

ASIAN DEVELOPMENT BANK

TAR: CAM 37100

TECHNICAL ASSISTANCE

(Financed by the Poverty Reduction Cooperation Fund)

TO THE

KINGDOM OF CAMBODIA

FOR

PREVENTING POVERTY AND EMPOWERING

FEMALE GARMENT WORKERS

AFFECTED BY THE CHANGING INTERNATIONAL TRADE ENVIRONMENT

June 2003

CURRENCY EQUIVALENTS

(as of 19 May 2003)

Currency Unit	–	riel (KR)
KR1.00	=	\$0.00026
\$1.00	=	KR3835

ABBREVIATIONS

ADB	–	Asian Development Bank
CARM	–	Cambodia Resident Mission
EU	–	European Union
MFA	–	Multi-Fiber Arrangement
MOC	–	Ministry of Commerce
NGO	–	nongovernment organization
PIU	–	project implementation unit
TA	–	technical assistance
UN	–	United Nations
US	–	United States
WTO	–	World Trade Organization

NOTE

In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. To support Cambodia's efforts to implement a pro-poor trade strategy and to address in a timely manner the potential downside risks caused by phasing out of quota restrictions, the Asian Development Bank (ADB) proposes a technical assistance (TA) to examine the direct and indirect impact of this change on the Cambodian garment industry and its workers. In December 2002, a cross-regional TA concept paper, originally developed for Bangladesh and Cambodia, was endorsed for funding by the Poverty Reduction Cooperation Fund. A TA Fact-Finding Mission visited Cambodia from 3-12 February 2003 and reached an understanding with the Government on the objectives, scope, cost estimates, implementation arrangements, and terms of reference for the TA. The Cambodia component later became a stand-alone TA, and its concept paper was cleared by ADB Management on 15 May 2003.¹ The TA framework is in Appendix 1.

II. ISSUES

2. Cambodia has a narrow economic base. The majority of the population live in rural areas, relying on rice cultivation for their livelihood. Cambodia is classified in the United Nations (UN) system as one of the least developed countries, with a per capita gross domestic product estimated at only \$257 dollars in 2000. This is among the lowest in the region. The incidence of rural poverty, at 40%, is high. Another 40% of the rural population live near the poverty line and are vulnerable to slipping into poverty at any time. Garment exports and revenues from tourism account for most of Cambodia's non-official foreign exchange revenue.

3. The garment industry has been the engine of growth for Cambodia since the mid-1990s. Garment exports increased from \$20 million in 1995 to more than \$1 billion in 2001 and garments now account for almost 95% of exports. The textile and garment industry is highly labor intensive. Currently, there are around 200 garment factories in Cambodia, concentrating around Phnom Penh and neighboring provinces and employing an estimated 200,000 workers. However, reliance on a few core sectors makes the Cambodian economy extremely vulnerable to changes in the international trading environment and markets.

4. In Cambodia, female labor participation, at 74% among women over the age of 15, is among the highest in the region, and this has played a critical role in economic development. According to a survey conducted by the National Institute of Statistics, about 64% of the workers in the manufacturing sector are employed by the garment industry, and 85-90% of the workers in the garment industry are women. The majority of garment workers are single women between the ages of 18 and 24 who have migrated to Phnom Penh from rural villages. Female garment workers represent 20% of the total female population between the ages of 18 and 24. Their level of education is generally low. The average total monthly income of these women is about \$50-80. This income supports at least 100,000 poor rural households, which rely on remittances by women female garment workers. It is estimated that around 50% of their monthly salary is sent back to the villages.

5. Despite their contribution to wealth creation in the garment industry, female garment workers experience social prejudice, as their moving to the cities and working in the factories challenges the traditional social norm of women staying at home. Some of them have to pay a large fee in order to gain employment in the garment factories. Their vulnerability dramatically increases if they lose their jobs in the factories.

¹ The project first appeared in *ADB Business Opportunities* as a regional TA on 7 February 2003. This was subsequently updated with further processing of the TA, including the decision to process the Cambodia component as a stand-alone TA.

