



Cambodia
Annual Report 2022

STITCH

The biggest successes 2022

In Cambodia, aside from CNV-I there are no other active STITCH consortium members. In its work in Cambodia, CNV-I closely cooperates with its Trade Unions Partners C. CAWDU and CLC. For 2022 we would like to share two significant achievements:

(1). CLC and C.CAWDU have been actively involved in the Tripartite Minimum Wage Negotiation 2023 which resulted in the increment of wages for 2023 for the Garment, Footwear, and Textile Sectors.

During 2022, the involvement of CNV-I's partners, CLC and C. CAWDU in the Tripartite Social Dialogue to determine the Minimum Wage (MW) for 2023 has contributed to the increase of the MW of 2023. CLC and C. CAWDU developed a position paper and assessed the cost of living for workers in 2023. The position paper was used for evidence-based lobby and advocacy and contributed to the success of the endeavour resulting in an increase in the MW 2023 for nearly 1 million workers in the garment, footwear, and textile sector with benefits for about 85% female garment workers. Under Prakas (Ministry Order) No. 247, MoLVT (2022, September 21), workers in the garment, textile, and footwear industries were afforded the following minimum wages in 2023: for Regular Workers US\$200 per month (increased by US\$6 - in 2022 US\$ 194), and for Probationary Workers US\$ 198 per month (increased by US\$6, in 2022 US\$194).

Although this raise in the minimum wage seems relatively small, it is still a good achievement taking into consideration the sector is still recovering from COVID and experiences a lack of orders due to economic crisis resulting from war in Ukraine. ILO in Cambodia has contributed to improving CLC and C. CAWDU capacity in the MW Negotiation over the past years. In addition, during the year 2022, CNVI together with CLC and C. CAWDU developed and conducted a digital survey on cost of living, existing wages and key working conditions of garment and footwear workers. This innovation project was funded from the Trade Union Co-financing programme but the data was used by CLC to inform the minimum wage negotiation of 2023. The survey reached 500 respondents working in 29 different factories garment, footwear, and bag sector. The survey findings showed that the average worker is not able to cover the basic needs of his/her family during normal working hours and needs to work a lot of overtime. The data generated was useful for CLC in the minimum wage negotiation.

in 2023 CNV Internationaal plans to continue this project making use of its STITCH budget and intends to scale up the project targeting more workers and involving more unions in data collection. The data that is being collected is not only useful for minimum wage negotiations at the national level but also for CBA negotiation.

(2). Several labour disputes in garment companies have been remediated under legal assistance from CLC and C. CAWDU

The CLC and C. CAWDU legal team has provided numerous legal assistance to many workers who experienced exploitation committed by employers during 2022. As a result, through the legal assistance they received, many workers have received compensation from employers and justice from competent authorities, as well as the court, Arbitration Council, Ministry of Labour and Vocational Training (MoLVT), and Provincial Department of Labour and Vocational Training PDoLVT) including:

- 4 bilateral agreements on Non-Trade Union Discrimination to conclude the Labour Dispute cases, Changing of Employment from FDC (temporary contract) to UDC (permanent contract), and building trust between C. CAWDU trade union and four company management have been signed-in companies as follows: Easy Life (Former Golden Gain Shoe Company Ltd); Graceful (Cambodia) Textiles Co., Ltd; CAMBO HANDSOME LTD, and HIATAN HB (CAMBODIA) CO., LTD. These 4 bilateral binding agreements have provided

benefits to 6,198 workers with around 80% female workers, and 972 of them are trade union members of C. CAWDU.

