companies' plantations for their livelihood. The FTA will be another struggle for the farmers to protect their livelihoods plundered by the corporates. Such a problem happens everywhere in the world caused by industrialization, as Walden Bello⁵³ said "The 20th century was a terrible blight

⁵² The government statement on FTA during signing agreement with China 2021.

⁵³ Author of more than 14 books, Bello was awarded the Right Livelihood Award (also known as the Alternative Nobel Prize) in 2003 for "... outstanding efforts in educating civil society about the effects of corporate globalization, and how alternatives to it can be implemented." Bello has been described by the Economist as the man "who popularized a new term: deglobalization."

on small-scale farmers everywhere. In both wealthy capitalist economies and in socialist countries, farmers paid a heavy price for industrialization.”

5.2: The people's perception on FTA

The data shows that Cambodia is not ready for implementing the new trade deals with China and South Korea, which had already been signed agreements and were expected to come into force in 2022, and even other bilateral free trade deals. The readiness refers to the ability of the involved government officials, and the production capacity of the local producers and skilled working people and effective legal frameworks.

The study gave a clear indication that Cambodia is far behind these needs to implement the FTA to respond to higher demand for standardized hygiene production of the new market from the FTA partner countries. Cambodia required to put more efforts to enhance production capacity of local small and medium enterprises (SME) to equip them with new technology and to build human resources including skilled workers. Also, the current loan schemes of micro-finance institutions and the banking system do not work well to support the SME. The government may need time to reflect and prepare a new model of investment capacity loan scheme with lower interest to support to small-scale producers in Cambodia in order for them to improve their capacity in production.

Additionally, during the interviews, the participants also discussed the transparency provision⁵⁴ set in the FTA, in general, must be multilateral-friendly, and pertinent information is readily required to make available to all interested people. In the context of trade facilitation, transparency includes the availability of trade-related laws and regulations, establishment of enquiry points, intervals between publication and implementation of trade law and regulation, prior consultation on new or amended rules, and effective appeal mechanisms. Transparency and accountability need to incorporate an important principle of trade facilitation, which addresses the differing and sometimes arbitrary interpretation of laws by customs and boarder officials. The effects of those transparent provisions are usually non-discriminatory. Thus, these provisions may give an opportunity for those in trading, but it will negatively impact on small-scale producers' partners and working people's rights, if FTA provisions are set not in compliance with faire trade principles of the World Trade Organization (WTO)⁵⁵, and therefore, the FTA provision required to the protectionist principle to care of small-scale producers and labour rights for the FTA countries⁵⁶.

Beside the transparency provision set in the FTA, the enabling environment for business and investment is also critically analyzed by the study participants. The equal opportunity in business and investment for all with no interfering from government officers, and strengthening law enforcement and reducing corruption can be a key point to provide an enabling environment for all to do business and investment. Recently, a new business and investment law has been passed, it may be possible to compromise and facilitate a new foreign business and investment under the FTA, however, there are no law and regulation to promote labour rights yet.

The data also shows that there are many obstacles and challenges already happening during transitional periods from the loss of EBA and GSP preference systems and the huge impacts of Covid-19 pandemic, while lack of transparency in the FTA will further have greater negative impacts on local small-scale and medium enterprises and labour

⁵⁴ Transparency is usually cited as the core principle supporting the rule of law and as a key element of good governance. The transparency principle in the WTO agreements executes on its members procedural and substantive legal obligations that are vital to the functioning of the rule-based trade regime: (1) to make information on the relevant laws, regulations, and other policies publicly available; (2) to notify interested parties of the relevant laws and regulations and of any changes to them; and (3) to ensure that the laws and regulations are administered in a uniform, impartial, and reasonable manner.

⁵⁵ https://www.wto.org/english/thewto_e/whatis_e/tif_e/fact2_e.htm

⁵⁶ <https://citizensassembly.co.uk/trade-free-trade-v-protectionism/>

rights. As one of the interviewees expressed that “The FTAs and other economic deals actually involved in all folks in society, but small-scale enterprises, small-scale farmer producers and working people are the most directly impact of the trade deals⁵⁷”. A lack of access to the FTA information is a notion to corruption practice, which will increase more difficulties for the trade and investment in Cambodia, one of the interviewees said “The lack of the FTA information and people learning less about it will enable the customary officials to commit corruption in the import and export process, especially at the customary offices.”