6. Textile and clothing import quotas have been a controversial topic in the General Agreement on Tariffs and Trade and its successor organization, the World Trade Organization (WTO). Quotas were introduced by developed countries in the 1960s to protect domestic producers as low-income countries started to dominate trade in textiles and clothing. This raised prices in developed countries above their competitive level. Developing countries exerted strong pressure for removal of quotas during the Uruguay Round negotiations. As a result, the WTO members agreed to phase out quotas on textiles and clothing during a transitional period of 10 years from 1995. Quota allocations guaranteed market access of some developing countries. However, overtime, they constrained competition. The benefits gained for individual countries from removal of the Multi-Fiber Arrangement (MFA) will be uneven, and less efficient producers, will be disadvantaged. This concern is becoming increasingly acute with the imminence of the final date for phasing out of the quota restrictions at the end of 2004.

7. In the case of Cambodia, the growth of the garment industry is consistent with its current stage of economic development. Cambodian exporters have so far enjoyed preferential access for apparel products to the EU market under both the Generalized System of Preferences and Everything but the Arm Scheme. In the US market, about half of Cambodia's exports are not subject to quota allocation, while 12 categories of textile products, accounting for another half of its exports, are subject to quota restrictions. The preferential access partly explains why there has been a dramatic increase of garment export in the last 5 years.

8. The implications of lifting quota restrictions by the end of 2004 for Cambodia are uncertain but could be far reaching and the adjustment costs high. A better understanding is therefore required of the likely impact caused by this change on the garment industry and its workers. It is important to address the potential social implication of the adjustment cost as well as related labor market issues arising from phasing out of quota restrictions. Workers, affected by removal of quota restrictions, may require assistance.

9. The Diagnostic Trade Integration Study for Cambodia, which was prepared in 2002 as part of the Integrated Framework for Trade-Related Assistance to Least Developed Countries², included a sector study on the garment industry. This raised the issue of determining the capacity of Cambodian producers to compete post-2005. Given the importance of the garment sector, it is essential that the Government focus on creating the enabling environment to improve the competitiveness of the garment industry and make efforts to encourage it to upgrade as well as to diversify.³ It is also important that the government pay attention at an early stage to the social policy and redistribution issues arising from trade liberalization. This will create social consensus on the importance of the private sector and free trade for future economic development. It is critical that basic education, skills development, and other training programs are in place to address the specific needs of displaced workers to avoid further worsening of the poverty situation. It is only when both ends are taken into consideration that the benefits of trade liberalization can be realized. The TA, with its focus on garment industry and its workers, will complement a newly

² This is supported by WTO, the International Monetary Fund, the World Bank, the UN Conference on Trade and Development, the International Trade Center (ITC), and the UN Development Programme (UNDP).

³ The World Bank is currently preparing a private sector strategy, which is looking into supply chain linkages, including the garment sector. The Organization for Economic Co-operation and Development is proposing a trade capacity-building regional workshop that will examine, among others, the value chain in late 2003. ITC has assisted the Government to develop a pro-poor trade strategy under the Integrated Framework. UNDP is working with the Ministry of Commerce to assess the social impact of Export Processing Zone. ADB is in preparation of a private sector assessment. The International Labor Organization has implemented the Garment Sector Working Conditions Improvement Project, establishing a database of garment factories and introduced the application of labor standards to those factories.

approved TA on Sustainable Employment Promotion for Poor Women⁴ and has the potential to lead to a trade and labor market adjustment program that will help the country acquire the capacity to deal more effectively with any adverse effects of trade liberalization and integration.

III. THE TECHNICAL ASSISTANCE

A. Purpose and Output

10. The overall objective of the TA is to help Cambodia to achieve the goal of sustainable poverty reduction and gender development through addressing in a timely manner the potential downside risks caused by phasing out of the quota restrictions on textiles and clothing at the end of 2004. The emergence of a modern, labor-intensive industry sector, in particular the garment subsector, has played an important role in reducing poverty and promoting growth in Cambodia. To ensure continuation of this trend, the Government is determined to create more jobs through promoting both domestic and foreign investment in the areas of agricultural production and processing, tourism, and other light industries. The Government has expressed strong interest in understanding, examining, and addressing the social, poverty, and gender implications of initiatives in trade liberalization and integration. It is the view of the Government that only when these issues are attended to in a timely fashion can Cambodia benefit from trade integration with other Asian economies and the rest of world.

