

## **Overseas Fieldwork Report 2013:**

### **Siem Reap Province, Cambodia**



**Graduate School of International Development  
Nagoya University**

## **Introduction**

The twenty-first Overseas Fieldwork (OFW 2013) of the Graduate School of International Development (GSID), Nagoya University, was carried out in Siem Reap Province, Cambodia, from September 15 to September 30, 2013. The OFW is an important part of GSID's curriculum, designed to provide students with exposure to the "real world" development issues in rural areas of a developing country and an opportunity to develop field-based research skills in a group setting. Each year, GSID carries out the OFW in an Asian developing country in cooperation with GSID's local partner university. This year, the Royal University of Phnom Penh (RUPP) kindly accepted to host the OFW, adding to the successful collaboration extended for the past OFWs in 2005, 2006, 2007, and 2012. Building on many years of cherished relationships between the two universities, the OFW 2013 was managed smoothly and it contributed to further strengthening GSID's ties for academic exchange and collaboration with this prestigious university in Cambodia.

Considering the relevance of topics to Siem Reap's local developmental context, we divided 33 graduate students into four thematic working groups: Community Development (WG1), Education (WG2), Migration (WG3), and Tourism (WG4), to study and observe various dimensions of rural development in that area in a holistic manner. Students conducted their research in villages of Ta Yaek Commune and Nokor Thom Commune, Siem Reap Province. On September 27, before the departure from Phnom Penh, they presented their preliminary research findings at RUPP, to share them with, and receive feedback from, the RUPP faculty and students.

Reflecting comments and advice received at the presentation and in the course of their fieldwork, participants tried to elaborate their analysis in the final report. This volume is a collection of the working groups' reports.

## **Acknowledgements**

The committee of OFW 2013 is indebted to many people and institutions both in Cambodia and Japan for the successful completion of this year's program.

Our appreciation must be directed first to the people of Ta Yaek Commune and Nokor Thom in Siem Reap Province. We are especially grateful to local authorities including the provincial governor, Mr. Khim Bun Song, village chiefs, staff members of government offices and other relevant organizations for their generous assistance and cordial hospitality. We also would like to express our sincere gratitude to all those who kindly provided us with precious information during interviews. We could not have accomplished the OFW successfully without their kind support.

Next, our appreciation goes to faculty and students of the Royal University of Phnom Penh (RUPP). We would like to express our sincere appreciation to the RUPP faculty, Prof. Ngin Chanrith, Prof. Men Prach Vuthy, Prof. Heng Naret, Prof. Kim Veara, and Prof. Yin Sorya. Participants of the OFW 2013 received tremendous support from them and their students during the field research. This year's OFW was sponsored by the program on "Training a New Generation of Leaders in International Cooperation for the Development of the ASEAN Region," which GSID has been implementing under "the Re-Inventing Japan Project (Support for the Formation of Collaborative Programs with ASEAN Universities: "Campus ASEAN Program") of Japan's Ministry of Education, Culture, Sports, Science and Technology (MEXT). As part of this "Campus ASEAN" program, we also held an international seminar on "Cambodia's Contemporary Socio-economic Challenges: National and Regional Perspectives," jointly with the RUPP and the Royal University of Law and Economics (RULE), at RULE on Sep. 28, 2013. This joint international seminar was very successful, bringing many experts and eminent speakers from Cambodia to discuss current challenges that Cambodia faces to promote its sustainable development. Our special thanks goes to the Royal University of Law and Economics, especially Prof. Phalthy Hap, for his superb arrangement and commitment to make it a success.

Last but not least, we are very grateful to those who provided valuable lectures to our participants in the preparatory seminars for the OFW 2013: Dr. Koung Teilee, Associate Professor, the Graduate School of Law, Nagoya University, Dr. Satoru Kobayashi, Associate Professor, Kyoto University, and Dr. Yukiko Yonekura, Associate Professor, Showa Women's University. We also would like to thank Ms. Erin Sakakibara for the English editing of this volume.

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\*\* Group leader, \* Sub-leader,

DID: Department of International Development;

DICOS: Department of International Cooperation;

DICOM: Department of International Communication.

## **Program of OFW 2013**

### **Preparatory Seminar at GSID**

	<b>Date</b>	<b>Title of the Lectures and Names of the Lecturers</b>
1	May 8 (Wed.) 14:45-16:15	“Introduction to the Year 2013 OFW” By Prof. Okada and Prof. Penghuy of GSID.
2	May 15 (Wed.) 14:45-16:15	“Introduction to Education of Cambodia” Prof. Aya Okada, GSID
3	May 22 (Wed.) 14:45-16:15	“Introduction of Research Sites in Siem Reap” By Prof. Vuthy, Royal University of Phnom Penh, Visiting Researcher to GSID.
4	May 29 (Wed.) 14:45-16:15	“Introduction to Project Cycle Management” By Prof. Tetsuo Umemura, GSID
5	June 5 (Wed.) 14:45-16:15	“Introduction to Cambodian Economy” By Prof. Ngov Penghuy, GSID.
6	June 12 (Wed.) 14:45-16:15	“Introduction to Rural Community in Cambodia” By Prof. Satoru Kobayashi, Kyoto University.
7	June 19 (Wed.) 14:45-16:15	Guidance on Research Proposal Writing. By Participants and Group Advisors
8	June 26 (Wed.) 14:45-16:15	“Community-Based Tourism Development: Theory and Practice” By Prof. Vuthy, Royal University of Phnom Penh, Visiting Researcher to GSID.
9	July 3 (Wed.) 14:45-16:15	“Introduction to Contemporary History and Administration System of Cambodia” By Prof. Koung Teilee, Graduate School of Law, Nagoya University
10	July 10 (Wed.) 14:45-16:15	“Introduction of Campus ASEAN” by Prof. Lui Jing, GSID “FDI and its impact on Cambodian Economy” by Prof. Penghuy, GSID
11	July 12 (Fri.) 16h30-18h00	“Action Research on Health and Livelihood of Farmers in Cambodia” By Prof. Yukiko Yonekura, Showa Women’s University
12	July 17 (Wed.) 14:45-16:15	“Research Ethics” By Prof. Wataru Kusaka, GSID
13	July 24 (Wed.) 14:45-16:15	Presentation of Research Plans by WGs (15 min presentation by each WG)

### **Interim Presentation of Research Findings in Phnom Penh**

The interim presentation of research findings was held at the Royal University of Phnom Penh on Sep. 27<sup>th</sup>, 2013. Each WG presented for 20 minutes and followed by Q&A session by the participants.

### **Presentation of Research Findings at GSID**

The presentation of research findings was held at GSID by each working group to disseminate and to collect feedback from colleagues on Oct. 30, 2013.

## Overall Schedule of Fieldwork in Cambodia

Date	Activities
Sep. 15 (Sun.)	8:30 Meeting at Chubu International Airport 11:00 Departure from Nagoya (TG645) 15:00 Arrival at Bangkok (transit) 17:20 Departure from Bangkok (PG907) 18:15 Arrival at Siem Reap ( <i>Accommodation: Dara Reangsey Angkor Hotel</i> )
Sep. 16 (Mon.)	Courtesy Visit to Siem Reap Governor (All WGs); Preliminary Visit to Ta Yaek Commune; Get-to-know-each-other Gathering (all WGs)
Sep. 17 (Tue.)	Head of Dept. of Rural Development, CEDAC (WG1); Srah Srang Chheung Village Chief, Teachers, Students (WG2); Dept. of Labor & Vocational Training, Dept. of Women Affairs (WG3); Angkor Handicraft Association, Dept. Of Tourism, Apsara Authority (WG4).
Sep. 18 (Wed.)	Ta Yaek Commune Chief, VDB Committee (WG1); Srah Srang Cheung Villagers, Dept. Of Education (WG2); Boeung Vien Village, Migrant and Non-migrant Families (WG3); Souvenir Shops around Angkor Wat and Krobei Village (WG4)
Sep. 19 (Thu.)	Ta Yaek Village Chief, PDI-C Staff, Villagers (WG1); Srah Srang Village teachers, students (WG2); Boeung Vien Village, PDI-C, Migrant and Non-Migrant Families (WG3); Souvenir Shops in Siem Reap Town (WG4).
Sep. 20 (Fri.)	Champey Village Chief, Villagers (WG1); Srah Srang Cheung Village teachers, students (WG2); Trav Bak Village Chief, Migrants and Non-migrant families (WG3); Angkor Handicraft Association (WG4).
Sep. 21 (Sat.)	Champey Villagers (WG1), Srah Srang Tbong Village teachers, students (WG2), Trav Bak Village Migrants and Non-migrant workers (WG3), Group Works at Hotel (WG4)
Sep. 22 (Sun.)	Free Activities
Sep. 23 (Mon.)	Bravel Village Chief, Villagers (WG1); Srah Srang Village Migrant and Non-migrant Families (WG2); Trav Bak Village Migrants and Non-migrant Families (WG3); Souvenir Shops around Angkor Wat (WG4).
Sep. 24 (Tue.)	Bravel Villagers (WG1); Srah Srang Tbong Villagers (WG2); Trav Bak Village Migrant and Non-Migrant Families (WG3); Souvenir Shops in Siem Reap Town (WG4).
Sep. 25 (Wed.)	Moving to Phnom Penh (All WGs)
Sep. 26 (Thu.)	Preparation for Findings Presentation
Sep. 27 (Fri.)	Findings Presentation
Sep. 28 (Sat.)	NU-RULE-RUPP Joint International Seminar and Farewell Party
Sep. 29 (Sun.)	20:25 Departure from Phnom Penh (TG585) 21:30 Arrival at Bangkok (Transit) 00:05 Departure from Bangkok (TG644)
Sep. 9 (Sun.)	08:00 Arrival at Nagoya

# Background Information of Siem Reap Province, Cambodia

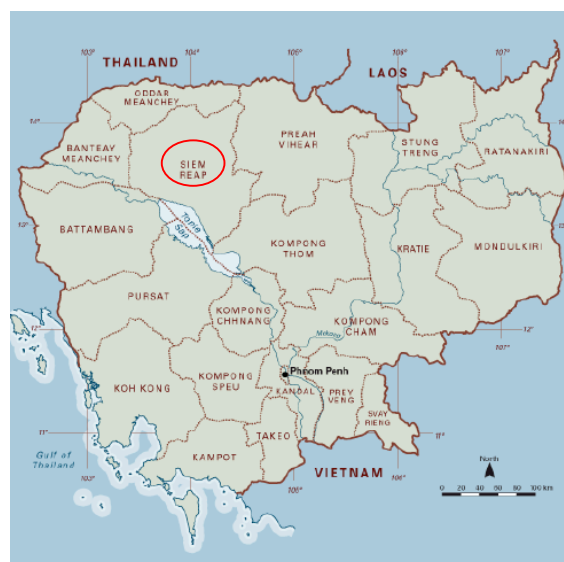
Men Prach Vuthy \*\*

## General Information

The Kingdom of Cambodia is located in the Indochina Peninsula of Southeast Asia with geographical location (latitudes between 10° and 15°N, and longitudes between 102° and 108°E). Cambodia possesses the land area of 181,035 square kilometers, sharing its border with Thailand, Laos and Vietnam. The total population is estimated to be 14.07 millions in 2008 (NIS, 2009), covering by twenty-three provinces and one capital city.