With the lack of transparency in FTA and exclusion of marginalized groups in the consultation, the study participants raised a number of concerns as follows:

- Cambodia has experienced chronic land disputes for decades due to the weakness of the governances of land and natural resources management. The FTAs will bring in more Chinese foreign direct investment in agriculture products that are expected to increase more land conflict with local communities. The grassroots communities will lose their livelihoods, deprivation of their human rights, and degradation of their natural resources,
- The capacity and technology of local farmers and small and medium enterprises in production, packaging, investment capitals, and knowledge of market access under FTA are weak and limited, so that they could not compete with large-scale agro-industrial corporations to export to the trading partner countries under the FTA agreement,
- No governance system for FTA implementation is clearly set up, the government and authority will have less attention to check the quality of products imported from FTA participating countries and monitor the investment and trading operation and their project implementation in agriculture production. With this situation, corruption within investment and trade will continue. No fair trade and investment environment for all, especially for the local farmer producers, small and medium enterprises,
- The current change of agriculture workforces arising from agriculture sector to industrial and a new trend of FTA implementation which will fully facilitate private sectors will enforce the local farmers to reduce their self-dependency in agriculture production,
- The small-scale farmers are exhausted and tired of agriculture production and sell their agricultural land to private companies, and become agriculture workers on their land, and or migrate to another place to seek for jobs to secure their family's incomes and livelihoods,

5.3: Proposal for transparent FTA mechanism

The Economic Cooperation and Development (OECD) emphasized the importance of transparency of a market economy and of human society and defined the principle in the term similar to those of provisions of GATT Article X⁵⁸. It has a two-pronged definition of transparency. First one is regulatory transparency to measure the capacity of regulated entities to express their views on and identify and understand their obligations under the rule of law, and the second is information transparency on the part of the governments. The regulatory transparency protects the rights of private parties to be informed of the laws, to be advised of decisions that concerns their rights and interests, to be provided

⁵⁷ Interview with a senior staff from a funding agency who supports land rights and community livelihoods development in Cambodia on 3/11/2021.

⁵⁸ GATT Article X aims at enhancing transparency and good governance. Information on and knowledge of the regulations and rules in place ameliorate the conditions under which traders and operators engage.
https://www.wto.org/english/res_e/publications_e/ai17_e/gatt1994_art10_oth.pdf

with decision, and to see review of such decisions.⁵⁹ Thus, legal reform that leads to regulatory transparency increases the openness of the market and reduces business transaction costs. Information transparency includes consultation with interested parties, the widespread electronic dissemination of regulatory materials, the use of plain language in drafting laws and regulations, the exercise of controls on regulatory discretion through transparent procedures, and the establishment of appeal processes.⁶⁰

The participants of this study proposed that as a member of the WTO, Cambodia has procedural and substantive legal obligations that are vital to the functioning of the rule-based trade regime for promoting fair trade and social benefits, enabling a good environment for civil society organizations to participate in the process of arrangement and implementation levels. They requested for full transparency includes not only the right to be informed about the process of negotiation and the final text of the treaty but also the right to be consulted on the issues being negotiated, especially when they relate to human rights, health, the environment, sustainable development and procurement.

The specific mechanism for the FTA implementation that has been proposed by the participants are:

a). Early Announcement:

To start the negotiation of the FTA with other countries, Cambodia government should early announce to the public the start of such negotiation. Cambodian citizens have rights to access full information including the official name of the FTA participating countries, date of the drafted FTA provisions to be negotiated, what type of products will be in the trade agreement, etc..

b). Awareness raising and consultation with all stakeholders

Setting up an open platform to consult and discuss with all stakeholders including business groups (small and medium enterprises), civil society organizations, and farmers (small-scale farmers and producers), and other parties of the agreement to raise awareness among them and to collect inputs and issues concerning the FTAs to find a proper solution. Public awareness on the FTA provisions, procedures and other regulations to make sure that all engaged stakeholders have right understanding and cooperation in a transparent manner. The consultation and awareness raising is not only conducted at the national level, but the sub-national authority shall be engaged and educated on their duties and responsibilities to undertake the trade agreement implementation at the ground.