11. The TA will produce three major outputs: (i) a comprehensive situation analysis of the garment industry and workers in the sector, identifying likely scenarios and recommendations for options (Component 1); (ii) following the recommendations of Component 1, introduction of small pilot schemes to (a) build formal and informal safety nets and effectively establish links with alternative employment opportunities for the workers, and (b) develop and test effective short-term social protection measures for those retrenched (Components 2 and 3); and (iii) strengthened capacity of concerned government, private sector, and civil society organizations to address the downside risks caused by MFA phaseout (Components 4 and 5).

B. Methodology and Key Activities

12. The TA will have five components, which will be implemented in two phases. Phase 1 will include primarily Component 1. An interministerial committee, chaired by the Ministry of Commerce (MOC), will discuss the core findings and provide guidance to the TA team. The implementation of Components 2 and 3 during Phase 2 will proceed after the discussion has been held and consensus has been reached based on the findings of Component 1. During Phase 2, the TA team will work closely with the ministries and service providers to introduce a series of pilot training and social protection programs. Components 4 and 5 will continue throughout the TA implementation period. The TA implementation will be participatory, involving key line ministries, garment sector representatives, the private sector, nongovernment organizations (NGOs), the unions active in the garment sector, and garment workers. International organizations that are active in the garment sector, in particular the International Labour Organization, will be consulted during implementation of the TA.

13. **Component 1: Situation Analysis and Strategy Development.** This component will (i) assess the current situation of the garment industry and its job creation, poverty reduction, and women empowerment effects to date; (ii) elicit the current profiles, needs, and aspirations of the

⁴ ADB. 2002. *Technical Assistance to Cambodia for Sustainable Employment Promotion For Poor Women*. Manila.

garment workers and their labor conditions; (iii) discern the profiles and roles of NGOs, trade unions, chambers of commerce, and other organizations in supporting garment workers; (iv) devise potential scenarios for the garment industry, including the long-run growth impact of Cambodia's employment, output, and other benchmarks due to the changes brought about by the elimination of quota restrictions; their potential impacts on poverty reduction and women empowerment efforts; and the potential investment shift due to changes in marketplace conditions; (v) develop competitive, pro-poor, and empowering options and interventions for the garment industry and its workers, and for improved industrial relations; and (vi) develop a database of sample workers to track their employment status throughout the TA period. The study will include extensive review of existing literature, sample surveys, focus group discussions with key stakeholder participation, and other quantitative and qualitative methods and tools.

14. **Component 2: Employment and Labor Market Pilots.** The component will help garment (and, if relevant, footwear) workers to effectively cope with changing job market requirements and identify meaningful alternative livelihoods. Guided by the findings of Component 1, the TA will identify one or two NGOs to test the pilots. Most female workers have little education and lack functional literacy. The component will provide, on a pilot basis, either at factories or near residences, functional literacy and basic life skills training. Depending on the needs and priorities identified in Component 1, Component 2 may also include various technical training and retraining courses (possibly cost shared by the employers), skills accreditation and job information systems, and entrepreneurship training for self-employment (e.g., seamstress, catering business, beauty salon). Sustainable training programs relevant to the kinds of jobs in highest demand, aiming at eventually shortening the temporary jobless period and minimizing adverse impacts on displaced workers, should be given due consideration. Training programs to assist women who wish to return to rural areas to acquire some additional skills for rural entrepreneurship will be of particular importance, given the social stigma these women will face as ex-garment workers.

15. **Component 3: Social Protection Pilot.** Effective social protection measures (such as temporary shelter, food and clothing subsidy, basic health and counseling services, or a micro-insurance scheme) for the unemployed period will be tested for potential scaling up. Such assistance should be time bound to encourage the affected to look for alternative jobs. This could be implemented by the identified NGO partners who are already working with vulnerable groups. Detailed designs of Component 3 will be developed in Component 1.