Map of Cambodia in Southeast Asia  
Source: www.villageearth.org [access December, 2013]



Map of Cambodia Country  
Source: Ministry of Tourism, Cambodia

Historically, Cambodia is known as the Khmer Empire, the largest empire in Southeast Asia during the 12th century. Angkor was the empire's capital city during that period and currently is now located in Siem Reap province. It is situated in northwest of the country bordering Tonle Sap Lake in the south, the biggest fresh water reservoir in Southeast Asia. Siem Reap province is home to Angkor Wat ruins, the UNESCO world cultural heritage, bringing millions of tourists every year. In 2012, international tourists to

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\* Lecturer at the Royal University of Phnom Penh and a visiting scholar to the Graduate School of International Development, Nagoya University, from May 1 – August 31.

Cambodia registered 3.5 million people, 17.5 per cent increase from 2011 (Ministry of Tourism, 2012). However, Siem Reap province is still classified as one of the poorest provinces in the country (Beresford et al. 2004; Ministry of Planning, 2012). According to the local economic impacts assessment in Siem Reap, it shows that only 5.4% of 64% of international tourist spending benefited the poor (Ministry of Interior, 2009).

### Administrative Subdivision

Province is classified as a sub-national administrative body. It is supervised and managed by the central government and the ministry of interior is in-charge of those sub-national administrative divisions. In 2002, the Royal Government of Cambodia has introduced Decentralization and De-concentration policy requiring the commune councils to be elected through general local election in every five years. For example, in the June 2012, 11,459 seats for the commune councils were elected. Particularly in Siem Reap province, there are 12 districts divided with 100 communes and 876 villages (Provincial Department of Planning, 2012).



Source: [www.foodsecurityatlas.org](http://www.foodsecurityatlas.org)

## Socio-demography

Siem Reap province covers an area of 10,299 square kilometers. According to the national census 2008, the province has the sixth largest population in the country, consisted of 896,443 people with an average population density of 87 persons per square kilometer, higher than the country's average population density of 75 persons per square kilometer (National Institute of Statistics, 2008). The current population of Siem Reap in 2012 was 972,488 people and the average family members were 5.09 people.

Fifty two percent of population is aged between 18 and 60 years old and 43% are under 17 year-old. Only 5% are 61 years old and over. Households headed by female were 14% about 14% (Provincial Department of Planning, 2012).

## Education

Access to education of people in Siem Reap can be overviewed that, the net enrollment of students in upper secondary and lower secondary education is relatively low, showing only at 14.9% and 24.8%, respectively in the 2011 academic year (MoEYS, 2012). This infers that number of people who have access to higher education is even much fewer. Moreover, approximately 14% of the people in the province aged between 15 and 45 years old are illiterate (Provincial department of planning, 2012).

## Economic Situation

Siem Reap province is considered one of the most attractive destinations for tourists in the country. The number of international tourists to Siem Reap increased dramatically from 0.56 million in 2004 to 1.61 million in 2011 and to 2.06 million tourists in 2012, with annual growth rate of 20%. Tourist arrival to Siem Reap covers more than half of the country tourist's arrivals. The Angkor World heritage sites and other natural attraction sites in the province such as *Kulen* mountain and water fall, floating villages, *Prek Toal* bird sanctuary offer additional magnificent options for the tourists. The "Open Skies" policy, which has allowed direct flights to Siem Reap since 2004, also plays an important role to promote tourist arrival.



Source: [www.wikitravel.org](http://www.wikitravel.org)



Source: [www.art-days.com](http://www.art-days.com)

It has been estimated that tourist spending in Siem Reap in 2007 was about US\$500 million, which contributed about 25% of total GRDP (Ministry of Interior, 2009). Jobs have been created and income has been generated for local residents. However, according the report prepared by Siem Reap provincial department of planning in 2012, it shows that only 14% of people worked in service sector (include daily wage workers) as their primary occupation and 78% of the people is still engaged in agricultural works. The rest is engaged in fishing, craft works, and Non-Timber Forest Product (NTFP). This suggests that benefit from tourist arrival does really trickle down to the majority of the population in the province yet.



Domestic and international migration can also be seen in Siem Reap. About 4% of people in Siem Reap migrate to work in Siem Reap provincial town and in foreign countries, most of which goes to Thailand given the province's proximity to the Thai border. About two third of the migrant workers are international migrants and only one third are domestic migrants (Provincial Department of Planning, 2012).

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# *Working Group 1*

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## **The Role of Community Finance in Cambodia Focusing on the Relationship between Community Finance and Investment**

1. Introduction
2. Methodology
3. Findings
4. Analysis
5. Conclusion
6. Acknowledgement
7. References

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# The Role of Community Finance in Cambodia: Focusing on the Relationship between Community Finance and Investment

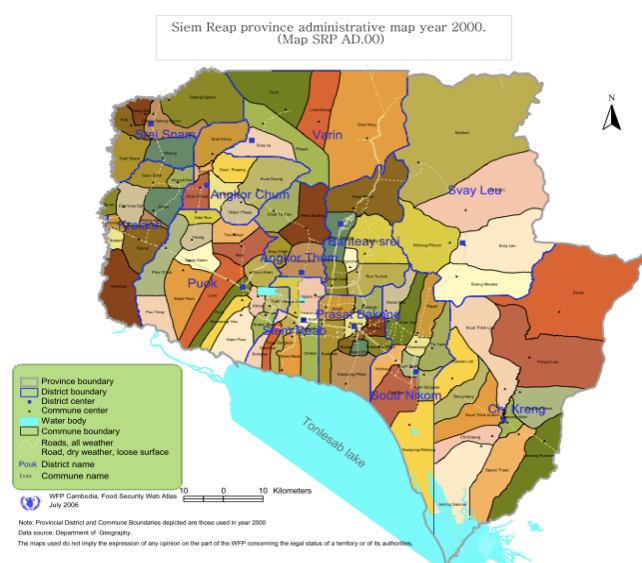
## 1. Introduction

### 1-1. Introduction of the field site

Although Cambodia is rich in natural resources, the war and internal conflict have made Cambodia one of the world's poorest countries. In 2011, Cambodia's GDP reached US\$14.204 billion. The real GDP growth of Cambodia rose from 0.1% in 2009 to 6.2% in 2012. Among all the sectors, agriculture's contribution to the GDP of Cambodia accounted for 30.9%. However, the economy and the living conditions of the rural people remain a challenge even though Cambodia's GDP growth was impressive. The urban population was only 20% of the total population in 2011 and 56.46% of the total population lived on less than \$2 a day. The Gini Index was 37.85 in 2008, which ranked 73th of all countries.<sup>1</sup> Two thirds of the country's rural households face seasonal food shortages each year and some of the poorest people include subsistence farmers and members of poor fishing communities, etc. Because of a lack of education and skills training, people have inadequate employment opportunities and low capabilities. Poor health, lack of education, poor infrastructure and low productivity lead to deeper poverty.<sup>2</sup>

Siem Reap is located in Northwest Cambodia. It borders Oddar Meanchey to the North, Preah Vihear and Kapong Thom to the East, the Tonle Sap Lake to the South and Banteay Meanchey to the West. The area of the province is 10,299 square kilometers.<sup>3</sup> The topography of the province is variable with the Tonle Sap floodplains along the Southern border, through a belt of lowland paddy fields, to a lowland/upland mosaic of forested areas to the north. Siem Reap is classified as a rural province. The World Heritage Site of Angkor Wat is located in this province.

**Figure 1: Political Map of Cambodia**



Source: CSES 1997 and Estimation of Poverty Rates at Commune level in Cambodia, WFP 2003.

### **1-1-1. The situation of sample villages**

This section describes an overview of the sample villages: Ta Yaek Village, Champei Village and Baval Village in Ta Yaek Commune, Siem Reap Province. Siem Reap City is the center of the province and second largest city after Phnom Penh. The city attracts many foreign tourists because there are many remains to visit such as Angkor Watt, Angkor Thom and many other temples. Despite the prosperity in Siem Reap City, Siem Reap Province has a high incidence of poverty.

In Siem Reap Province, Ta Yaek Commune was selected for the research field. Ta Yaek is located on east side of the province and it is divided into nine villages. The population of Ta Yaek is around 13,000 people. Eighty two percent (82%) of people do agricultural work as their primary occupation, with over 90% of the total land of the commune are used for agriculture. Most of them farm rice while others are farming short-term crops or cultivating vegetables such as cassava, mung bean or soya beans, etc. Outside of agriculture, there are a few people who work in craftwork, the service sector or are wage earners. Transportation in the commune is primarily by bicycle or on foot. There are very few people who have a motorbikes or an automobile. A few people have borrowed money from microfinance institutes or banks, but the number is relatively small. Around 0.6% of population in the commune borrowed money from them.

Among the nine villages in Ta Yaek Commune, three villages were chosen for study because Population & Development International Cambodia (PDI-C) is conducting their microcredit project in those villages. The population among the three villages is 1,508 people in Ta Yaek, 567 people in Champei and 2,848 people in Baval. Baval has the largest population in Ta Yaek while Champei village has the smallest population. Among the three villages, Baval has the worst living condition. It is difficult for Baval to obtain basic public services such as education, sanitation, health and others, due to its distance from the commune office and because road conditions are poor compared to the other villages. As for education, the enrollment rate and literacy rate of Ta Yaek and Champai are relatively high for the commune.

### **1-2. Introduction of PDI in Cambodia**

Our group focused on the Population Development International (PDI), an international NGO, as a case for examining the role of community finance in Cambodia. It was established in June 2010 and is sponsored by the Bill and Melinda Gates Foundation. The vision of this institution is to empower the poor through providing opportunities to enable them to up lift from poverty, and empower local NGOs to become financially self-sustainable. The main mission is to provide training and skills for sustainable income generation, build capability and to promote social enterprise development in the kingdom of Cambodia. The headquarters of PDI-Cambodia is in Siem Reap, with a satellite office in Dom-Dek Town. Currently they are mainly working in Ta-Yaek and Russei-Lok communities.

As the main purpose of this institution is to improve local people's quality of life and develop their community, they established the Village Development Partnership (VDP) program in the five key areas most in need. These are community empowerment, economic development, health improvement, environmental

protection and youth development. This study is focused on the community empowerment and economic development that supports community activities.

### **1-2-1. Process of village development partnership**



Basically there are 5 steps in the process of Village Development Partnership (VDP). The first is for the VDP staff to select a village that is motivated to improve the quality of life of villagers. The village is selected through an election from the Village Development Committee with four sub-committees. These committee representatives will select villages for community improvements. The second step is preliminary planning which the VDP staff. This identifies basic needs for the community and sets actual goals that the villagers can attain in a short or long term. Third step is the establishment of the Village Development Bank, in which the sponsoring organization is directly involved. All community members participate in tree planting activities and each planted tree brings in \$1.25 to the Village Development Bank. This becomes the fund for microcredit, which is managed by villagers themselves, and the capital earned by villagers from tree planting remains as a fund to loan for small enterprise activities in the community. In short, the villagers themselves operate the Village Development Bank, which is quite different from other microcredit institutions. The VDP staff is trained to manage the microcredit loans and the interest rate (1% per month) without collateral or guarantee. Purposes for loans must be related to income generating activities, such as fertilizer for rice farming, purchase of milling machines, raising chickens, raising pigs and grocery shops, etc. The fourth step is skill training, including one of the training projects called the Barefoot MBA program. PDI staff provides basic business skill training for villagers and motivates people to share their skills and advice. The main purpose of this training program is to provide business training to those who receive loans from the Village Development Bank and to give opportunities to expand income generation activities. The training program helps villagers learn how to run small businesses effectively through the acquisition of basic skills, such as administration and management. There have been several successful economic activities that have emerged from this training pertaining to rice-mill cooperatives. After the training, it leads to the last process, which is income generation. During the five steps, the VDP staff work on monitoring to make sure development is being conducted effectively.

