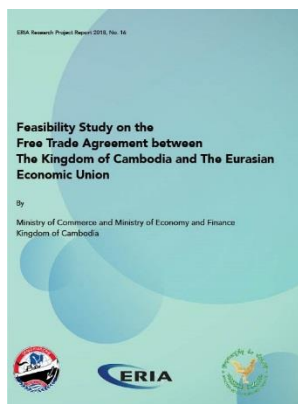


## **New Study Shows the Prospects Are Good for a Cambodia-Eurasia FTA: Launch of the Feasibility Study on the Free Trade Agreement Between Kingdom of Cambodia and Eurasian Economic Union**



**Phnom Penh, 4 Dec 2019:** The report on the 'Feasibility Study on the FTA Between Kingdom of Cambodia and Eurasian Economic Union' was launched by Minister of Commerce, HE Pan Sorasak and Professor Nishimura, President of Economic Research Institute for ASEAN and East Asia (ERIA) on 4 December at Ministry of Commerce, Phnom Penh, Cambodia. The event was attended by over 80 participants from government Ministries, NGOs, International Organisations, and Research Institutes.

To expand market access to Eastern Europe, Cambodia is currently exploring a free trade agreement (FTA) with the Eurasian Economic Union – a common market comprised of five nations (Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia), 176 million people, and a gross domestic product of US\$2.5 trillion. An FTA between Cambodia and the Eurasian Economic Union (EAEU) would allow both sides to increase trade, investment, and economic collaboration. The study examined the key impacts of Cambodia–EAEU FTA (CEFTA) on the Cambodian economy and the Association of Southeast Asian Nations (ASEAN) region in terms of trade, investment, welfare, and growth impact on the domestic and regional economy.

The study highlighted the importance of market access and developing more diversified industrial and market structure. The Eurasian Economic Union (EAEU) provides a large market to expand trade and investment and diversify the economy to more value-added activities in the Global Value Chain. In particular, there are gains in the manufacturing sector in more value-added activities, expansion into services and development of new services. The study also highlighted the development of the agriculture services and production into the Global Production Value Chain. The expansion of financial services, logistics, digital economy, and agricultural services were highlighted as key sectors to growth with the FTA between Cambodia and EAEU.

CEFTA appears to be a win-win opportunity for Cambodia for deepening its economic integration into the global production value chain and integrating its economy with Central Asia and Russia. CEFTA is also expected to create potential dynamic gains for Cambodia through its integration with the global economy and through implementation of key structural reforms in the domestic economy within a structured framework.

To download a copy of the report, please visit ERIA's website: [www.eria.org](http://www.eria.org) or for the direct link <http://www.eria.org/publications/feasibility-study-of-the-free-trade-agreement-between-the-kingdom-of-cambodia-and-the-urasian-economic-union/>

## About ERIA

ERIA is an international organisation established under the East Asia Summit to support the chair of ASEAN and East Asia Summit. The 35th East Asia Summit Statement clearly mentions that the Leaders encourage ERIA to continue providing support to the chair of ASEAN summit and East Asia Summit. Under the chairmanship of Thailand, this year, ERIA completed a four-volume publication titled [ASEAN Vision 2040](#), a comprehensive vision for ASEAN providing strategies to step boldly forward towards the years 2040. All of ERIA's books, research reports and policy briefs can be downloaded for free from the ERIA website at [www.eria.org](http://www.eria.org)

## Contact

Ms Lydia Ruddy

Director of Communications

WA: +628118114600

Email: [lydia.ruddy@eria.org](mailto:lydia.ruddy@eria.org)