

Country Profile: Cambodia

Population and poverty: 14,241,640 (2008 est). Thirty-five percent of the Cambodian population is estimated to have been living under the national poverty line. Poverty is considerably higher in rural areas (39 percent) than in urban areas (5 percent in Phnom Penh and 25 percent in other urban areas). Poverty in Cambodia is overwhelmingly a rural phenomenon. In 2004, about 91 percent of the poor lived in rural areas.¹ Population growth rate is 1.75% (2008 est.) and one of the highest in the Great Mekong Sub-region (apart from Laos - 2.3%). In 2020 Cambodia's population is projected to be 18.7 million.

The literacy rate is 73.6 percent². Rapid population growth through the 1980s and 1990s doubled and drastically changed the demographical picture where today 60.8 percent of total population is 24 years of age or younger. The most important urban centre, the capital, Phnom Penh is already facing problems with the rapidly increasing number of poor migrants.



¹ World Bank (2006) Cambodia: Halving Poverty by 2015.

² National Institute of Statistics of Cambodia, <http://statsnis.org/SURVEYS/CSSES2003-04/table12.htm>, on 16 September 2008. The data are for the period between 1994-2004

Migration history: The period of the Khmer Rouge (1975-1979) had a tremendous impact on mobility in Cambodia. The Pol Pot regime almost completely emptied the cities and forced all the population to move and to work in rural communes on rice cultivation and construction of rural infrastructure. While no official data exists, crude estimates suggest that at least 35-40 percent population were uprooted from their places of origin.

After 1970-92 a large number of people left the country especially for Thailand (where many lived in border camps), France, North America, Australia, New Zealand, and to a lesser extent to other ASEAN countries and the United Kingdom.³ In general, we can consider there were two big waves of migration. The first occurred in 1979 following the collapse of the Pol Pot regime, and the second in 1993, when hundreds of thousands of people returned home from border camps.

Cambodian migration is mostly internal. According to the National Institute of Statistics of Cambodia, 35 percent of the Cambodian population are migrants. Although the male migration rate is slightly higher than that for females, the number of female migrants actually outweighs that of males due to the smaller proportion of males in the population. It is observed that young people (aged 15-25) form a large section of migrants at 30 percent. One rural push factor is that new families are not able to acquire or access land in their village and therefore they out-migrate in search of livelihoods.⁴

³ Acharya, Sarthi (2003). Migration patterns in Cambodia – causes and consequences, Phnom Penh.

⁴ Maltoni, Bruno (2005) Impact of Remittances on local Communities in Cambodia: The Case of Prey Veng Province.

Host countries: Thailand is the most important foreign destination for Cambodian migrants, though the great majority of labour migration is undocumented. Estimates suggest that 90 percent of the migrants in Thailand are irregular.⁵ Despite a Memorandum of Understanding signed in 2003 between the Thai and Cambodia governments, people opt for illegal cross-bordering due to the high costs of recruitment agencies, visa and registration costs. The type of work they do are mainly in agriculture, fishing boats, fishery processing, sawmills, brick or ice factories, construction, private household or sex trade⁶.

Two other important destination countries are Malaysia (in particular for the Muslim Cambodian minority Cham) and the Republic of Korea. In the near future, Cambodia is planning to sign a Memorandum of Understanding with Kuwait, Qatar, Japan, Singapore and Taiwan.

Estimated number of migrants: The World Bank estimates there are 348,710 emigrates, which represents 2.5 percent of the total population.⁷ While the number of undocumented Cambodian workers is not known, it is estimated that they may be as many as the documented migrants. This is especially relevant for migration to Thailand. There is no reliable information on how much migrants engage with their home country, not

⁵ Maltoni, Bruno (2006) Review of Labour Migration Dynamics in Cambodia, IOM.

⁶ Maltoni, Bruno (2005) Impact of Remittances on local Communities in Cambodia: The Case of Prey Veng Province, World Bank.

⁷ This data can be argued as WB does not include among top ten destination countries Malaysia, which is in reality the second most important destination, right behind Thailand. It is not clear, either, if this data include only labour migrants or are counted together with Cambodian diaspora.

through their individual behavior or through Home Town Associations.

Working areas of migrants: Cambodian international migration is generally unskilled and migrants are mostly engaged in 3D (dirty, dangerous, difficult) jobs. Men migrate for longer term work mostly to Thailand where they are employed in agriculture, fishing boats, fishery processing, sawmills, brick or ice factories, construction, private household or sex trade⁸. Migrants to Malaysia are mostly females employed as domestic workers, but other employment sectors are construction, manufacturing and entertainment.

Migration to the Republic of Korea is organized through a "trainee system" which allows Cambodian nationals to work in Korea for short periods of time (and a maximum of three years) to acquire new skills (manufacturing, construction, and the service sector) that they may be able to use upon their return to Cambodia to secure gainful employment.

Remittance flows: Cambodia, one among fifty Least Developed Countries, is following a global trend of remittances increase. The last (2007) Migration and Remittances Factbook compiled by the World Bank⁹ shows that Cambodia had approximately USD 322 million of inward remittance flows in 2007. In less than 10 years remittances have tripled, and today represent more than 4.1 per cent of the GDP¹⁰. According to an ILO study (2008) those remittances could reach

⁸ Maltoni, Bruno (2005) Impact of Remittances on local Communities in Cambodia: The Case of Prey Veng Province, World Bank.

⁹ www.worldbank.org/prospects/migrationandremittances

¹⁰ Data report officially recorded remittances. The true size of remittances, including unrecorded flows through formal and informal channels, is believed to be larger.

USD 500 million, with a proper migration management system in place¹¹. However, two points with regard to remittances in Cambodia should be stressed. Firstly, the formal statistics reflect registered remittances only and it is believed that unregistered remittances can comprise as much as 50 percent of total remittances. Secondly, most of the registered remittances to Cambodia are mostly due to the Cambodian diasporas and to a very small extent to Cambodian migrant workers in foreign countries.

Common money transfer methods:

Cambodian migrants in Malaysia and the Republic of Korea are remitting money through a bank transfer to the recruitment agencies who in turn distribute the money to their families. All the migrant workers based in the Republic of Korea own a bank account.

An informal system is mainly used by Cambodian migrant workers in Thailand. By far the most common system is the phone system or ICOM¹² shop, but also by private operators who have connections with migrants' home towns and provinces. With regard to national remittances, the most used means for sending money back to households was through a relative going home or having a relative come to Phnom Penh.

Global money transfer operator services like Western Union or Money Gram are not much used in Cambodia, neither by migrants nor diasporas. The main reason for that is a high transfer cost and the fact that those services are not spread in all provinces and districts.

Use of remittances:

Several studies show that remittances are primarily used for living expenses, mainly for food and health costs, and a negligible quantity for productive investments. Particular attention is paid to spending on debts incurred mostly due to health issues. However, it is believed that with better labour management, lower administrative costs linked to migration and with the increased promotion and use of formal transfer channels, total remittances could significantly increase and therefore have a positive effect on the local economy.

— Suzana CRASSARD (IOM Cambodia)

¹¹ ILO (2008): Labour Migration Management Institutions, Policies and Legal Framework in Cambodia.

¹² A communication system based on hand held radios.