### **1-2-2. Implementation phase of Village Development Bank**

The implementation phase in tree planting and saving groups provides the main capital resources for the Village Development Bank (VDB). Sponsors provide funds for tree planting at a rate of \$1.25 per tree. This money goes to a saving account for community members, which becomes the capital resource for the institution.

The VDB committee discusses the establishment of policies and rules of their bank. The common rules include the requirement of membership, monthly due dates for loan payments, loan application screening, business training, payment terms and saving account terms (minimum deposit), etc. Some typical characteristics of the VDB are that it opens regularly once a month for transaction business; members of VDB must save a fixed amount of money monthly; and only members of the VDB are eligible for loans, given one loan at a time, with an interest rate of 1% per month. The maximum loan amount is usually US\$500.

### 1-2-3. Procedure to receive credit



There are five procedures to go through in order to receive credit. The first step is to become a member of the VDB. Regardless of the number of family members, a villager can register as a member of VDB, but normally one person represents each household. The second step requires that the villager be a member of a savings group for at least 6 months. In order to borrow capital, they need to save a certain amount of money every month before they can fill out a loan application. The third step is to receive training from the PDI staff in areas such as pig raising, chicken farming and business skills, etc. The fourth step is to apply for a business plan. Only those who have received training and have saved regularly for at least six months are qualified to apply for a business plan. VDB staff will check the business plan and determine whether it is reasonable for income generation. As a last procedure, the staff will give the loan to the applicant in cash. Only borrowers who have paid back all their money can apply for a second round.

There are two ways to pay back loans; the first method is to pay only the interest monthly and pay the entire amount of the capital in the last month. The second method is to pay the interest and part of capital together every month.

### 1-3. Problem statement

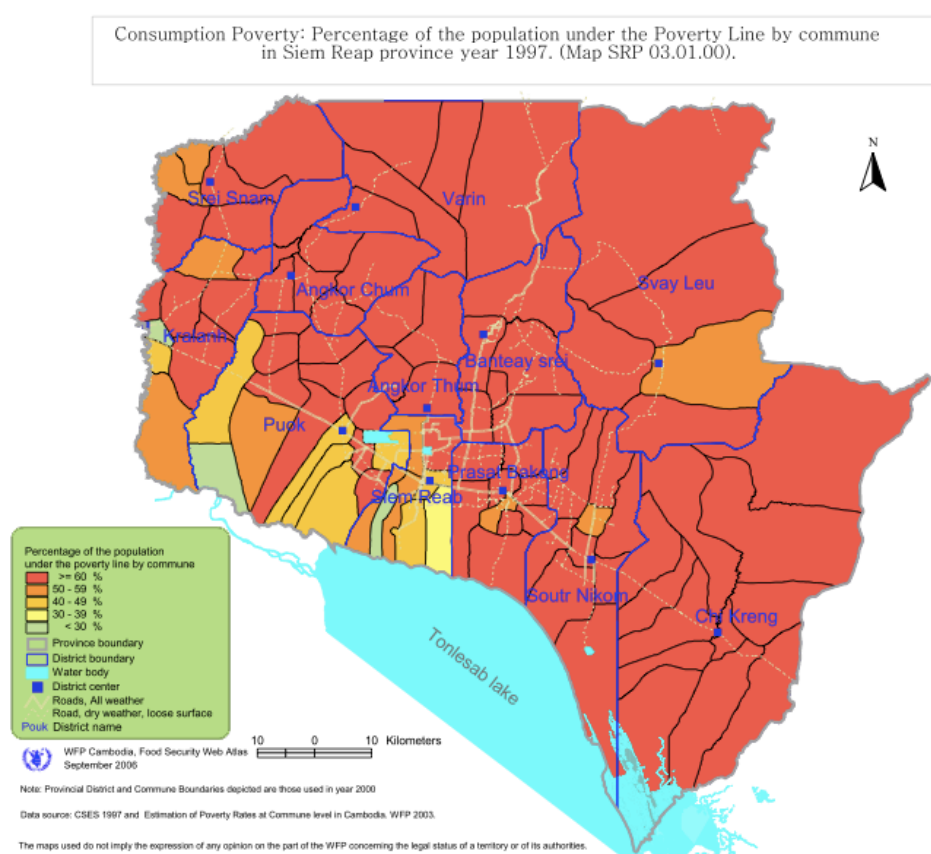
Rural households are commonly engaged in crop production, most typically rice production, to grow their own food and for cash income at least one season per year. Most food crop production in Siem Reap is rain-fed and is confined to the wet season, with 84% of households producing crops during the wet season compared to only 11% of households in the dry season. Further, most dry season planting is restricted to only some communities within the province that have access to groundwater or flood recession, irrigation, or surface water. Thus, limitations imposed through the dependency on rain-fed crop cultivation are clearly contributing to shortages in food availability.

**Table 1: Agriculture land per rural household in Siem Reap and the nation**

Agriculture land per rural household	% of rural households this province	% of rural household national
Landless	14%	15%
Less than 1.0 hectare	37%	49%
1.0-<3.0 hectares	42%	30%
>= 3.0 hectares	8%	6%

Source: MAFF 2004

**Figure 2: Percentage of the Population Below the Consumption Poverty Line by Commune in Siem Reap 1997**



Source: CSES 1997 and Estimation of Poverty Rates at Commune level in Cambodia, WFP 2003.

## 1-4. Research objective

This study aims to analyze the role of community finance in productive activities.

## 1-5. Research question

This study tries to answer the following questions:

Research Question: How does community finance contribute to productive investment?

Sub Research Question:

What is the role of community finance in the improvement of agriculture/livestock and business activities?

## **2. Methodology**

### **2-1. Literature review**

This section discusses the existing studies on community finance and microcredit for productive use and poverty alleviation.

First, there is a need for a brief discussion of microcredit and community finance. Microcredit is a relatively small amount of money provided as a loan to people from self-help groups through bank-NGO partnerships (Grameen Bank, 2011). Forming savings groups by loan recipients has also been one of the important criteria for getting credit. On the other hand, community finance is community managed credit and savings associations established by NGOs to provide access to financial services, build community self-help groups, and help members accumulate savings (Holt, 1994). Therefore, in this section, we present some discussion and findings, as well as opinions, based on empirical studies regarding the productive use of microcredit.

The source of micro-credit is the savings of poor people. Existing commercial banks usually do not give credit to the poor because they cannot fulfill the criteria imposed those banks, especially mortgage<sup>1</sup>. The poor have fewer amounts of resources meet the conditions imposed by commercial banks. The asset-less poor find it easier to access institutional credit through groups and to work with groups that they select (World bank, 1998; and Otero, 1999). Littlefield *et al.* (2004) stated poor people are excluded from state financial sectors but microfinance organizations have included them by providing credit using farm activities. Bhuiyan *et al.* (2013) conducted research and they concluded that the poor, as well as lower income groups, are facing major problems in accessing credit. Their lack of assets for collateral, lack of financial records and limited credit history has made it almost impossible for them to obtain credit from the formal financial institutions. In this regard, microfinance programs are generally perceived as one of the practical and attractive means for providing accessibility to credit, to increase total family livelihood opportunities through different strategies of Income Generating Activities (IGAs). This in turn hopes to provide sufficient income and the potential to ensure sustainable livelihoods by improving good health, children's access to education, skills, acquiring assets and ability to participate in social activities. However, some micro lending agencies in Bangladesh, India, Pakistan, and Sri Lanka claim 30-70% interest rates in a year on borrowers (Fernando, 2006). The International Year of

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<sup>1</sup> An agreement giving lawful right to the lender seizing the assets such as land, house etc. of borrower if fail to pay credit.



Microcredit (2005) cited that in Bolivia, microcredit loan clients doubled their income in two years, according to the Global Development Research Center. Clients were also more likely to access health care for themselves and their families, and more likely to send their children to school. UNCDF (2004) stated that microfinance plays three key roles in development. It helps very poor households meet basic needs; protects against risks associated with improvements in household economic welfare; and helps to empower women by supporting women's economic participation and so promotes gender equity. Moreover, apart from providing credit to poor people, microcredit organizations usually provide some training for effective use of the credit, which leads to increased income.

Nevertheless, though microcredit is one of the most important institutional financial resources for the poor, it has some limitations as well as adverse impacts. Ito (2008) stated that microfinance commercialization is not good for poor recipients. There might also be cases of excluding the extremely poor because people from this group have incidences of not paying back installments in a timely manner. In this regard, Islam (2007) stated that the Grammen Bank operating in Bangladesh provides credit support to poor people but it could not reach the poorest of the poor. Some researchers believe that microcredit in some countries leads some people into a poverty trap. More research is required to investigate the reason for burdens of microcredit, some of which have influenced some borrowers to even commit suicide in India and Bangladesh. However, initially it was believed that microcredit schemes provide women with access to credit for improving their empowerment. Indeed, D' Espallier *et al.* (2009) concluded after analyzing 350 microfinance institute (MFI) in 70 countries that women clients are better as a credit risk and that is why women are the best choice for disbursing credit among them.

## **2-2. Research site**

Fieldwork focusing on Village Development Banks (VDB) in Cambodia was conducted for two weeks in October 2013. Three villages participating in VDB programs were chosen: Ta Yaek, Champei and Braval. Forty-two households and at least one officer of PDI-C were interviewed. During the course of this fieldwork we interviewed the head of Cambodia Centre for Study and Development (CEDAC), representatives of the councils of Ta Yaek, Champei and Braval villages and officials of Rural Development Department Siem Reap. The selection of participating villages was random, however the selection of participants or individuals for interviews was done by sampling to ensure that only persons with a deep insight into VDB activities were included, helping to bring out information that was relevant to this research.

The study adopts a qualitative approach; the responses from household interviews are grouped and tabulated, presented in graphs, and other pictorial forms to allow for easy understanding of the interview results. This is supported by more detailed interview results and explanatory notes.

The study focuses on VDB because this source of community financing is supposed to be developed into one of the most easily accessed sources of funds for productive activities in Siem Reap. The research is believed to have generated results that will be useful to the management of the VDB, policy makers and the

business community at large.

## 2-3. Data collection

The primary data was obtained using structured interviews as a tool to gather relevant data from households who deal directly with VDB activities on a regular basis. The interviews were carefully designed to solicit key information, which was elicited through open-ended and contingency questions.

Secondary data was basically gathered from PDI-C financial statements, loan sheets and other documents that were deemed helpful in the study. The secondary data revealed the actual credit assessment information of the participants. For instance, Champei Village has 139 memberships with total amount of US\$27,968.89 loaned as of August 31, 2013.<sup>4)</sup>

## 2-4. Scope and limitations

Despite its high ambitions, this field study was constrained by time and scope limitations, which required the research to focus on only three villages. Consequently, this study could not research VDB activities in most of the villages in the research area. However, such limitations were managed in a positive way so they do not affect the quality of the research. Therefore, the findings of this paper should be regarded as exploratory.