c). Establishment of national committee to work on the FTA

The national committee members are from government officials, business groups and civil society organizations, providing specific roles and responsibility to assist the government to educate people on and monitor the implementation of the FTA. The present of the committee would play a key role to ensure the transparency and accountability of the FTA implementation in the country. The committee may also advise the government to set the new FTA provision to meet the standard of procedure and regulatory transparency mechanism in the implementation process. Finally, strengthening law enforcement to reduce corruption occurring in trade and investment and improving implementation of social protection scheme for working people.

d). Embellishment of capacity enhancement programme:

Ensure that all FTA data is collected and published online or in hard copies to be available for public consumption. In this case, a national database shall be prepared,

⁵⁹ NERA (National Economic Research Associates) Economic Consulting, 'Regulatory Transparency: International Assessment and Emerging Lessons, A Final Report for the World Bank', 6 Jun. 2005, at 147.

⁶⁰ Robert Wolfe, 'Regulatory Transparency, Developing Countries and the WTO', World Trade Review 2 (2003): 157, at 158.

and everyone can access it. Beside this, the national committee with support of the government conduct capacity building to small-scale producers to improve their production capacity to meet the required standard set in the trade deals, providing market access information, and specific subsidy scheme to small-scale producers. In restriction to bring in the labour skilled workers from the FTA participating countries, the government shall ensure to provide knowledge transfer to working people to be skilled workers.

e). Subsequent reflection and reporting

The FTA data-base and information are to be updated regularly, any change, and one arising new FTAs with other new partners, and ongoing awareness and consultation are to be done with stakeholders to make sure that all engaged stakeholders have sufficient information all the time. The semi-annual or annual reflection on the implementation is also required to conduct for making sure the challenges and issues are to be solved accordingly. All involved stakeholders are invited to the reflection workshops to reflect and plan together. The data collected from the reflection workshop will be shared publicly and put in an annual progressive report in written.

The data also shows that the suggested mechanism will be transparent FTA arrangement and implementation. It may have an enabling environment for investment and trade, reducing disputes between traders and traders or traders and working people. Finally, it is expected to provide equitable benefits for all engaged stakeholders and less negative impact on the social and environment.

6. Case study

Whether or not the CCFTA boosts Cambodia's agriculture and benefits Cambodian people?

The free trade agreement is a treaty that regulates the tariffs, taxes, and duties that participating countries impose on their imports and exports. More importantly, the FTA in the modern world allows access to their markets, forcing local industries to become more competitive and rely less on government subsidies and other forms of assistance. It also opens up new market exchanges and new investments that would result in increasing GDP for the participating countries. However, the FTA would cause degradation of the country's natural resources, loss of traditional livelihoods, and local employment. The FTA participating countries must ensure the balance of the domestic benefits of the FTA with its consequences.

The case study aims to understand how the CCFTA impacting jobs, business growth, and living standards of Cambodian citizens when it comes into force, and how to make it effective implementation. For Cambodia, the CCFTA is the first-ever bilateral free trade deal that was officially ratified by the National Assembly on September 9, 2021. With the aim to increase trade of goods by reducing and eliminating tariffs and non-tariff barriers for recovering economic growth after the affecting of Covid-19 and the withdrawal of EBA, the CCFTA will extend a wide range of key sectors which support Cambodia development pillars, including trade, tourism, investment transportation, and agriculture production.

China will provide duty-free status to some 98 percent of imports from Cambodia, whereas Cambodia has agreed to exemptions of up to 90 percent of its imports from China. The CCFTA extended tariff-free trade over 340 products, such as seafood products, garlic, cashew nuts, and dried chili, among others, although those products are already listed in the ASIAN-China Free Trade (ACFTA). Signing the contract, Cambodia expects to increase bilateral trade with China to US\$10 billion by 2023.

Just in five months in 2021, Cambodia has a surge of 200 percent in the export of fruit, and such exports can also help Cambodia gradually chip away the large trade deficit the country has with China; of the US\$8 billion in bilateral trade in 2020, only US\$1 billion was sent from Cambodia. The export of fresh Cambodian mango was made possible because both countries were able to finalize sanitary requirements for fresh fruit in June 2020. The arrangement allows Chinese regulators to certify that specific Cambodian packing factories and orchards meet quality standards. This was previously not the case and Cambodian exporters had to ship their produce to Vietnam before entering China. Cambodian bananas received similar approval in 2018, and exports for this fruit rose to US\$121 million from US\$8 million in 2019.