16. **Component 4: Institutional Capacity Building.** Opportunities for mutual learning will be provided to relevant government staff, garment sector representatives, or private sector and NGO service providers. This could also include discussions on how trade and industry policy could be effectively incorporated into the country's development plan and garment industry management. Capacity building will largely occur on a national level through formal and on-the-job training. Dissemination of the TA findings and outcomes will be carried out through various media. At the regional level, two regional exchanges or workshops will be carried out between Cambodia and two or three countries facing similar situations, so that lessons learned from the TA and other countries' post-MFA strategies may be shared.

17. **Component 5: Project Management, Monitoring and Evaluation, and Exploring the Potential for Scaling Up.** A central TA implementation unit will be responsible for overall monitoring and evaluation, which will be carried out for all components with the consultants' assistance.

C. Cost and Financing

18. The total cost of the TA in Cambodia is \$590,000 equivalent, of which \$225,000 is the foreign exchange cost and \$365,000 equivalent is the local currency cost. ADB will finance \$500,000 equivalent, including the entire foreign exchange cost and \$275,000 equivalent of the local currency cost. The TA will be funded on a grant basis from the Poverty Reduction Cooperation Fund. The Government will finance the balance of the local currency cost, equivalent to \$90,000, through the provision of staff salaries, administrative costs, and other related costs. A detailed cost estimate is in Appendix 2.

D. Implementation Arrangements

19. The Executing Agency for the TA will be MOC. An interministerial committee comprising MOC; the ministries of Economy and Finance, Social Affairs, Labor, Vocational Training and Youth Rehabilitation, Women's and Veteran's Affairs, Industry, Mines and Energy, and other relevant ministries and institutions to be identified; and the Garment Manufacturers' Association in Cambodia will be established to provide overall guidance on policy issues and to support the TA. A TA implementation unit will be established under MOC for day-to-day management of the TA, to obtain feedback from the participants in the workshops and pilot activities, and to explore opportunities for potential scaling up.

20. The TA will require a total of 25 person-months of consulting services, including 7 person-months for two international consultants (trade economist and social development/gender specialist) and 18 person-months for a domestic consultant (trade and poverty expert). The services will cover the entire project implementation period of 18 months, from July 2003 until December 2004, with inputs of international consultants being provided on an intermittent basis. The three consultants will be engaged on an individual basis by ADB in accordance with ADB's *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for the engagement of domestic consultants. The outline terms of reference for the consultants are in Appendix 3. Some office equipment (Component 5) and necessary supplies for Components 2 and 3 (e.g., materials for skills training) will be procured in accordance with ADB's *Guidelines for Procurement*.

21. MOC will provide sufficient counterpart support, including counterpart staff, office space, and supplies for the consultant team. Under the supervision of the Secretary of State, MOC, the team will conduct the study and implement the pilot projects.

IV. THE PRESIDENT'S DECISION

22. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$500,000 to the Government of Cambodia to be financed on a grant basis by the Poverty Reduction Cooperation Fund for the purpose of Preventing Poverty and Empowering Female Garment Workers Affected by the Changing International Trade Environment, and hereby reports this action to the Board.

TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Goal</p> <p>To assist Cambodia to achieve the goal of poverty reduction and gender development through addressing in a timely manner the risks caused by phaseout of quota restrictions on textile and clothing by the end of 2004</p>	<p>Improvement in poverty indicators and labor conditions for the target group</p>	<p>Monitoring mechanisms identified in Poverty Partnership Arrangement (including annual survey)</p> <p>Asian Development Bank (ADB), World Bank, and other reports on poverty and vulnerability</p> <p>International Labour Organization reports on labor conditions</p>	<p>Continued support from the Government in addressing the downside risks of trade liberalization, including labor market adjustment and gender-related issues derived from globalization</p> <p>Sustained government commitment to policy reforms in the sector</p> <p>Private sector's commitment to socially accountable corporate practice</p>
<p>Purposes</p> <p>1. To improve the capacity of the Government and other stakeholders to mitigate the job loss and other adverse impact of the Multi-Fiber Arrangement (MFA) phase-out in 2004 and to develop other employment areas.</p> <p>2. To develop effective ways to create alternative employment opportunities and appropriate skills for retrenched and threatened with retrenchment garment factory workers</p> <p>3. To develop effective ways to protect retrenched garment workers during the transitional period</p>	<p>A strategy on how to mitigate the risks led by phasing out quota restrictions on textiles and garments developed and accepted by the Government and various stakeholders</p> <p>Small pilots tested for potential scaling up</p> <p>A stand-alone project or specific components in potential trade or labor market adjustment loans developed based on pilot experience.</p>	<p>ADB review missions</p> <p>Evaluation study to be prepared under the project</p> <p>Views and feedback expressed by affected groups, representatives from nongovernment organizations (NGOs), civil society, private sector associations; etc</p>	<p>Design and implementation of the project is country driven to demonstrate ownership</p> <p>Effective coordination among aid agencies</p> <p>Genuine stakeholder participation to solicit views on the real situation of female garment workers</p>
<p>Outputs</p> <p>1. Comprehensive situation analysis of the garment industry and workers in the sector conducted</p>	<p>Quality report prepared by the consultant team submitted and accepted by the Government and ADB</p>	<p>Consultants' various progress and final reports</p> <p>ADB review missions</p>	<p>Conducive working relationship between the consultant team and the Executing Agency, and other agencies involved</p>