## 3. Findings

### 3-1. Data collection

The interviews with government and village officials and NGOs were intended to elicit comprehensive opinions on community finance in the villages. Through the interviews with government and village officials, it was expected to reveal information about the village policy and its impact on community finance. These interviews were conducted to learn these activities and obtain primary information about the village. Interviews with NGO staff were conducted to investigate how the projects work in the villages and contribute to the development of community finance. Their recommendations on policy, as well as the village activities are expected to help improve the performance of the village in this sector. According to 6 interviews, they shared their research findings with resource from interview.

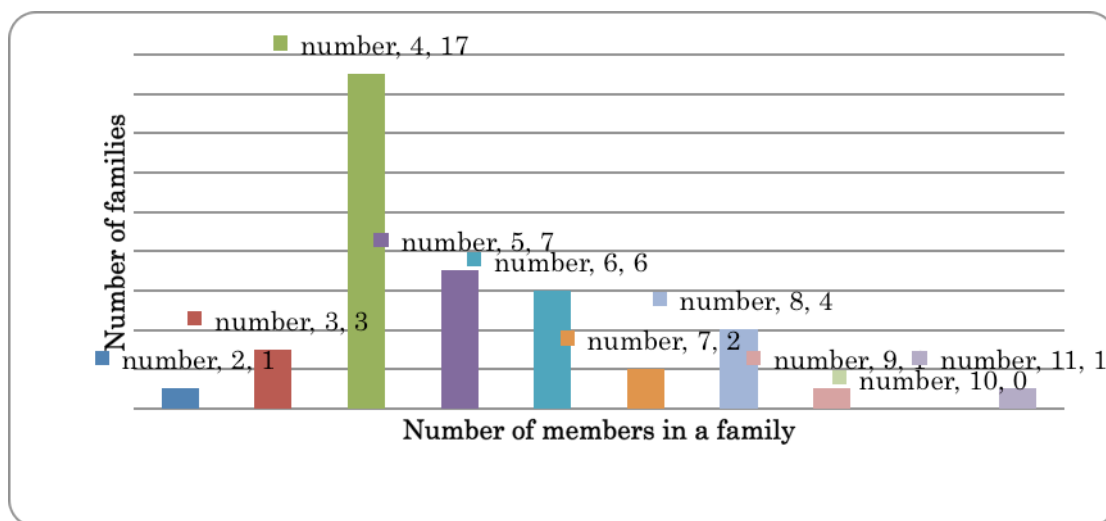
**Table 2: Number and location of interviewees**

Interviewee	Number	Place
Rural Development Department,	1 director 6 deputy directors	Siem Reap Province
Member of Commune	8 members	Ta Yaek Village
VDB staff	3 staff workers	Ta Yaek Village
VDB staff	4 staff workers	Braval Village
Head of CEDAC	1 director	Siem Reap Province
Head of PDI Main Office	2 staff workers	Siem Reap Province

Detail of findings is presented below:

### 3-2. Family size

Figure 3: Family Size

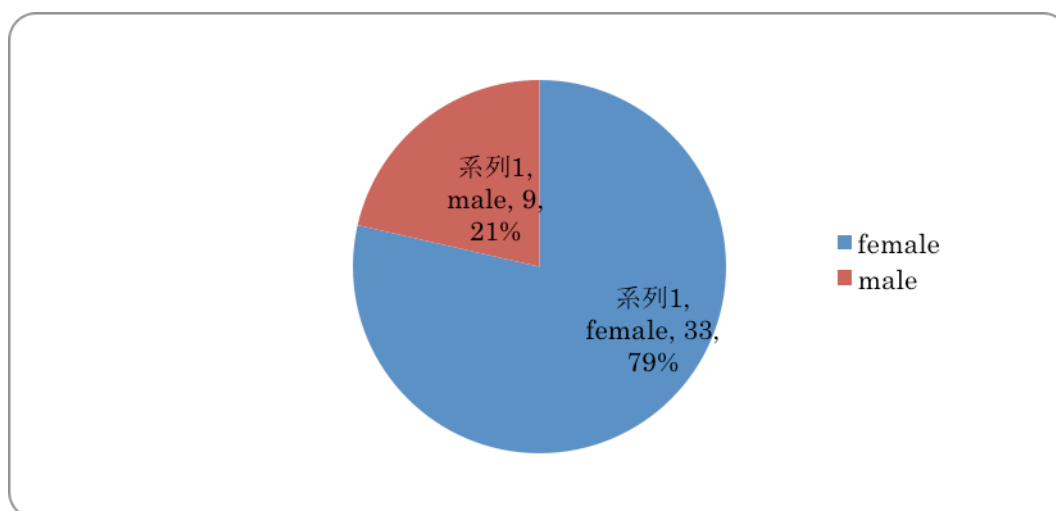


Source: Fieldwork survey.

The figure shows that out of 42 families, 21 respondents have four or less than four family members. While in rest of 21 households family members vary from 5 to 11. It may include extended families like children, parents and other kin. Fifty percent (50%) of respondents with small households to provide for may be a sign of growing social awareness.

### 3-3. Gender

Figure 4: Gender

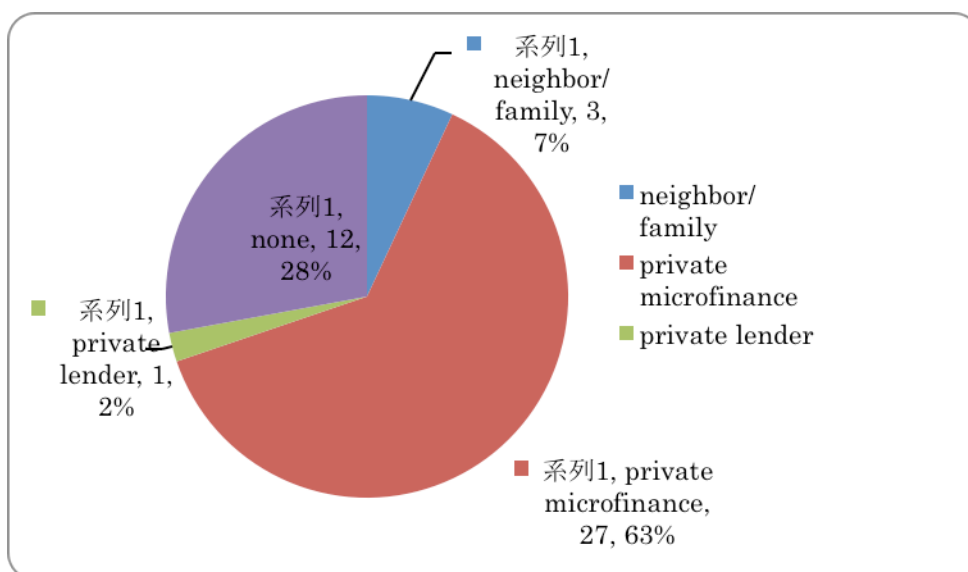


Source: Field survey

Females constitute 79% of the sample size because of their presence and availability for VDB activities. Many men remained busy in employment or working outside the village, therefore women were seen to be suitable for lending. In countries like Bangladesh, lending to women is considered as social development but in this field survey did not find such a policy stated by the VDB. Rather, it was more related to availability.

### 3-4 Lending institutions before VDB

Figure 5: Credit Sources Before VDB

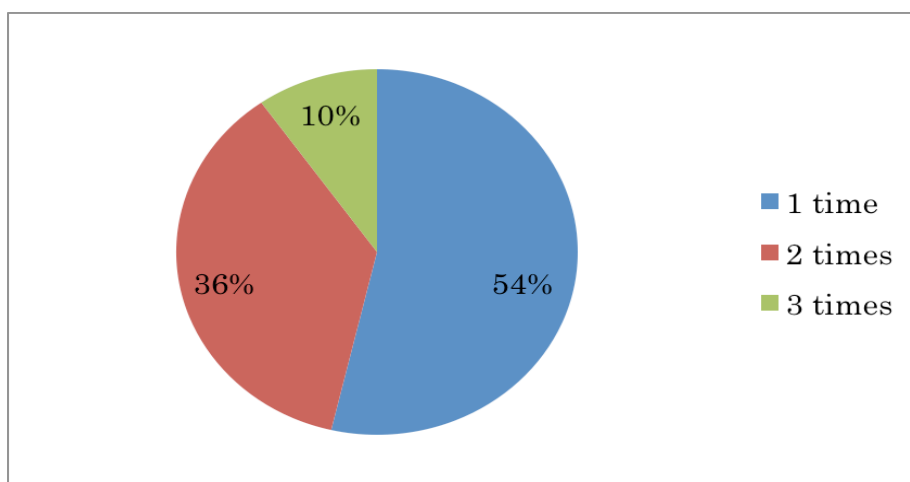


Source: Field survey

Different institutions were providing loans, such as Acleda, AMK, PRASAC, and CBIRD before the VDB started operating in the villages under study and 63% of respondents used these facilities. There were also private lenders who constituted just 2% of lending according to the data collected. However informal lenders work beyond regulation and sometimes are involved in unjust acts. Seven percent (7%) were found to borrow from relatives or neighbours. There was a considerable percentage of those who had not borrowed before, possibly showing a lack of their ability or capacity.

### 3-5. Percentage of loans per households

Figure 6: Percentage of repeating borrowers



Source: Fieldwork survey

Each member can borrow up to one million riels (approximately US\$240) at one time and a second round of financing is available after the full payment of the first loan. VDB prefers new members rather than old

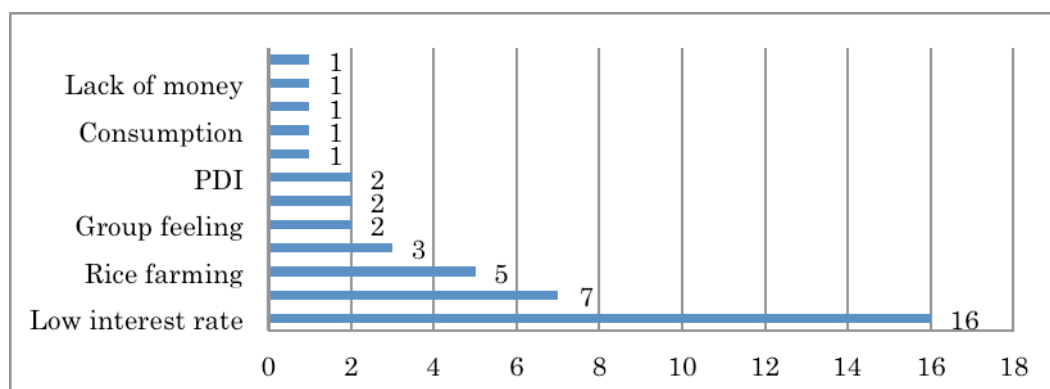
members for the second or third rounds of borrowing. That is the reason why 54% have borrowed only time, 36% twice and only 10% three times.

### 3-6. Borrowers' perceptions of VDB

Perception entails how respondents feel about VDB policies. When asked if it is a good experience for them or just like other institutions, 67% of respondents gave positive feedback, indicating that they consider VDB a better option for credit opportunities. This is primarily so, because of its low interest rate, easy processing and general role of PDI in community development. Alternatively, 5 % of respondents had negative feedback about VDB. However, their negative experience was not about lending policies but for other reasons like the large sum of debt incurred and wrong investments, which resulted in losses. The perceptions “no change” and “not sure” refer to a situation where respondents could not judge the effect that financing had. These perceptions do not correspond to losses, but rather refer to a comparatively short time to judge the effects of financing.