- **3 individual cases** in 3 companies have been remediated due to legal assistance from C. CAWDU, including:
 - An individual case in Makalot Garments (Cambodia) Co., Ltd in Phnom Penh, regarding the unilateral dismissal of a union member who was due to join C. CAWDU the case was submitted to MoLVT through the mediation process. As a result, a male TU member was reinstated with USD290 back payment.
 - An individual case in Yi Da Manufacturer Co., Ltd in Phnom Penh, regarding the case of contract termination. C.CAWDU submitted to MoLVT through the mediation process. As result, 2 (1 female and 1 male) TU members were reinstated with USD 699.13 back payment.
 - An individual case in YTC Cooperation Company in Kandal Province about the unilateral dismissal of 1 male worker was settled successfully at MoLVT through the mediation process. Therefore, he was reinstated with a compensation of USD 750.
- **A collective case** in JIFA HUAHE (CAMBODIA) KNITTING CO., LTD in Svay Rieng Province, regarding the case of TU discrimination. C.CAWDU filed the complaint to MoLVT through the mediation process and 7 union members, including 5 women, were reinstated
- **A Collective case** in New Start Shoes Co., Ltd in Preah Sihanouk Province: About 8,000 workers (7500 women and 500 men) in New Start Shoes Co., Ltd in Preah Sihanouk Province received compensation as a result of the C.C AWDU lobby and advocacy effort when the company was closed. The company management provided a total of UDS 1,120,000 in compensation. This case was submitted to MoLVT through the mediation process.
- **A Collective case** in Roo Hsing Garment Co., Ltd in Phnom with 839 workers out of which 800 were women) received compensation of a total of USD920,000 in the case of factory closure through C. CAWDU, and its affiliated local trade union leaders who bargained bilaterally with the factory's management along with filing a complaint with MoLVT and the court of the first-degree court for issuing the protection's order

The biggest challenges 2022

Almost all interventions planned by CNV-I's country partners have been implemented, but not all the targets have been reached, especially negotiating new CBAs proved to be most difficult. In most cases, factory management proposed to reschedule the negotiation until further notice. In Cambodia's context, social dialogue and CBA bargaining is dependent upon the improvement of civic space. 2022 was still a difficult year for this industry, after being hit by Covid-19, then exacerbated by the unstable global situation due to the Russia-Ukraine war, which disrupted the global supply chains. The war resulted in a decrease in orders from Western countries in the second half of 2022, making the garment sector suffer more. In addition, Cambodia was also still reeling from the withdrawal of its partial withdrawal of 'Everything but Arms' (EBA) status by the European Union (EU), which gave the country duty-free access to EU markets.

Change in context

The risks mitigated in the context of Cambodia are mainly related to the Shrinking Civic Space in Cambodia.

The Government of Cambodia used a worsening Covid-19 pandemic to expand authoritarian control by further restricting civil and political rights. Covid-19 violations resulted in up to 20 years in prison under his

government's new overbroad Covid-19 law. The Royal Government of Cambodia (RGC) used any means to maintain power before, during, and after the sub-national elections in Cambodia. All CSOs and trade unions in Cambodia including C. CAWDU and CLC needed to think twice before they decided to strike in case the labour dispute was settled in favour of the employers. For instance, the security forces in Cambodia's Capital Phnom Penh violently dispersed a strike, ramping up a crackdown on workers involved in a six-month-old labour dispute with the NagaWorld Casino. To control social media, the government established a new, extensive system of regulations to target critics and block websites deemed harmful for society. Although The number of internet subscribers in Cambodia exceeded 17.6 million, CSOs and trade unions could speak out freely while facing injustice or criticizing the government. For example, the RGC sentenced seven ex-party members and activists of the Cambodia National Rescue Party (CNRP), the outlawed opposition party, to prison in 2022 for social media posts criticizing the government leadership's handling of the Covid-19 crisis.

To mitigate this risk, C. CAWDU and CLC had to use an alternate platform to communicate, Signal was the most creditable platform which was used. In the case of labour dispute cases, they were first settled at the factory level before a complaint was filed to MoLVT, arbitration council, court, buyers or brand. In case of strikes, C.CAWDU and CLC needed to comply with the existing labour law (Article 324) and trade union law (Article 13).