Design Summary	Performance Targets	Monitoring Mechanisms	Assumptions and Risks
<p>2. Small pilot schemes proposed and implemented on (a) building formal and informal job safety nets and effectively establishing links with alternative employment opportunities for workers, and (b) developing and testing short-term social protection measures for those unemployed</p> <p>3. Capacity of concerned government, private sector, and civil society organizations to address the risks caused by MFA phase-out strengthened</p>	<p>?? Small pilots to be identified by Component 1 in the areas of employment and labor markets tested</p> <p>?? Effective social protection measures identified and tested</p> <p>?? Potential performance targets like:</p> <ul style="list-style-type: none"> - Number of retrenched garment workers benefiting from each pilot scheme, disaggregated by gender and retrenchment vis-à-vis those still in factory, and their access to employment/reemployment will be monitored closely <p>?? At least 20 people from relevant government agencies, garment sector, and NGO service providers trained on understanding the risks posed by MFA phase-out and potential mitigation measures</p> <p>?? Interministerial committee to be established under the TA to provide policy guidance to implementation of the TA strengthened:</p> <ul style="list-style-type: none"> - Regular meetings of the interministerial committee - Quality advice by the interministerial committee to the consultant team 	<p>Periodic reporting by employers, private sector, and NGOs</p> <p>Feedback from the Executing Agency and other stakeholders regarding their knowledge of good practice</p> <p>ADB review missions</p>	<p>Openness to creative suggestions and willingness to change by the governments</p> <p>Sustained private sector cooperation</p> <p>Consensus-building process effectively conducted</p> <p>Effective coordination among stakeholders</p>

Design Summary	Performance Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Inputs</p> <p>Component 1:</p> <p>1. 25 person-months of consulting services, including 7 person-months of international consultants and 18 person-months of a domestic consultant</p> <p>2. Two to three stakeholder workshops/seminars to discuss the findings of the consultants and to solicit the views of stakeholders</p> <p>Components 2 and 3:</p> <p>One or two NGOs recruited to test the pilots on employment and labor market and on social protection recommended by the findings of Component 1 (an estimated budget of \$62,000 for Component 2 and \$35,000 for Component 3)</p> <p>Component 4:</p> <p>Various institution-building initiatives, with assistance of the TA consultants, provided in the area of mutual learning, formal and on-the-job training, as well as dissemination of TA findings and outcome, including two regional exchanges/workshops where Cambodian representatives can share their experience with other countries in similar situations</p>	<p>Competent consultants recruited in time to conduct the study</p> <p>High quality report prepared</p> <p>Active participation in workshops by various stakeholders relevant to the garment industry and workers</p> <p>Selection and recruitment of one or two NGOs that have sufficient knowledge and understanding of the situation of garment workers and who work with garment workers directly</p> <p>Quality training and workshop programs proposed and conducted</p>	<p>ADB technical assistance (TA) review missions</p> <p>Consultants' periodic reports to ADB and the Executing Agency</p> <p>Timely and effective reporting from the Executing Agency to ADB</p> <p>ADB review missions</p> <p>Regular feedback on the performance and delivery of the pilots by the consultants, the Executing Agency and other stakeholders</p> <p>ADB review missions</p> <p>Feedback from people trained and workshop participants on effectiveness of the training/workshops programs</p>	<p>Client driven to ensure assistance provided to tackle core issues in the garment sector</p> <p>Qualified consultants recruited and smoothly fielded</p> <p>Qualified and committed NGOs and private sector partners identified</p> <p>Sufficient counterpart staff support and input to make project management, including planning and monitoring, effective</p>