### 3-7. Reasons of borrowing

**Figure 7: Reasons for Borrowing**

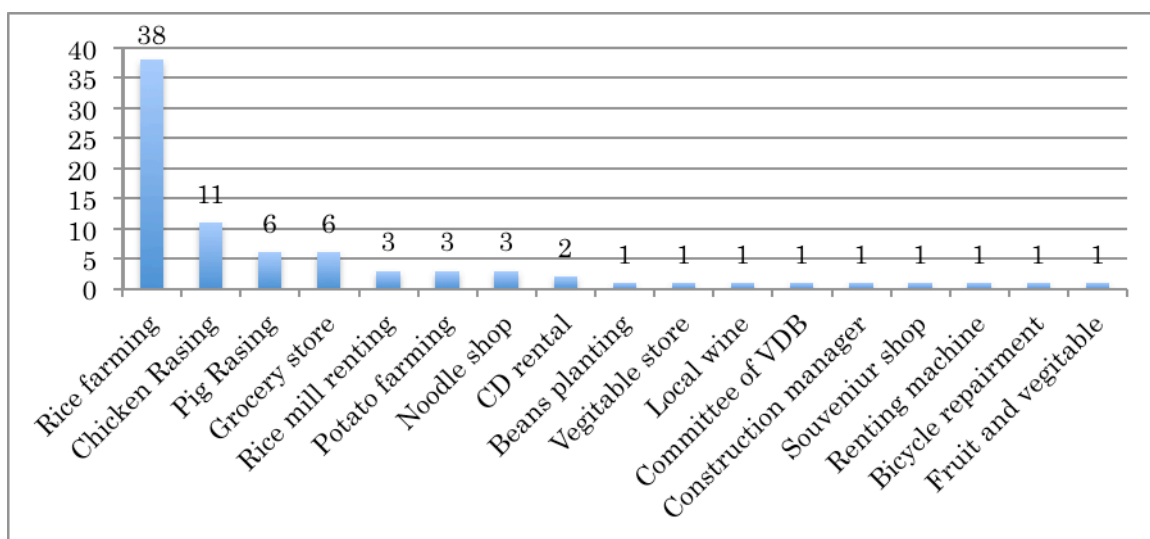


Source: Fieldwork survey

The VDB offers a low interest rate compared to other lending institutions. Most other institutions offer 3%, while the VDB rate is 1%. This is the most attractive reason for borrowing from the VDB. Expanding agricultural activities, like the purchase of inputs, rice farming, and cassava plantation are the second most important reason for borrowing from the VDB. Easy processing is also a reason and it signifies the procedural ease compared to other lending institutions. We can include easy processing, group feeling and the PDI as a combined factor. The PDI, as mentioned earlier, is a recent project and the VDB is just one its activities. The perception and preference for the VDB is based on its overall activities in village areas. Community development, social awareness and a sense of ownership have made the VDB a preferred lending institution in Siem Reap Province. Other reasons such as consumption and business are a much smaller reason for borrowings. Low interest rates, agriculture and PDI make VDB a preferred lending institution.

### 3-8. Occupations

Figure 8: Occupations

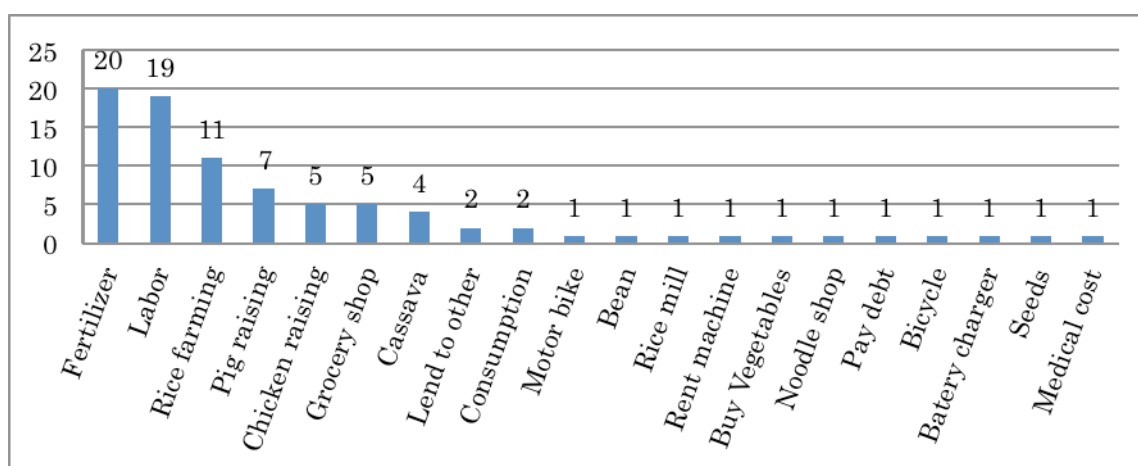


Source: Fieldwork survey

Agriculture is a main occupation of farmers in Tayek commune. Agriculture includes rice farming, livestock, potato farming, beans and casaba plantation. Next occupation is small businesses like grocery stores and CD renting. Other occupations primarily construction work, bicycle workshops etc. are not very significant because it is tiny and backward village economy which accommodates only agriculture.

### 3-9. Micro credit utilization

Figure 9: Credit utilization



Source: Fieldwork survey

How and where borrowers spend their loans is an important question. Because these are rural areas, the local economy offers very little opportunities. In other words except for agriculture, other occupations are almost nonexistent. Microcredit utilization in agriculture is mostly related to the purchase of inputs, e.g.

fertilizers and labor. Livestock rearing, such as chickens and pigs, is the next important utilization of credit. Small businesses like grocery stores rank third in utilization. Very few households use credit for consumption purposes, which indicates that the credit is almost used for investment in productive activities.

## **4. Analysis**

In order to analyze the influence of this program on the local economy of the village, changes that have occurred in several aspects are described. The accessibility of credit, the interest rates, skill development, local industries, the labor market and the savings culture are the aspects of the economy that are focused on are for this analysis.

### **4-1. Access to credit**

Before the implementation of the VDB, the only available sources of credit for most people in the villages under study were traditional microcredit banks, private moneylenders, and friends or relatives.

Microcredit institutions demanded collateral or personal guarantors in order to make a loan and the villagers who could not meet this requirement did not have access to credit from these sources. However, after the implementation of the VDB, villagers had a new source of credit that does not demand collateral.

The only requirement for accessing loans from the VDB is to become a member of the local savings group and save consistently for at least six months. This program made an important change in the access to credit in the villages studied because it makes possible for hundreds of families to have access to credits without the need of collateral.

### **4-2. Interest rate**

Before the launch of the VDB the lowest interest rate available for credit was 3% per month. It is the interest rate that microcredit institutions charge to their clients. Other credit sources such as private moneylenders charge higher rates that vary from case to case. In the most extreme case in our sample, the borrower used to pay an interest rate of 30% per month.

Currently all the villagers who borrow from the VDB enjoy an interest rate of only 1% per month, which is the lowest among all the credit sources available to them (except for relatives or friends who might lend money with no interest).

### **4-3. Training and skills development program**

Before the PDI's arrival in Siem Reap Province, there were no free training programs that focused on productive activities, nor incentives to look for training.

Thanks to the PDI, now villagers can receive free training for several productive activities such as pig and chicken raising techniques, rice farming, and business plan creation. The people who receive credit from the VDB are encouraged to participate in these training programs as a prerequisite to get the credit.

#### **4-4. Pig raising industry**

The pig raising industry has experienced important changes after the arrival of the PDI to the villages studied. The combination of credit provided by the VDB and the training provided by the other programs of the PDI has encouraged many families to start raising pigs as a way to diversify their sources of income. Also, it helped to reduce the average time needed for a pig to grow. In the past, it used to take about 7 months but now that time was reduced to only 3.5 months.

This means that some families who had no experience in raising pigs received training for doing it in an efficient way and the credit to buy pigs and the highly efficient food needed for accelerating their growth. Training and credits were also useful for some villagers who were already raising pigs but did not know or could not afford the most efficient raising techniques.

However it is necessary to mention that in a few cases the pigs died and the overall result was negative because borrowers lost their investments and had to repay loans from their other sources of income.

#### **4-5. Rice farming industry**

The credits provided by the VDB have contributed to rice production by making it easier for farmers to purchase fertilizers and hire labor during harvesting season. Before the VDB, farmers used to borrow money for fertilizers from microcredit institutions or private moneylenders who charged higher interest rates, undermining their profit margins.

The amount of the credit is too small to purchase more efficient technologies such as irrigation systems or specialized machinery. Although they had to pay higher costs, most farmers were already using fertilizers and hiring labor for harvesting even before the implementation of the VDB. Therefore, it cannot be said that this program has introduced revolutionary changes to the rice farming industry but it is certainly improving the accessibility to credit and the costs of credit.

Nevertheless, in the short interviews conducted, there were a few members of the sample who were unable to afford fertilizers before the introduction of the VDB credit and started using it after receiving the first loan. For those farmers, the benefits of the VDB program is not only ease of access to credit and lower interest rates, but also an actual transformation of the way they produce rice and a considerable increase in their productivity and income.

#### **4-6. Labor market**

One of the most common uses of the credit was to hire labor for harvesting rice and other crops. Similar to what happened with the fertilizers, the majority of rice farmers were already hiring labor for harvest even before the existence of the VDB. The cases in which farmers would not be able to afford hiring labor without the credit were very few. Also in most cases, the number of people that farmers hire did not increase either. Therefore, it can be said that although there is some job creation thanks to the VDB credits, the main benefit of this program in the labor market is to reduce uncertainty by providing a stable source of credits for



hiring labor.

#### **4-7. Saving culture**

Before the implementation of the VDB's savings groups, there were few options to save money other than the traditional microcredit institutions. The incentives to save and the information provided were also scarce. However, after the creation of the VDB's savings groups there is a campaign for teaching families the importance of saving in order to make those savings groups grow. Also, the incentives for saving are higher because before receiving credit from the VDB it is required to save for at least six months. Additionally, people are more motivated to save with the VDB savings groups because they know that the money will be used in the village instead of going to other districts as it would if they saved in traditional microcredit institutions.

### **5. Conclusion**

In the short time since this credit program was launched in 2011, it has been functioning to increase the credit availability and improve the credit conditions for many villagers in the region studied. Although it is too soon to evaluate the total impact of the new credit environment it is possible to state that this program has been beneficial for the income generating activities of most of the participants.

According to the results of our short interviews, there were very few cases in which the money was used for consumption. Almost all of the loans went to support productive activities. The families that borrowed money were all local villagers living in the area of study. The average size of the family was 5 members and the main occupations were rice farming, chicken and pig raising and operating grocery stores.

Due to the small amount of each loan, most of borrowers could not use the credits for big investments in capital assets such as machinery, but normally they used the money to buy inputs for their already existing productive activities (fertilizer for rice farmers or stock for grocery stores owners). However, some did use the credit for starting new kinds of business.

Those families who used credits for moving towards better production techniques or for starting new business had a considerable increase in their income. However, families that used credit for new endeavors were few. Most of the credits were used in traditional productive activities. The main benefits for these families were cheaper interest rates and more credit availability.