STITCH consortium review

CNVI is the only consortium partner in Cambodia, and collaboration with other members of the STITCH Consortium could not yet be materialized up to the degree we would wish. The main opportunity for collaboration that we currently see for 2023 is our lobby for living wages in Cambodia.

Collaboration with the Dutch Embassy in 2022

CNV-I had regular contact with the Dutch Embassy in Thailand (which acts as the Dutch Embassy to Cambodia) to give updates on the STITCH and activities in Cambodia.

STITCH country indicators

Instructions for tables: The tables present total achieved 2021, target 2021, target 2022 and target 2021-2025 for the STITCH Cambodia programme for key indicators. Under or overachievement of 2022 targets has been highlighted in red (under) and green (over achievement). The criteria used to identify under or overachievement is if the total achieved Jan-Dec 2022 is outside of 20% variance range of the 2022 target. Notes in the table give description of the tables and also explanations for over/ underachievement of targets.

Pathway 1: Capacity and legitimacy

		Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025*
Labour Rights Organisations supported through capacity strengthening by STITCH		0	0	0	0	8
Registered and non-registered trade unions supported by STITCH	Factory	20	7	25	10	57
	Sectoral	0	1	1	1	1
	National	0	0	1	0	0
Registered and non-registered trade unions supported through capacity strengthening by STITCH	Factory	20	0	25	5	52
	Sectoral	0	0	1	0	0
	National	0	0	1	0	0

Note: The table shows total/cumulative LROs and TUs supported by STITCH in the respective reporting period. LROs are supported through capacity strengthening while TUs are supported through capacity support and/or financial support by the program. Details about type of capacity support can be found under Chapter 6. Learning Agenda, under Ally Learning. Note on numbers 2022: Overachieved in 2022 since target was only counting unique/ new TUs STITCH worked with in Cambodia. But this indicator is counting all TUs the programme is working with in current reporting period, as reflected in Actual 2022.

Intermediary Outcome level: Trade unions and labour rights organisations have increased representation of garment workers.

			Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
Total TU membership by gender	Factory	Male	2705	2681	3228	3083	8188
		Female	24340	24129	26143	27778	55718
	Sectoral	Male	-	300	-	-	300
		Female	-	500	-	-	500
	National	Male	-	-	-	-	-
		Female	-	-	-	-	-
% of women TU members	Factory		90%	90%	89%	90%	87%
	Sectoral		-	63%	-	-	63%
	National		-	-	-	-	-

Note: The table shows total TU membership of the engaged TUs in the reporting periods. In Cambodia, even though STITCH works with the Sectoral and National Level of Garment, Footwear, and Textile, their membership is not given. This is because, Sectoral and National level TUs are run by executive board, but its membership is a subset of factory level membership. So only reporting on factory level so as to avoid double counting of same members.

Intermediary Outcome level: Trade union leadership has increased knowledge on gender equality and participation of women.

		Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
# of engaged TUs where a new gender policy/strategy has been introduced	Factory TU	0	0	0	0	16
	Sectoral TU	1	1	0	1	1
	National TU	1	1	0	-	1
Note: The table shows the number of TUs where the program is working to introduce gender policies/strategy in each reporting period (not cumulative). Comment on data 2022: The gender policy achieved in 2021 is the only one the program will focus upon. Hence, in 2022 the program did not lobby for any further gender policy at sectoral level.						

Intermediary Outcome Level: Trade Unions have increased the number of women in leadership positions.

			Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
Total # of TU leaders by gender	Factory	Male	84	20	104	20	134
		Female	40	4	45	4	59
	Sectoral	Male	4	3	4	3	4
		Female	1	1	1	1	1
	National	Male	-	-	5	-	-
		Female	-	-	2	-	-
% of women leaders	Factory		32%	17%	30%	17%	31%
	Sectoral		20%	25%	20%	25%	20%
	National		-	-	29%	-	-
Note: The table shows total TU leadership of the engaged TUs in the reporting period. Note on numbers 2022: At time of target setting 2022, this indicator was understood as to only include new leaders, but it captures all leaders and so Actual 2022 is much higher than target.							