All the registered products to export were from the large-scale plantation owned by foreigners in the majority. The local small-scale and medium farmers were not capable yet of producing such a qualified product to meet export standards. As such, the government needs to develop policies to support small and medium farmers to create efficiency in the sector. Moreover, quality standard compliance poses one of the biggest challenges for boosting agricultural exports. In addition, Cambodia needs better infrastructure and investments in the downstream segments, such as processing facilities. Also, boosting agricultural exports is not a large progressive step for a country looking to move its export base from low-skilled and low-cost manufacturing to high-end manufacturing.

Through the CCFTA, Cambodia can leverage and better develop its agriculture industry in return for Chinese efficiency in manufacturing or products, such as electronic devices that local producers cannot make. This increase was attributed to the rising demand for Cambodian agricultural products in China's market.

The advantages of the CCFTA

The CCFTA was designed to increase trade between the two partner countries. Cambodia is expected to have the following advantages from FTA implication with China:

- Increase economic growth: the government estimated that Cambodia could increase bilateral trade by US\$10 billion by 2023 or five billion annually.
- Increased more dynamic business environment: Without the FTA, Cambodia faced difficult competition in the competitiveness of our products with others in China market. The agreement will extend good market capacity for Cambodian products selling in the China market.
- Reduce the government's own budget spending: The government is expected to get more concessional grants from China to enhance local small and medium enterprises and infrastructure development to reduce exporting costs.
- Attractive more direct foreign investment: many new foreign investors will come to the kingdom. This adds more capital to expand local small and medium enterprises. It will also bring in foreign money (Chinese Yuan) to Cambodia. it will make foreign exchange competition with US\$, reducing inflation of Cambodian currency (Riel). Many Chinese will also come to invest in financing in Cambodia.
- Dimension of expertise: China has high expertise than Cambodia. The FTA will bring in high expertise to develop Cambodia's human resources. The FTA provision required China companies to build human resources and skill development for workers.
- Technology transfer: China is one of the top technology countries in the world. Cambodia is expected that with the FTA implication, local companies receive access to the latest technologies from their business partners from China. When need business extension and jobs opportunities increased, their business partners will train local staff partners to support their business operation.

The disadvantages of the CCFTA

Many social activists and analyses are concerned and criticize the strongest political and economic tie of Cambodia with China, which it has never had in history. The CCFTA is a move to a closer relationship, and that more or less leads Cambodia to move out of its independent foreign policy and move out of the multiple liberal democracies. The following are the primary concerns and criticisms made by the study participants during the interviews.

- Increased jobs for Chinese – not Cambodian: Under the FTA implication, new investment from China increased. The Chinese companies will bring along with their experts and skilled workers to work and live in Cambodia. Cambodian people cannot compete for well-paid jobs with Chinese experts or skilled workers. However, Cambodians will get only labor jobs with low pay.
- Intellectual property issue: Chinese people are critically devalued and have strong attitude commitments that distrust business partnership, while governance and law enforcement are weak in Cambodia. The respect of intellectual property rights is violated, and the idea is stolen from each other.
- Crowd out domestic industries: Cambodian agriculture is fragmented held by small-scale farmers, and they do subsistent farming. These small family farms can't compete with subsidized agri-business in developed countries. As a result, they lose their farms and must look for work in the cities. This aggravates unemployment, crime, and poverty.
- Poor working conditions: Chinese companies may outsource jobs to emerging market countries without adequate labor protections. As a result, women and children are often subjected to hard factory jobs in unstandardized conditions.
- Degradation of natural resources: Cambodia often doesn't have environmental safeguards. Free trade leads to the depletion of timber, minerals, and other natural resources. Deforestation and strip mining will reduce Cambodia's jungles and fields to wastelands.
- Destruction of tradition and cultures: As development under the FTA moves into isolated areas, indigenous cultures and traditions can be destroyed. Local peoples are uprooted. Many suffer disease and death when their resources are polluted.
- Reduced tax revenue: Cambodia is the smallest country compared to China. The small country struggles to replace revenue lost from import tariffs and fees.