Training and credit availability helped borrowers to expand their productive activities. There was a high rate of borrowers who, after their first experience borrowing money from the VDB decided to borrow again. This means that most of people were able to repay their loans and also were satisfied enough to take new loans from the VDB.

In summary, in the short time of its existence, the main role of community finance in the region of study has been to support the already existing productive activities in the villages such as agriculture, livestock and small businesses by providing easier access to credit and lower interest rates. However, if the number of

participants and the amount of money available keep increasing, this role could possibly take on new dimensions.

## 6. Acknowledgements

We would like to express our gratitude to several institutions and persons whose collaboration made this report possible. First, we must thank the organizers and financiers of the fieldwork activities at the Nagoya University Graduate School of International Development, the Royal University of Phnom Penh and Campus ASEAN Program. Their excellent organization and great generosity provided to us the best possible conditions to conduct the fieldwork.

Also we would like to acknowledge the faculty and staff of Nagoya University's GSID who guided us in the preparation previous to the fieldwork, during the fieldwork and in the process of writing the report. Especially we must mention the brilliant role of our group advisor Professor Okada. With her astonishing wisdom she could give a great quantity of advice in a few words. Also we must give special thanks to Professor Penghuy who was a key connection between Nagoya University members and Cambodian counterparts.

The members of our Cambodian counterpart deserve also our greatest gratitude. The guidance we received by Professor Naret was a crucial element to achieve our goals in the fieldwork. Also the translation and help we received from the students of RUPP who were assigned to our team was remarkable. Morokoth Keo and Mony Rath not only became members of our team but close friends.

This study could not be possible without the cooperation from several institutions in Cambodia. The government officials in the Siem Reap province, the local authorities in each village, the members of PDI and other NGOs in Cambodia provided us valuable information that was crucial. Equally important was the cooperation of all the villagers who conceded us interviews, gave us information, guided us in the village and delighted us with their hospitality and generosity.

In Cambodia we were impressed by the hospitality of the people in all the places we went to. The people we met in the NGOs, villages, hotels, restaurants, stores, "tuc-tucs" and in the streets were always kind, supportive and warm. We are glad to express our eternal gratitude to all of them.

Finally we would like to say that before this fieldwork we could not imagine what a wonderful is Cambodia and particularly Siem Reap Province. We will always keep in our hearts the beauty of the region and the good memories of this experience. We hope that we can visit Cambodia again and that when that day comes we find a united and much more developed nation.

<sup>1</sup> World Bank. 1998. "Using Microcredit to Advance Women." Prem Notes 8.

<sup>2</sup> Cambodia Country Report Rural poverty in Cambodia

<http://www.ruralpovertyportal.org/country/home/tags/cambodia> (November 3, 2013)

<sup>3</sup> MAFF: <http://www.maff.gov.kh> (November 13, 2013)

<sup>4</sup> The monthly VDB and VTL Progress Report-August 31, 2013, Champei Village.

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## ***Working Group 2***

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### **Lower Secondary School Education in Cambodia**

**~Focusing on Factors that Influence Students' Attendance:**

**The Case of Siem Reap Province~**

1. Introduction
2. Research methodology
3. Literature review
4. Findings & analysis
5. Conclusion
6. Acknowledgments
7. References

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# **Lower Secondary School Education in Cambodia**

## **~Focusing on Factors that Influence Students' Attendance:**

### **The Case of Siem Reap Province~**

## **1. Introduction**

### **1-1. Background**

#### **1-1-1. Cambodian education policy**

The Ministry of Education, Youth and Sport (MOEYS) prepared and published the “Education Strategic Plan 2009-2013”. In the plan, “to establish and develop human resources of the very highest quality and ethics in order to develop a knowledge-based society within Cambodia”(Education Strategic Plan 2009-2013) was introduced as the vision and mission of MOEYS.

In order to achieve this mission, the MOEYS has three policy target areas:

- Ensuring Equitable Access to Education Service
- Improving the Quality and Efficiency of Education Services
- Institutional and Capacity Development for Education Staff for Decentralization

They are implementing strategies in addition to these 3 areas, especially in order to increase attendance at school. For example, they are working to reduce parental cost barriers, increasing the number of scholarships (cash or food) for students from poor families especially girls, and enhancing parent/community involvement in all stages of schooling, especially by commune councils.

In terms of secondary education, the policy objectives for lower secondary education are: 1) to reduce access barriers for students; 2) to improve the quality and efficiency of educational services in order to increase 7-9 survival and grade 9-10 transition rates.

#### **1-1-2. Education Situation in Cambodia**

**Table 1-1: School Enrollment Ratio in Cambodia in 2008**

	Net Enrollment Ratio	Gross Enrollment Ratio
Primary Education	96.0%	125.6%
Secondary Education	37.6%	44.4%

Source: The World Bank. *World Development Indicators*

Like many of the developing countries, Cambodia is facing many educational challenges. One of the major challenges Cambodia is facing is children's enrollment in secondary education. As shown in Table 1 above, the net enrollment ratio for primary education is 96.0% and net enrollment for secondary education is 37.6%. Also, you can see that gross enrollment in primary education is 125.6% and the gross enrollment in secondary school is 44.4%. This data indicates that there is a great drop in enrollment from primary to secondary education. Many children are able to go to primary school, but only half of the children can go to secondary school. In fact, the MOEYS mentions that the completion ratio in lower secondary education is less than half,

just 48.7%, while over 80% of students can complete primary education.

Moreover, the gap between net and gross enrollment ratios indicates that many of the children go to primary school, but there are also many students that do not attend school at a proper age. This is more conspicuous in secondary school. According to the “Education Statistics & Indicators 2012/2013,” the percentage of over-age enrollment in primary education is 19.3%, but the percentage in lower secondary education is 29.4%, and upper secondary education is 34.0%.

## 1-2. Problem statement

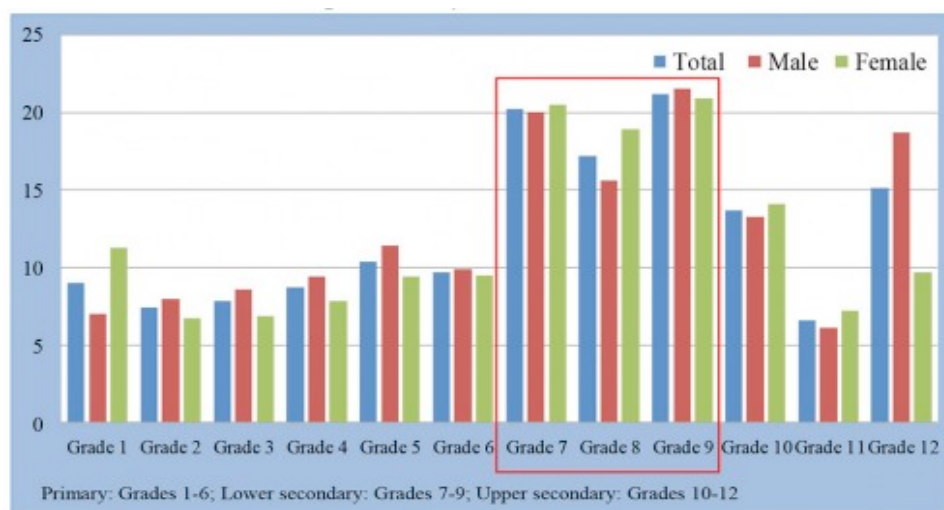
Looking at development from a rights-based approach, education is considered not only as a means of development, but also as a basic human right. This right of access to education is also stated in Article 26 of the Universal Declaration of Human Rights: "Everyone has the right to education." As the declaration also states that education at elementary level should be free and compulsory, many development goals such as set by the Millennium Development Goals and Education for All target universalizing primary education.

As mentioned, the enrollment ratio of primary education in Cambodia has a high percentage: a net enrollment ratio of 96.0 percent and a gross enrollment ratio of 125.6 percent in 2008. However, the ratio greatly declines at the secondary level. Difficulties such as poverty deprive children of the opportunity to attend school. Lack of support for children to access education, especially at the secondary level, is a considerable issue.

## 1-3. Research objectives

The research aims to reveal the factors that influence student attendance at the lower secondary education level in Srah Srang Cheung Village and Tayaek Village. Since the promotion of Education for All, Cambodia has also made significant progress in increasing enrollment rates and completion rates at the primary education level. However, the progress at the secondary level is limited.

**Figure 1-1. Dropout Rate by Grade in Cambodia**



Source: USAID School Dropout Prevention Pilot Program

According to the data from USAID, the dropout rate between grade 7 and grade 9 is relatively high compared to other grades (see Figure 5-1). Therefore, we focus on students at lower secondary school to find out not only the factors influencing their attendance, but also the differences and commonalities of factors between the two villages.

## 1-4. Research questions

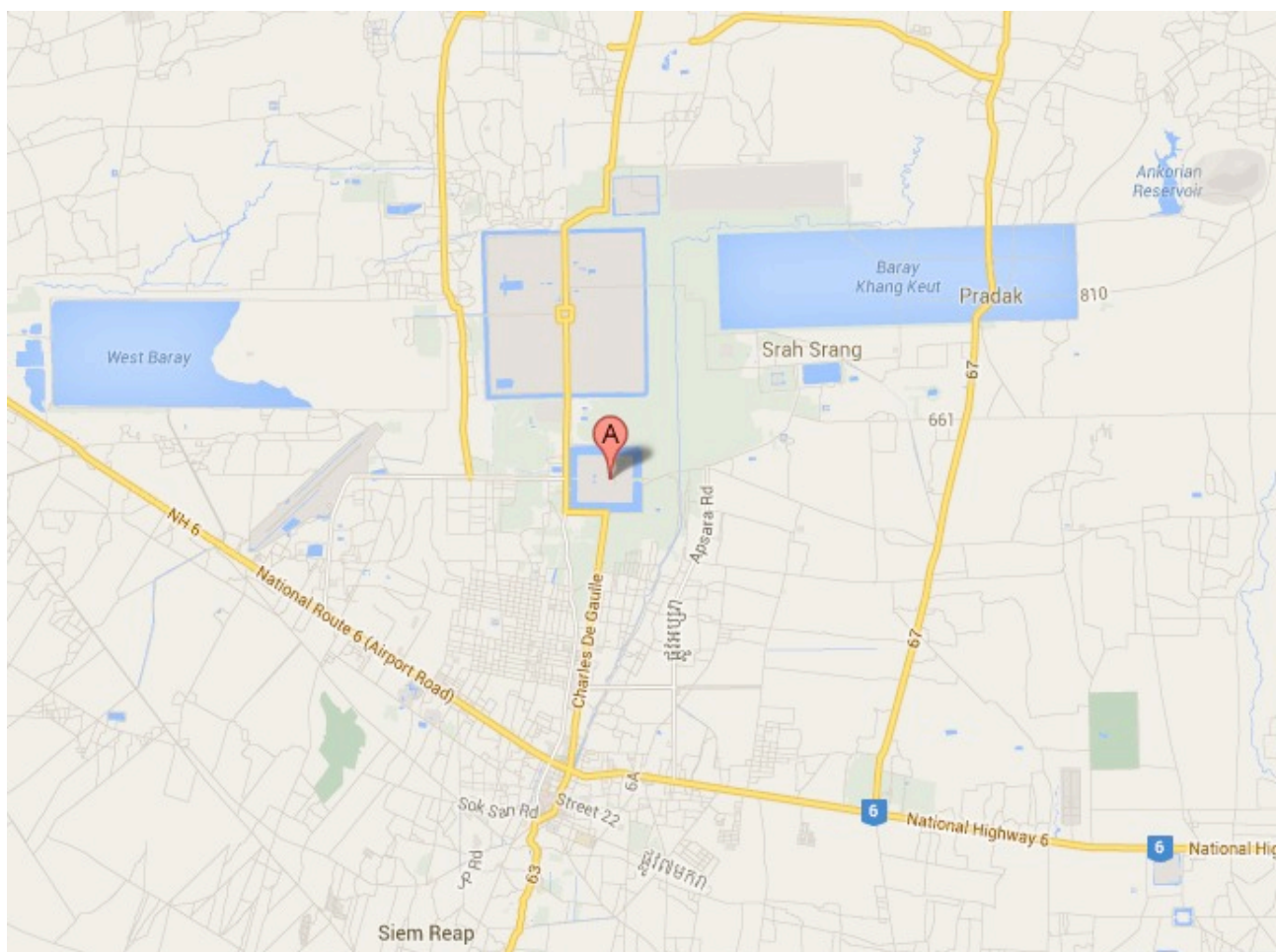
In order to obtain the above research objectives, we developed the research questions as a basic framework. The main research questions are as follows:

- What are the factors that influence students' attendance at the lower secondary school level in Srah Srang Cheung Village and Tayaek Village?
- What are the differences and commonalities of the factors between the two villages?
- How do these factors influence the difference in attendance respectively?