Intermediary Outcome level: Capacity to influence for a living wage, harassment free workplace and FoA, through social dialogue.

	Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
# of success stories on social dialogue	1	0	1	1	3
Note: The table shows the number of success stories collected in each reporting period. These success stories will be analysed to identify trends and success factors. They will also be used in STITCH's communication as well as lobby and advocacy work and for learning purposes.					

Intermediary Outcome Level: Research has led to the creation of evidence on labour conditions in support of lobby and advocacy.

	Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
# of success stories where use of STITCH research has contributed towards achievement of lobby and advocacy goals	0	0	0	0	5
Note: The table shows the number of success stories collected in each reporting period. These success stories will be analysed to identify trends and success factors. They will also be used in STITCH's communication as well as lobby and advocacy work and for learning purposes.					



Outcome level: Trade unions and labour rights organisations have the power and voice to exercise their rights, especially related to FoA and decent work.

		Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021- 2025
# of unique CBAs concluded on worker conditions contributed to the program	Factory	0	1	0	2	8
	Multi-company	0	0	0	0	0
	Sectoral	0	0	0	0	0
	National	-	-	0	-	-
# of unique other binding agreements concluded on worker conditions contributed to the program	Factory	7	10	4	10	32
	Multi-company	0	1	0	1	1
	Sectoral	0	0	0	0	0
	National	-	-	0	-	-
# factory workers covered under CBAs/ other binding agreements (contributable to the efforts of the program)		7166	7166	6198	7166	28166
<p>Note: The table shows the number of Collective Bargaining Agreements (CBAs) and other binding agreements that the programme aims to contribute towards in each reporting period (not cumulative). These other binding agreements are between employers and employees/Trade unions/ worker representatives to improve labour conditions.</p> <p>Notes on numbers 22: Number of factory level CBAs and other binding agreements were less than target due to low interest and commitment from companies/factory management than expected, due to Covid-19 and fewer production orders to the factories from brands.</p>						

Pathway 3: Convene and Align

# of functional coalitions/ networks/ platforms in which STITCH participates	Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021- 2025
Coalition	3	1	3	1	3
Network	4	2	4	2	4
Platform	3	1	3	1	4
Total	10	4	10	4	11
# of influencing activities held with policymakers, companies, influential decision-makers on key STITCH Lobby and Advocacy goals/strategies	5	4	54	4	27
<p>Note: The first number in the table shows the total number of coalitions/ networks/ platforms in which STITCH participates in the reporting periods. If STITCH continues to participate in platforms that they were active in during 2021, these will be included in the 2022 reporting. The second figure shows the number of influencing activities (dialogues, meetings, consultations, briefings, seminars, workshops, conferences, etc.) organised by STITCH and held with policymakers, companies, influential decision-makers on main STITCH issues, claims and policy goals in each reporting period.</p> <p>In Cambodia STITCH participates in 3 Coalitions: National Trade Union Council (NTUC), ITUC-CC (Cambodia Council) at the Country level and ITUC at International Level. And the 4 Networks are: C.CAWDU Gender Committee Network at Sector Level, CLC Gender Committee Network National Level Women Union Network (WUN), NGO CEDAW. 3 Platform are: Labor Advisory Committee (LAC), National Council on MW (NCMW) and Arbitration Council (AC)</p> <p>Comment on numbers 2022: Overachievement of target as previously the programme team was only documenting medium to high budget lobbying efforts, but since 2022 they are documenting all influencing efforts.</p>					

Outcome level: Governments in production and EU buying countries create the opportunity to change and for inclusion of workers' voices in negotiations and decision-making.