How to create effective CCFTA implementation?

Cambodia seemed move fast away from trade protectionism. The government was aware that high tariffs can only protect domestic industries in the short-term, it may prevent big corporations from entering the country to invest in the country, because those big companies always look for the countries where they could pay cheapest workers.

The cost of labour work in Cambodia is relatively low compared to other developing countries in Asia. For long decades, Chinese investors have taken Cambodia for their product manufacturing, especially on garment textiles. Therefore, the better solution for the specific case of Chinese investment, Cambodia would consider some suggestions from the study as follow:

- For a better solution than protectionism, Cambodia should include the regulations within the trade agreement that protect against the disadvantages of the local people.
- Chinese investors are normally seen not adhere environment protection and respect labour rights, Cambodia should enforce the WTO's regulations for environment safeguards to prevent destruction of natural resources, and local community culture, and enforcing labour law to prevent poor working condition.

- The FTA reduced agribusiness subsidies, keeping emerging market farmers in business. However, Cambodian farmers have a low capacity in production and marketing, low technology, and other sustainable production skills. The government should help local farmers develop sustainable production through building their capacity, and then market them as such to consumers who value that.
- Cambodia may insist that Chinese companies build local factories to process agriculture products as part of the agreement, but they could require these companies to share technology and train local workers, rather than allowing them to use their own experts in long-term business operation.

It comes to conclude that in order to have effective CCFTA, Cambodia may seek in the FTA that give effect to the key principles up out in the 2001 Framework for Integrating Environment Objectives⁶¹ in the trade deal and strong commitments to enforce labour and environment laws, policies and regulations and practices for trade protectionist purpose, or be weakened to encourage trade or investment. This can establish opportunities for cooperation on trade-related labour and environment issues of mutual interest and a robust consultation and disputes mechanism to resolve issues or disputes arising between the Parties.

7. Recommendation and Conclusion

7.1: Recommendations:

1. The law enforcement in Cambodia is weak and corruption remains high in all forms of public services, which affects trade, and many concerns are raised about the lack of transparency in the country's regulatory environment. Therefore, the government is recommended setting up a transparent mechanism to ensure an efficient and predictable regulatory environment for all involved in the trade under the FTA that allow interested persons to comment on proposed new regulatory measures; set up inquiry or contact points to respond to questions arising from the application of regulations or to seek to resolve problems arising from such regulations, and include due process requirements for administrative proceedings, including regarding the review or appeal of administrative actions in areas covered by the trade agreement.
2. As people were not widely aware of and lacked access to information of the two FTAs arrangement, the government in cooperation with development partners shall regularly conduct awareness publicly to promote understanding of the FTA and its impacts on socio-economic development to people groups including garment workers, agriculture workers, small-scale farmers, indigenous people, etc. The government is also recommended setting up the FTA database making sure that it is available in Khmer, the participating countries' language, and in English to share on the website where everyone can access it.
3. The arrangement of the two FTAs has not included all engaged stakeholders, especially civil society organizations and trade unions, to take part in the consultation. The exclusive participation from all involved stakeholders might lead to lack of transparency, unsustainable development, and creating disputes in the FTA implementation. Therefore, it is recommended to the government to conduct an inclusive and constructive dialogue with civil society organizations, sub-national

⁶¹ Andrew Jordan, Andrea Lenschow- 27 May 2010- Environmental policy integration: a state of the art review <https://onlinelibrary.wiley.com/doi/abs/10.1002/eet.539>

authority, private sectors (small and medium enterprises), and small-producers as well as trade unions who represent working people to improve accountability and transparency of, and effective FTA implementation for fair trade and creation of decent labour jobs.