## 2. Research methodology

### 2-1. Research site

Our research sites are located in Srah Srang Cheung Village and Tayaek Village, both of which belong to Siem Reap Province, Cambodia.



There is a significant difference between these two villages regarding their economic situations. The location of Srah Srang Cheung is near the famous tourism sight of Angkor Wat. Benefiting from its advantageous geographic position (see the map below), the service industry has become an important source of local people's income. On the contrary, Tayaek Village belongs to a remote rural region where agriculture is still the main source of income. It is for this reason that the education situations in these two villages are very different from each other.

## 2-2. Interviewees

The table below demonstrates the number of interviewees we chose for in-depth interviews in Srah Srang Cheung Village and Tayaek Village. (see Table 6-1.)

**Table: 2-1 List of In-depth Interviewees**

	Srah Srang Cheung Village	Tayaek Village
Commune Chief	1	1
Village Chief	1	1
No. of Families	13	12
Schools	1	1
Teachers	2 (M1, F1)	6 (M3, F3)
Students	6 (M3, F3)	6 (M3, F3)

Source: Authors

We first conducted interviews with two commune chiefs to acquire the basic economic and education situation of the communes as a whole. As the commune chief suggested, we also interviewed the village chiefs of Srah Srang Cheung and Tayaek Village. Since the students who have dropped out usually have to work, and the period we visited the field was during summer vacation for schools, we decided to conduct the student interviews by visiting the houses of students in secondary school. In Srah Srang Cheung Village we interviewed 13 families, and in Tayaek Village 12 families were interviewed. For the in-depth interview at school, we selected one student from each grade to get detailed information about their family backgrounds and education situations.

In addition to the in-depth interviews, we also distributed questionnaires and organized group interviews. (see Table 6-2 and Table 6-3) In Srah Srang Cheung Village, we conducted a group interview with 44 students from grade 7 to grade 9, of which 10 were male students. In Tayaek Village, we distributed questionnaires to 30 students, of which 9 were male students and 21 female students.

**Table: 2-2 List of Group Interviewees by Grade**

School Location	Number of Students		
	Grade 7	Grade 8	Grade 9
Srah Srang Cheung Village	29	7	8
Tayaek Village	8	8	14

Source: Authors



**Table 2-3 List of Group Interviewees by Gender**

School Location	Number of Students	
	Male	Female
Srah Srang Cheung Village	10	34
Tayaek Village	9	21

Source: Authors

### 3. Literature review

#### 3-1. School dropout in Cambodia

There have been some empirical studies conducted to identify the causes of dropping out in Cambodia, focusing on perceptions of the respondents through interviews, such as the *Report on the Assessment of the Functional Literacy Levels of the Adult Population in Cambodia* (2000). According to the report, 37.5% of the males and 43.6% of the females did not answer the questions. Those who responded cited two main reasons for not continuing their formal schooling: their parents' poverty and the need for the respondents to assist their families. Other reasons were family migration and distance to school. Only 0.4 % of the males and 0.3% of the females stated that schooling was not useful. As little as 0.4 % of the respondents were not satisfied with their teachers.

The World Bank (2005) mentions that poverty, late school entry, inequality, low availability of schools, poor school management, low monetary incentives for teachers, low community participation, poor school facilities, low quality of teachers and geographical disadvantage are the main reasons for dropout. In addition, even milder forms of child labor (children's work activities) are cited as factors that may increase their tendency towards failure, repetition, or dropout altogether. UCW (2007) also listed 16 kinds of hazardous forms of child labor described in the National Plan of Action against Worst Forms of Child Labor (NPA-WFCL). For example, work on rubber plantations, work on tobacco plantations, work on semi-industrial agricultural plantations, handicrafts and related enterprises, restaurants, small business and guesthouse work, street begging and flower as well as souvenir selling are listed.

Kim (2009) argues that many Cambodian policy makers support policies toward combining basic education and child labor that are not evidence-based. His paper suggests that it is necessary to reconsider the assumptions that child labor is inevitable, and that combining work and schooling is the best way to ensure access to a basic education for children.

As a result of the study conducted in five primary schools and five lower secondary schools in rural parts of Kampong Cham Province, No and Hirakawa (2012) concluded that poverty and child labor (amount of time children spent helping their families), which were often cited by the majority of teachers, government officials, and in research findings as the main causes of dropout in Cambodia, did not show any significant influence on the odds of dropout. Their study showed that repetition and low achievement were the main causes of dropout throughout primary and lower secondary levels.

The survey data focusing on perceptions of the respondents through interviews only show their

perception of reality, which is different from actual facts. Even if the students say they like their schools and teachers, it does not mean that the school facilities are appropriate. Also, some data are lacking specifics. For example, the data doesn't specify what "far" means.

### 3-2. Educational situation in Siem Reap province

**Table 3-1: Schools, Classes, Students and Staff**

Number of Schools		864
Number of Classes		5,773
Enrollment	Total	237,777
	Girl	116,491
Repeaters	Total	13,949
	Girl	5,811
Teaching Staff	Total	4,712
	Female	2,642
Non-Teaching Staff	Total	1,176
	Female	414
Total Staff	Total	5,888
	Female	3,056

Source: Education Statistics and Indicators 2011-2012

**Table 3-2: Secondary Schools, Classes, Students and Staff**

Number of Schools		101
Number of Classes		1,111
Number of Classrooms		996
Enrollment	Total	53,843
	Girl	27,682
Repeaters	Total	1,147
	Girl	370
Teaching Staff	Total	1,720
	Female	762
Non-Teaching Staff	Total	329
	Female	107
Total Staff	Total	2,409
	Female	869

Source: Education Statistics and Indicators 2011-2012

**Table 3-3: Enrollment and Repeaters by Grade**

Enrollment in Grade 7	Total	14,988
	Girl	7,969
Repeaters in Grade 7	Total	284
	Girl	104
Enrollment in Grade 8	Total	11,505
	Girl	5,999
Repeaters in Grade 8	Total	188
	Girl	72
Enrollment in Grade 9	Total	9,555
	Girl	4,902
Repeaters in Grade 9	Total	352
	Girl	123

Source: Education Statistics and Indicators 2011-2012

**Table 3-4; School Age Population and Sex-Ratios**

Aged 12-14	Total	68,895
	Girl	33,478
Sex-Ratio of Population (Aged 12-14)	105.8	

Source: Education Statistics and Indicators 2011-2012

**Table 3-5: Indicators regarding Secondary Schools**

Pupils per School		533.1
Teachers per School		17.0
Staff per School		20.3
Buildings per School		2.3
Rooms per School		11.9
Classrooms per School		9.9
Classes per School		11.0
Percentage of Schools	2-shift	68.3
	w/o Water	47.5
	w/o Latrine	21.8

Source: Education Statistics and Indicators 2011-2012

**Table 3-6: Indicators regarding Secondary Students and Staff**

Pupil Teacher Ratio		31.3
Pupil Staff Ratio		26.3
Pupil Class Ratio		48.5
Pupil Classroom Ratio		54.1
Classes per Classroom		1.1
Classroom Area (m <sup>2</sup> ) per Pupil		3.6
Percentage of	Non-Teaching Staff	16.1
	Female Staff	42.4
Percentage of Female in	Teaching Staff	44.3
	Non-Teaching Staff	32.5

Source: Education Statistics and Indicators 2011-2012

### ***Literacy Rate***

The Literacy rate in Siem Reap Province has considerably improved from 40% to 80% due to the following reasons. To begin with, Education for All (EFA) contributes the most to this significant progress. As the EFA plan claims that education is a fundamental human right, various issues of education are emphasized, including adult literacy and gender equality. International organizations, donors and the government of Cambodia have been working together in the whole process of planning, implementation and monitoring to meet the target provided by EFA since 1990. Secondly, as non-formal education, the local government has been running literacy class to eradicate illiteracy. NGOs are also involved in literacy classes, which contribute to

decreasing the illiteracy rate in Siem Reap Province.

### 3-3. Educational situation in Srah Srang Cheung village and Tayaek village

Table3-1. Educational Situation in Lower Secondary Level

	Srah Srang Cheung Village	Tayaek Village
Schools	1	1
Teachers	6	6
Students (Female)	316 <sup>2</sup>	286 (148)

### 3-4. Chronology of schooling, the Khmer Rouge and schooling abolition

During the 12<sup>th</sup> century, the temple educational system in Cambodia grew around Theravata Buddhism, which became the established religion toward the end of 1430 under Thai influence (Encyclopedia Britannica, 2013). Pagoda schools were established to teach moral ethics, literacy, and to give advice about life. They were open for males only (Dy,S.S., 2003). Since the advent of the French in 1863, educational development in Cambodia was neglected. Clayton (2005) and some scholars argue the French purposely restricted education for Cambodians in order first to achieve and then to maintain power in the colony. By the 1964-1966 National Literacy Campaign initiated by Prince Norodom Sianouk, 1,176,466 people out of 1,257,694 who were registered as illiterate became literate (MoEYS, 2000). The total population of that time was about 7 million people.

The regime of Democratic Kampuchea known as Khmer Rouge or the Pol Pot regime seized power in 1975. After that, Cambodia experienced mass devastation of individual property, the formal schooling system, and social culture. The Khmer Rouge destroyed education in Cambodia by eradicating educational infrastructure and killing former teachers. Under the regime, between 75 and 80 percent of its educated population teachers, students, professionals and intellectuals were killed or fled. In regards to secondary education, almost half of the nation's 148 schools were closed. Further, the Khmer Rouge murdered many primary and secondary school students (Ayres, 1999; Sideth, 2003).