Outcome level		Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
# of public policy/law/ agreement/judgement adapted/changed/ blocked in favour of STITCH goals (contributable to the interventions of the programme)	Policy	6	4	0	0	10
	Law	0	0	0	1	1
	International Agreement	0	0	0	0	0
	Production country agreement	0	0	4	12	0
	Judgement	0	0	0	0	0
<p>Note: The table shows the number of public policies, laws, agreements (production country agreements and international agreements) and judgements that will be adapted/changed/blocked due to efforts of the program in each reporting period (not cumulative).</p> <p>Note on numbers 2022: In Cambodia, a change in STITCH implementation partner from CLC (which was at confederation national level), to C.CAWDU (sectoral level), has resulted in a shift in which laws and policies the new partner can influence. Underachievement of some targets has happened since the scope of influence of new partner is different.</p>						

Intermediary Outcome level: Local partners and STITCH form coalitions with allies (e.g.: global unions, ILO, OECD, Dutch embassies) to drive lobby and advocacy efforts for “the new normal” in the global garment industry.

	Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
# of common positions and joint statements submitted for policies, laws or guiding principles on main Lobby and Advocacy goals/strategies	1	10	2	13	10
<p>Note: The table shows the number of common positions and joint statements that the program aims to submit for policies, laws or guiding principles on key lobby and advocacy goals in each reporting period (not cumulative).</p> <p>Note on numbers 2022: 2022 target estimated too high by teams, was not possible to achieve. Estimated every year 2-3 joints petition.</p>					

Capacity strengthening and learning

Training: Ally and Consortium level

	Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
Unique number of training	9	11	11	11	52
Leadership skills	6	4	7	4	29
Purchasing practices	0	4	0	4	4
Social Dialogue	0	0	0	0	0
Sourcing Dialogue	0	0	0	0	0
Gender awareness	3	3	4	3	19
Policy Influencing Lobby and Advocacy	0	0	0	0	0
Planning, Monitoring, Evaluation and Learning	0	0	0	0	0
Theory of Change	0	0	0	0	0
Other	0	0	0	0	0
# Men participants	508	300	198	300	1454
# Women participants	310	280	83	280	1054
<p>Note: The table shows the number of trainings organised by STITCH in each reporting period (not cumulative). These trainings are given to different actor groups including engaged TUs, engaged LROs, directly engaged brands, factory management and factory workers of select suppliers of the engaged brands, STITCH partners, and brands and suppliers of like-minded organisations.</p>					

Note on numbers 2022: In 2022, Cambodia team focused their resources on leadership skills training to TU leadership and gender awareness training and so overachieved there. However, the participation was low as that is all that the budget allowed (given that these were in person training rather than online training)

Learning Events

		Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
Regional / Local	# Learning events	1	0	0	0	5
	# Men participants	66	0	0	0	250
	# Women participants	21	0	0	0	83
Country	# Learning events	1	1	1	1	4
	# Men Participants	140	15	9	15	580
	# Women participants	60	10	6	10	300
International	# Learning events	1	1	0	1	4
	# Men participants	14	5	0	5	70
	# Women participants	1	3	0	3	5
Total	# Learning events	3	2	1	2	13
	# Men participants	220	20	9	20	900
	# Women participants	82	13	6	13	388

Note: The table shows the number of learning events organised by STITCH in each reporting period (not cumulative). By 'regional' it is meant sub-national.

Comment on data 2022: No international learning event was organized in 2022, it is hoped to be organized in 2023.

Research and Tools

	Actual 2021	Target 2021	Actual 2022	Target 2022	Target 2021-2025
# of new or improved guiding tools / systems / methodologies produced by STITCH and shared with stakeholders	0	0	0	0	0
# of reports focused on labour conditions (e.g. studies, publication, position papers) published	2	2	2	2	10

Note: The table shows the number of new or improved tools/ systems/ methodologies produced by STITCH that were also shared with stakeholders in each reporting period (not cumulative). The table also shows the number of reports focused on labour conditions published by STITCH in each reporting period (not cumulative).

Note on numbers 2022: reports published 1. Report Survey on Living Cost 2023 (Led by CLC), 2. Report Position Paper for minimum wage negotiation for 2023 (Led by CLC)