4. The two FTAs, CCFTA and CKFTA will come into force in 2022, targeting agriculture at most. However, small-scale producers or small-scale farmers, and working people were not well-aware of them. This lack of understanding of the provisions and criteria set in the FTAs will lead to rights violations committed by the company owners and traders on people. Therefore, it is recommended that the CSOs and Trade Unions work with those people groups and working people to strengthen a social movement, paying high attention to the impacts and to demand benefits of FTA implementation regarding respect of human rights, environments, and sustainable agriculture production.
5. In Cambodia, the production capacity is low with poor quality that needed to be improved to meet the quality standard required by the FTA participating countries. In this regard, the government is recommended to improve and promote local products by providing subsidies, knowledge transfer, and enhancement of the capacity of small-scale farmers and local small and medium enterprises. The new investments may need skilled workers, while Cambodia workers are not, the government and development partners are recommended building their capacity to become skilled workers. They are the only labor force to achieve the goal of economic recovery from the downfall impacted by the economic outbreak.
6. The FTAs provisions are set to facilitate enabling environment of trade and investment while lacking commitment to labor rights respect and environment protection. The government and development partners are recommended developing pro-poor policies to protect the interests of small and medium farmers to create efficiency in the sector, improving quality standard compliance poses one of the biggest challenges for boosting agricultural production and exportation. Cambodia also needs better infrastructure and investments in the downstream segments, such as processing facilities.

7.2: Conclusion

The government's strategic interventions to economic growth recovery through FTA arrangement with other countries after EU-EBA withdrawal and then greatly impacted by Covid-19 pandemic might be a notion of economic revive through increasing economic activities with new foreign investments and labor job creations. Even though, the FTAs are not expected to cover the loss that occurred from EBA status, Cambodia is projected to increase bilateral trade with many other economic partner countries in the Asian Nations and on the globe. For example, the bilateral trade with Cambodia projected to increase bilateral trade with China to US\$10 billion by 2023, up from US\$8 billion in 2020, the trade pact will add US\$325 million, whereas the withdrawal of Cambodia's EBA status will impact one-fifth of the country's exports to the EU, totaling US\$1.1 billion. This was seen that the FTAs would totally neither cover the loss that occurred from EBA status nor economic growth stability.

More importantly, the arrangement of the two FTAs was not transparently conducted. A large amount (73.2 percent) of the small-scale producers, working people, and CSOs have never heard about the FTAs, and they were excluded from the consultation process. No clear mechanism was set up for sharing information and open awareness for citizens, leading to increasing weakness of the good governance in the country, whereas corruption

was reported at a high rate. FTA's transparent and accountable mechanism plays a key role to promote competitive, responsible and sustainable investment and trade in agriculture, tourism, and garment manufacturing sectors in which the environment and labor rights are ensured. The government's expectation to boost agricultural production under the FTA framework will reach the target. It will attract more Chinese and Korean companies to invest in agriculture in rural areas, resulting in increasing the productivity and volume of export products to the partner countries.

However, the economic prosperity under the FTA framework will not benefit small-scale producers and working people. The two FTAs also have no clear regulations to transfer sustainable technology to small-scale farmers to standardize their production. In contrast, the FTAs are seen as a new push to transform the current agriculture practice of the Cambodian farmers to export-led industrialization that promotes corporate-dominated industrial farming. In such a model of agriculture production, the income of small-scale farmer producers will be getting deeper decline, adding to the existing experience, forcing them to leave rural lives to migrate to cities for labor jobs. Thus, the FTA is regulated under the WTO's standard and ILO conventions, based on experiences of such a trade deal in developing countries in Asia regions. As soon as the case study was finished, it informed that the actual performance would not benefit small-scale producers and working people. Finally, the FTA will not be a wish or prosperity for lower-income people, including small-scale farmer producers and working people.

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8.2: Attachments: Questionnaires:

8.2.1: Quantitative questionnaire

Understanding on Free Trade Agreements

Is FTA a wish or is it a concern for Cambodian small-scale farmers? / Labor rights?

Date of interview:

Name of Interviewer Sex: ☐ Female ☐ Male ☐ 3. other

Starting time: Ending time:

Phone number of interviewers: Email:

Purposes of the research study:

1. To overview the government's existing strategic intervention and arrangement a number of FTAs with other countries.
2. To assess the understanding of the general concepts of FTAs among civil society organizations, Trade Unions, farmers, fisher-folks, and youths,
3. To explore feedbacks on how Cambodia FTAs could be implemented in a more accountable manner for the benefits of small-scale farmers and other related beneficiaries,

Self-Introduction:

My name is, independent Researcher, assigned by Social Accountability Coalition Cambodia (ANSA) to study on understanding of the Free Trade Agreements among civil society organizations, farmers, unions and workers, as well as youth in Cambodia. The research is supported by RSL, aims to study strategic interventions of the Free Trade Agreements, to understand people's perceptions, and understand how Cambodia's free trade agreement can be implemented in an accountable manner in order to be accountable for the benefit of the Cambodian people, including the protection of workers' and small-scale farmers' right.