Design Summary	Performance Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Component 5:</p> <p>Establishment of a competent project implementation unit (PIU) in the Ministry of Commerce</p>	<p>Effective implementation and supervision of overall TA components by the PIU</p> <p>Monitoring and evaluation mechanism and indicators for all TA components developed</p>	<p>ADB review missions</p> <p>Periodic reporting by the consultants and Executing Agency to ADB on implementation of the TA and operation of the PIU</p>	

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Asian Development Bank Financing^a			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	166.0	0.0	166.0
ii. Domestic Consultants	0.0	45.0	45.0
b. International and Local Travel	20.0	6.0	26.0
c. Reports and Communications	1.0	5.0	6.0
2. Survey	0.0	15.0	15.0
3. Training, Seminars, and Conferences	0.0	60.0	60.0
4. Equipment ^b	5.0	5.0	10.0
5. Component 2 ^c	3.0	59.0	62.0
6. Component 3 ^c	0.0	35.0	35.0
7. Miscellaneous Administration, Translation, and Support Costs	0.0	10.0	10.0
8. Information Dissemination and Publication ^d	0.0	10.0	10.0
9. Contingencies	30.0	25.0	55.0
Subtotal (A)	225.0	275.0	500.0
B. Government Financing			
1. Office Accommodation, Utilities, and Transport	0.0	45.0	45.0
2. Remuneration and Per Diem of Counterpart Staff	0.0	40.0	40.0
3. Miscellaneous Administration	0.0	5.0	5.0
Subtotal (B)	0.0	90.0	90.0
Total	225.0	365.0	590.0

^a Funding Source: Poverty Reduction Cooperation Fund.

^b Tentatively one computer, one printer, and other technical/office equipment necessary for the work of the consultants.

^c Figures are indicative only, as pilots under Components 2 and 3 will be recommended by the Phase 1 study. Detailed expenditure can be determined only thereafter.

^d This aims to facilitate dissemination of the TA findings and outcomes, including the test of pilot schemes through various media, among other channels.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. International Consultants

1. Trade Economist/Team Leader (4 person-months)

1. The international trade economist will have substantial experience in trade and industrial analysis as well as experience in and understanding of the impact analysis of globalization and trade liberalization, especially in relation to poverty, employment, and human and social aspects. The consultant will have demonstrated strong ability in multidisciplinary team management, workshop organization, and stakeholder consultations, and will have strong analytical and writing skills. Familiarity with the Asian Development Bank (ADB) and other aid projects and capacity building projects will be an advantage. The consultant will

- (i) as a team leader, prepare a detailed work program for the technical assistance (TA) and TA monitoring and evaluation mechanisms, oversee the work of the international and domestic consultants (including preparation of the quarterly report format of the domestic consultant), liaise with key stakeholders, and prepare and conduct national and regional workshops;
- (ii) prepare the inception report, which will be submitted one month after commencement of the consultants' work, outlining the detailed approach and plans of action to be undertaken under the TA; initial findings of the consultants, including literature research and survey, will comprise part of the inception report; review the quarterly progress reports prepared by the domestic consultant; prepare a comprehensive report containing findings and recommendations proposed by the consultants before the end of phase 1, a midterm report and a final report 1 month before completion of the TA;
- (iii) review existing literature on competitiveness of the garment industry, in particular literature on Cambodia's competitive edge in comparison with other main exporters; its market share in the main export market; the preferential schemes applicable to the Cambodia products and their actual impact in comparison with costs and quotas facing main competitors; and the corresponding benefit/cost implications post-2005;
- (iv) assess the long-run growth impact of Cambodia's employment, output, and other benchmarks due to changes brought on by elimination of the Multi-Fiber Arrangement, using quantitative and qualitative tools;
- (v) review existing literature on macroeconomic environment, the country's investment climate, international markets and environment; assess the potential investment shift due to changes in marketplace conditions and the growth potential for other export industries (e.g., agricultural production and processing, tourism, and other light industries);
- (vi) present a detailed scenario and option analysis for post-2005;
- (vii) propose measures to deal with the challenges posed by lifting of quota restrictions;

