

The Garment Manufacturers Association in Cambodia (GMAC) expresses its dissatisfaction with the European Union following the partial suspension of the “Everything But Arms” (EBA) trade program

Phnom Penh, February 17, 2020 - The Garment Manufacturers Association in Cambodia (GMAC) is disappointed with the decision announced on 12 February 2020 by the European Commission to partially suspend the “Everything But Arms” (EBA) trade program for Cambodia.

The EBA allows EU countries to import products from Cambodia (except for arms) free of tariffs and quotas. The major beneficiaries of the program have been the country’s garment and travel goods sectors represented by GMAC. These industries account for some 75 percent of Cambodia’s total merchandise exports and some 90 percent of exports to the EU, which is the largest market for the goods that are produced by the manufacturers that GMAC represents.

Employment in these sectors supported by EBA trade preferences now exceeds 750,000 and has contributed to lifting millions of Cambodians out of poverty. Most of the workers are women who manage households, care for the health and wellbeing of children and provide direct income support to more than 20 percent of families in the country.

We urge the European Commission and members of the European Parliament to reconsider their decision by taking into account the values and goals that the program was based on when it was put in place nearly 20 years ago: development assistance, poverty reduction and the dignity of employment. The EBA program has been a clear success in Cambodia in meeting these objectives. The partial withdrawal announced on February 12th will lead to nothing more than job losses and affect the workers livelihoods, especially women.

As part of our reciprocal commitment to the EBA program, GMAC has established a culture of transparency and accountability in labour compliance and working conditions. In what became known as the “Cambodia model”, the GMAC was the first association in the world to welcome the UN International Labour Organization (ILO) to establish a monitoring program to inspect our factories for compliance with national and international labour requirements.

No sector in any other country that benefits from preferential access to the EU market has a better record of cooperation with the ILO.

GMAC has also supported the effective operation of Cambodia's Arbitration Council as well as other innovations in industrial relations which have supported the development of a strong trade union movement in our sectors.

The GMAC respects and supports the EU's engagement to improve its human rights policies. Unfortunately, summarily pulling the rug from under the feet of hundreds of thousands of Cambodians is not the way to proceed.

The EU's decision is bound to cause confusion with respect to our trade status. It will incentivize buyers to source from countries with far weaker legacies of trade union rights. It is likely to cause the loss of employment for tens of thousands of our workers, most of whom are trade union members. It will increase poverty in our country and make it more difficult to improve wages and benefits for other workers.

GMAC members are proud of the contributions they have made and will continue to make to the economic development of Cambodia. We have long understood that the resolve to better one's life begins with a roof overhead and food on the table.

We urge the EU to act quickly to restore full EBA benefits for our sectors for the sake of sustainable development and for the hundreds of thousands of Cambodians who have risen from poverty to gain employment, advance their rights and support their families.

About GMAC: We represent more than 580 garment, footwear and travel goods production facilities in Cambodia that directly employ 750,000 workers. Our mission is to make Cambodia a preferred partner in a highly competitive global market by adhering to the highest standards in the quality of goods and quality of life for our workforce. <https://www.gmac-cambodia.org/>

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