I. General Information (for interviewees)

1.1 Name and current address

1.1.1 Interviewee's name:

1.1.2 Age: Tell:

1.1.3 Sex: ☐ 1. Female ☐ 2. Male ☐ 3. Other

1.1.4 Physical condition ☐ 1. Non-Disability ☐ 2. With Disability

1.1.5 Current address: 1. Village..... 2. Commune/Sangkat.....

3. District..... 4. City.....

1.2 Occupation:

1.3 Family status ☐ 1. Single ☐ 2. Marriage ☐ 3. Widow

1.4 Education background: ☐ 1. Non-education ☐ 2. Primary school

☐ 3. Secondary school ☐ 4. High school ☐ 5. University

1.5 Region ☐ 1. Buddhism ☐ 2. Cristian

☐ 3. Islam ☐ 3. Hindu

5. Other (.....)

1.6 Nationality ☐ 1. Khmer ☐ 2. Minorities ☐ 3. IP group

II. Awareness of civil society organizations, unions, farmers, fisher-folks and youths about the Free Trade Agreement and its benefits for the national economy and Citizens' livelihood.

Note: *Free Trade Agreements (FTAs) are agreements between two or more countries that agree on specific obligations that affect trade in goods and services and protect investors and intellectual property rights, among other topics. Example:*

1. Cambodia-China Free Trade Agreement 2. Cambodia-EU Free Trade Agreement.

2.1 Have you ever heard of a free trade agreement between another country and Cambodia?

☐ 1. Yes ☐ 2. No (If no, skip to question 3.1)

2.1.1 Do you know which countries and regions have signed free trade agreements with Cambodia? (Answer can be selected more than one).

- ☐ 1. Cambodia-China Free Trade Agreement
- ☐ 2. Cambodia-EU Free Trade Agreement
- ☐ 3. Cambodia-Korea Free Trade Agreement
- ☐ 4. Cambodia-UK Free Trade Agreement
- ☐ 5. ASEAN-China Free Trade Agreement
- ☐ 6. ASEAN-US Free Trade Agreement
- ☐ 7. ASEAN-EU Free Trade Agreement
- ☐ 8. Other.....

2.1.2 In your opinion, what are the differences between other FTAs and CCFTA? (Describe at least 3 points)

- 1).....
- 2).....
- 3).....

2.1.3 Do you know what level of government are obliged to prepare a free trade agreement, especially the CCFTA? (Answers can be selected more than one).

- ☐ 1) Prime Minister
- ☐ 2) Minister of Commerce
- ☐ 3) Minister of Agriculture, Forestry and Fisheries
- ☐ 4) Sub-national administrative leaders
- ☐ 5) Other (.....)

2.1.4 Where do you get information about the free trade agreements from? (Answer can be selected more than one)

- ☐ 1) Government institutions
- ☐ 2) Non-governmental organizations
- ☐ 3) Unions
- ☐ 4) Work place
- ☐ 5) Friends
- ☐ 6) Social network / website
- ☐ 7) Family
- ☐ 8) Other

2.1.5 For you, what are the benefits of a free trade agreements for your interests and for Cambodia's future economic growth? (Answer can be selected more than one)

- ☐ 1) Serve my own interests

- ☐ 2) Serve only the economic interests of the country
☐ 3) Serve only the interests of corporations
☐ 4) Serve the interests of politicians
☐ 5) Does not serve any interests
☐ 6) Do not know.

2.1.5.1 Explain the reasons for your answer (except the do not know answer)

- 1) Serve my own interests:
 2) Serve only the economic interests of the country:
 3) Serve only the interests of corporations:
 4) Serve the interests of politicians:
 5) Does not serve any interests:

III. Perceptions of civil society organizations, unions, farmers, fisher-folks and youths on the lack of access to information on free trade agreements

3.1 Through recent interventions, do you think the Royal Government is ready and sufficient to ensure that the FTA is sufficiently accountable for Cambodians, especially those engaged in agriculture and fisheries?