- (viii) facilitate awareness raising and consensus building among key stakeholders on the recommendations in the study; and
- (ix) explore the potential for up scaling the recommendations to a future project or program to be assisted by ADB or other development partners.

2. Gender and Social Development Specialist (3 person-months)

2. The international gender and social development specialist will have substantial experience in economic policy, and program impact analysis, and project management in the areas of poverty, gender, social protection, and inclusive social development. Experience in the analysis of gender and trade is preferred. The specialist will have demonstrated strong abilities in working in a multidisciplinary team, workshop organization, and stakeholder consultations, and will have strong analytical and writing skills. Familiarity with ADB and other aid projects and capacity-building projects will be an advantage. The consultant will

- (i) support the team leader in work program preparation, team management, workshop organization, development of the stakeholder consultative process, and production of various reports;
- (ii) identify and regularly liaise with nongovernment organizations (NGOs), trade unions, chambers of commerce, and other organizations involved with garment workers and the NGOs and community-based organizations that are working on poverty reduction and income generation in Phnom Penh;
- (iii) review existing literature on the role of the garment industry in poverty reduction (including those in the rural economy through remittances and other linkages), women empowerment, and labor standards improvement, and in the current situation; and on profiles of female garment workers;
- (iv) identify and engage an NGO or a local research institute to carry out a survey on the socioeconomic profiles, job searching and recruitment system, needs and aspirations, and other relevant aspects of garment workers, complemented by focus group discussions and other qualitative participatory methodologies;
- (v) based on (iii), (iv), and the trade and industrial analysis of the trade economist, analyze the implications of various scenarios and options from the perspectives of poverty reduction, gender and development, and other social and poverty aspects;
- (vi) based on consultations and consensus among stakeholders, develop, prepare, and arrange detailed pilot programs for Components 2 and 3 (labor market and social protection interventions), including the identification and engagement of NGOs, and supervise the implementation (through the domestic consultant);
- (vii) supervise the domestic consultant to develop a database of sample garment workers and a system to track their movement and employment status throughout the TA period; and

- (viii) document the experience of Components 2 and 3 and assess their potential for future integration into a future project or program assisted by ADB or other development partners.

B. Domestic Consultant

1. Trade and Poverty Expert (full time, 18 person-months)

3. The domestic trade and poverty expert will have substantial experience in project management. Experience in trade and industrial analysis, poverty analysis, and gender and development work is preferred. The expert will have strong interpersonal and liaison skills, English speaking and writing skills, and good computer skills. Experience in workshop organization is preferred. The expert will work under the guidance of the two international consultants. The expert will

- (i) assist the team leader in TA management by identifying key stakeholders and resource individuals, contacting them, and arranging individual meetings; assisting in workshop organization; regularly reporting to the Ministry of Commerce and other ministries involved and ADB (preparation of quarterly TA progress report to the team leader and ADB); providing inputs to the preparation of the inception, midterm and final reports; and performing any other necessary tasks requested by the team leader;
- (ii) assist the two international consultants in conducting the analysis by providing needed information and data;
- (iii) assist the international gender and social development specialist in developing and identifying pilot projects, including engagement of NGOs;
- (iv) carry out day-to-day management of the TA implementation unit, including provision of secretariat support to the TA interministerial committee, regular liaison with ADB's Cambodia Resident Mission (CARM), and production of quarterly TA progress reports for submission to ADB and CARM;
- (v) manage a computer-based monitoring and evaluation system for all TA components;
- (vi) develop a database of sample garment workers and a system to track their movement and employment status, and carry out a periodic updating of the sample garment workers database; and
- (vii) assist the international consultants in exploring potential up scaling into a future project or program by providing needed information and liaison with key stakeholders.