- ☐ 1. Yes ☐ 2. No

3.1.1 Please, reasons of your answer:

.....

3.2 What are your concerns about the implementation of these free trade agreements?

- ☐ 1. Cambodia benefits less than its export partners
☐ 2. Lack of transparency, especially access to details information of free trade agreements
☐ 3. Farmer communities or their representatives do not have the opportunity to debate the government's accountability of free trade agreements
☐ 4. Other (.....)

IV. Mechanisms in which civil society organizations, unions, farmers, fisher-folks and youths see that the FTA should be responded for the interests of the Cambodian people.

4.1 In practice, what should governments do to ensure accountability and transparency in these free trade agreements?

- ☐ 1. In-depth consultation to establish mechanisms to provide direct benefits to farmers
☐ 2. Widely open to farmers' associations and CSOs
☐ 3. Increase the enabling environment to strengthen the capacity of farmers to use their rights
☐ 4. Other (.....)

4.2 Who or which group would you like to benefit from these free trade agreements?

- ☐ 1. Export-Import Companies

- | | |
|--------------------------|----------------------|
| ☐ | 2. Brokers |
| ☐ | 3. Local Communities |
| ☐ | 4. Government/nation |
| ☐ | 4. Other (.....) |

We thank you for your valuable time in this discussion!

8.2.2: Qualitative questionnaire

Understanding on Free Trade Agreements

Is FTA a wish or is it a concern for Cambodian small-scale farmers? / Labor rights?

Date of interview:

Name of Interviewer Sex: ☐ 1. Female ☐ 2. Male ☐ 3. other

Starting time: Ending time:

Phone number of interviewers: Email:

Purposes of the research study:

1. To overview the government's existing strategic intervention and arrangement a number of FTAs with other countries.
2. To assess the understanding of the general concepts of FTAs among civil society organizations, Trade Unions, farmers, fisher-folks, and youths,
3. To explore feedbacks on how Cambodia FTAs could be implemented in a more accountable manner for the benefits of small-scale farmers and other related beneficiaries,

Self-Introduction:

My name is, independent Researcher, assigned by Social Accountability Coalition Cambodia (ANSA) to study and understand The Free Trade Agreements among civil society organizations, farmers, unions and workers, as well as youth in Cambodia. The research is supported by RSL, aims to study strategic interventions of the Free Trade Agreements, to understand people's perceptions, and understand how Cambodia's free trade agreement can be implemented in an accountable manner in order to be accountable for the benefit of the Cambodian people, including the protection of workers' and small-scale farmers' right.

I. General information

Name of interviewee: Sex: Age: Nationality:
..... Work Place.....

II. Awareness of civil society organizations, unions, farmers, fisher-folks and youths about the Free Trade Agreement and its benefits for the national economy and Citizens' livelihood.

2.1 Have you ever heard of a free trade agreement between another country and Cambodia?

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2.1.1 If yes, what does the FTAs mean to you and your institution?

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2.1.2 Do you know which countries and regions have signed free trade agreements with Cambodia?

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2.1.3 In your opinion, what are the differences between other FTAs and CCFTA?

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 2.1.4 Do you know what level of government are obliged to prepare a free trade agreement, especially the CCFTA?

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 2.1.6 Which ministry, state authority or civil society shared the information about FTAs with your institution?

.....
 2.1.7 For you, is the preparation of a free trade agreement in your best interest and for the future economic growth of Cambodia?

2.1.7 For you, is the preparation of a free trade agreements in your best interest and for the future economic growth of Cambodia?

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 2.1.7.1 Can you explain why do you think it is only useful for the above answer?

III. Perceptions of civil society organizations, unions, farmers, fisher-folks and youths on the lack of access to information on free trade agreements

3.1 Through recent interventions, do you think the Royal Government is ready and sufficient to ensure that the FTA is sufficiently accountable for Cambodians, especially those engaged in agriculture and fisheries?

3.2 What are your concerns about the implementation of these free trade agreements?

IV. Mechanisms in which civil society organizations, unions, farmers, fisher-folks and youths see that the FTA should be responded for the interests of the Cambodian people

4.1 In practice, what should governments do to ensure accountability and transparency in these free trade agreements?

4.2 Who or which group would you like to benefit from these free trade agreements?

We thank you for your valuable time in this discussion!