## 4. Findings and analysis

### 4-1. The perceptions of the schools

Established in the village in 2011, the Srah Srang Junior School opened and started its functions in the same year. Being a relatively new school in the village and built at a central place, it became very convenient for a large number of students to attend. Since it was just started two years ago, the class for 9<sup>th</sup> grade had not yet started at the time of this research. According to the school plan, it is scheduled to open the next semester. At present, it is the only lower secondary school in the commune. Its low enrollment rates are in part affected by its particular location near to a world heritage spot, which in some cases makes students neglect their studies in

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<sup>2</sup> The lower secondary school in Srah Srang Cheung Village incorporate the students from several villages.

order to spend more time devoted to selling activities in and around the tourist sites. In other cases the effect is positive because some students have the motivation to become professional tour guides once they finish school.

The Tayaek Kumagai Kiyoo Junior School was established in the village in 2009. As with the Srah Srang, according to teachers and some of the surveyed students, it has been very convenient that the school opened in the village because students who live far have an easier and faster commute. The Tayaek Junior School is the only lower secondary school in the commune and for this reason a good number of its students come from the 4 neighboring villages. Being located in a remote rural area, its lower enrollment rates are mainly because of poverty and lack of resources of the villagers. The implementation of an enrollment campaign has started this year.

#### 4-2. Perceptions from the results of the questionnaires and interview to the children

For the question, “why do you want to go to school?” 74 students served as a sample of the survey, of which 44 were from Srah Srang JS and 30 from the Tayaek JS. They were given the question and instructed to rank their preferences regarding the reason of their attendance. In Srah Srang JS, 36 students which represents 81.8% of the total, ranked “to get a better job” as their first preference. The next preferred reason was “because I like studying,” chosen by 32 students and representing 72.27% of the total. The last preference was “to get a higher diploma”, ranked third by 31 students, representing 70.5% of the total.

As for the 30 students from Srah Srang LSS, the option “to get a better job” was ranked first by 29 individuals, representing a 96.7% of the total. The next preferred reason was “To become what I want to be,” chosen by 27 students and representing 90.0% of the total. The last preference was “because I like studying,” ranked third by 22 students, representing 73.3% of the total.

To try to get a better job seems to be the main reason and strong motivation for students to go to school. In both cases, this preference is as much as 80 percent, with a difference of 14 points in the percentage from one school to another. This could be explained by the fact that students at Srah Srang JS probably have better access to information on the importance of having a higher income due to its location near a tourist area. It seems that the students like to study since this preference is seen in both cases. Students also seem to realize that getting a higher diploma is relevant and crucial for purposes of getting a better job, as ranked the third preference in the first case.

Table4-1. Reason of attending school

Question: why do you go to school?		
	Srah Srang (44 students)	Tayaek (30 students)
1	To get a better job 36 (81.8%)	To get a better job 29 (96.7%)
2	Because I like studying 32 (72.7%)	To become what I want to be 27 (90%)
3	To get a higher diploma 31 (70.5%)	Because I like studying 22 (73.3%)

The second question posed to the same two groups of students was. “what do you want to be in the future?” This time they were instructed to mention one desired profession or occupation. From the 44 students at Srah Srang JS, 16 of them or 36.4% of the total, including a male individual among them stated that they want to become a doctor or a nurse. The perception is that these jobs are the most desired because of the lack of professionals in the village, and as stated by the interviewees, these are supposed to be the most well paid jobs among others. This result seems to make sense with the result from the previous question, where the majority of them aim for a better job. Marking 31.2% of the total, 14 students answered that they would like to become teachers. This profession, as the second most desired job, was given preference because as interviewees indicated, a teaching job seems to offer stability of income and a special status in the social circles of society in the village, while being a very well respected profession.

Further, 18.2% represented by 8 individuals answered that they want to become tour guides. Being a tourist area this occupation seems to provide the chance of getting a good job in an easy, fast and practical way. Relating this result to the previous questions, the interviewees who expect to become guides are almost the same as those who answered that they go to school because they like to study. In this case, they like to study English, the culture and history of the country, and interacting with foreign people. Six interviewees representing 13.6% of the total percentage answered other professions as their desired occupation for their future.

The second question posed to the students at Tayaek JS had higher expectations for becoming teachers. Ten out of the 30 interviewees, 33.3% of the total, answered that they want to become a teacher. When asked about the reason for choosing the profession, they replied that a teacher is both very well regarded, and that a teaching job gives a one a special status in the village. On the other hand, it seems that the students realize to some extent the lack of teachers in the village, and some of them stated their vocation of a career in the education sector. The desired job by 8 individuals, and 26.7% of the total as the second most preferred profession was becoming a doctor or a nurse. Corresponding to the previous school, most students stated that they would like to have a job in the medical sector with the main reason being that such jobs offer a good income and social stability. The second reason is that they are aware of the lack of professionals in this field within their commune, which leads to an increase in the number of sick people. Among them, some stated that they opted for this career because at home they had sick family members and wanted to do something about it by becoming a professional in the field. Becoming a tour guide was the third desired profession as was becoming a police officer. These two professions, chosen by 3 students making each a 10% of the total respectively, seemed to have a certain preference among the interviewees. Those who wanted to become guides stated that there is a demand for this profession and at the same time it would be a practical way to have a good income. When asked about the reason for wanting to become a police officer, some the other 10 interviewees said that the social problem of cheating and conning is a serious issue in the commune, thus they would like to fight the problem as police officers. On the other hand, for some it was because of the income stability and social security that this

profession provides. The remaining 6 students, represented as 20% of the total, declared that they want to become professionals in other fields.

Table4-2. Future vision

Question: what do you want to be in the future?		
	Srah Srang (44 Students)	Tayaek (30 Students)
1	Doctor/Nurse 16 (M1) (36.4%)	Teacher 10 (M1) (33.3%)
2	Teacher 14 (M1) (31.8%)	Doctor/Nurse 8 (M1) (26.7%)
3	Guide 8 (M2) (18.2%)	Guide 3 (M0) (10%)
		Police 3 (M3) (10%)
	Others 6(M5) (13.6%)	Others 6 (M5) (20%)

### 4-3. Perceptions from the results of the interviews with the parents

The first question in the interviews with the parents was to find the reasons for sending their children to school. For this purpose, 12 households were interviewed in Srah Srang Village, and another 12 in Tayaek Village. They were instructed to rank the reasons. Ten families in the Srah Srang Village and 8 in the Tayaek Village mentioned as one of the main reasons “to get knowledge.” After being asked why it is important for their children to get knowledge, in most cases it was mentioned how relatives or some members of the village fell victim to cheating or being indebted by fraudulent transactions by loan sharks. In any case, they believed that these people usually got in trouble because of their low level of education and lack of understanding for issues such as debts. Further, they believed that not thinking in a critical way also made them vulnerable targets. The second reason, to get a better job, was mentioned by 7 families in the first village and 12 in the second one. All of them stated that they want their children to get a better job and not to have the same jobs their parents had. They mentioned the hardships and struggles that people without a proper education have to go through, and they don’t want their children to experience the same suffering as they did. To get a higher diploma was mentioned in both villages. While talking with the interviewees, it was evident that most of them recognized the importance of education and the relevance of possessing academic certification, not only for the benefits that they provide, but also for the social recognition among the villagers, and for the reputation that the family will gain when a member becomes an educated person. Learning morality seems to be very important among villagers. This answer, given by ten households out of the 24 families in both villages, shows that the issues of morality for a better living and understanding of what is right and wrong is a matter of importance.

In the interviews with the parents, we also asked the question “Why don’t you send your children to school?” Poverty was raised as the primary reason in both of the villages. Most of the parents answered that poverty made their children drop out from school, because they needed their children to work and support their

family. We also asked “If you had money, would you send your children to school?” to which all of the parents answered yes. This shows that the parents want to send their children to school, but they can’t because they are poor and cannot afford to send their children to school.

Table4-3.Reason of not sending children to school

Question: Why don’t you send children to school?		
	Srah Srang(9Families)	Tayaek(8Families)
1	Poverty 9	Poverty 3
2	Transportation 5	Failure of Exam 3
3	Family Issues 3	Marriage 1
4	Marriage 2	Transportation 1
5	Failure of Exam 2	Family Issues 1

Another important reason was failing exams. This is not exactly why parents don’t send their children to school, but it shows that failing exams is a big issue. When going on to the next grade, students need to pass an examination. If the student fails, he or she needs to do the same grade for another year. This eventually leads to dropping out. One of the parents felt that her child wouldn’t be able to pass the exam even if she studied for another year, so she decided to make her child work instead of going to school. But failing exams is not only the student’s problem. It is possible that lack of textbooks or classrooms leads to the low quality of education, which eventually causes students to fail the exams. So, failing exams can’t only be considered a lack of attitude towards education, but many factors are involved.

Transportation is also one of the main reasons why parents don’t send their children to school. Transportation includes distance and bicycle problems. Distance can be one of the main issues. We interviewed parents who have children that dropped out before the school was established in 2011 in Srah Srang. One of the parents mentioned that before the school was established, her children had to go to a school in the Siem Reap town, which takes over an hour by bicycle. This was too far, and her child could not continue to go to school, since there was fear of getting involved in a traffic accident. Bicycles are another issue regarding children dropping out. There are many children that need a bicycle to get to school since it is too far to go by foot. However, bicycles are not cheap and many families can’t afford to buy one. Even if the family is able to afford a bicycle, some don’t have money to repair the bicycle after it breaks. Bicycles break very easily since they aren’t very well made, and the roads are not paved so bicycles can’t withstand the bumpy roads.

There were also many family issues raised in the interviews. One was the illness of a family member, especially the mother or the father. When one of the parents becomes ill, children need to work in order to support the family. Sickness is not a very rare issue in Cambodia, and this causes children to not attend school and instead stay home to work. There are also other family problems including the parents’ disappearance.

The interviews with parents show that poverty is the base of all problems relating to the attendance of children in lower secondary school. Poverty leads to transportation problems, family problems, and examination



problems. However, it cannot be assumed that if we reduce poverty, then the attendance rate will increase. There are many issues involved, and raising the attendance rate is not a simple issue.

#### 4-4. Perceptions from the interviews with stakeholders

Table4-4. Attendance rate of lower secondary school

Question: What is the attendance rate of lower secondary school?			
	Commune Chief	Village Chief	Teacher, Director
Srah Srang	Not sure	100% Attendance	95% Attendance
Tayaek	70% Attendance	Not sure	80% Attendance

In an interview with stakeholders, we asked questions about the children's attendance of lower secondary school. The interview was held with 3 stakeholders from each village; the community chief, village chief, and the director, as well as some teachers at the lower secondary school.

For Srah Srang Village, we received answers from the village chief and the director of the lower secondary school. The village chief answered that almost 100% of the children attend lower secondary school. He mentioned that the establishment of the lower secondary school in 2011 was the biggest reason for children to attend school. Before 2011, children had to go to a nearby village or to the center of Siem Reap city to go to secondary school. However, since the school was established inside the village, it made it easier for the children to attend school. Although the village chief was not aware of the exact percentage or the number, he was sure that most of the children go to secondary school. Even though there is a very high attendance rate, he also mentioned the many issues surrounding the educational situation of the village.

The first issue was the lack of classrooms. Although the school was established, there are not enough classrooms in which everybody can study. Therefore, children take turns going to school, so that some go in the morning, and some go in the afternoon. Thus, children are not able to study at school for the entire day. Relating to the issue of classroom shortage, the village chief also mentioned the 9<sup>th</sup> grade class. Since the school was established only in 2011, the 9<sup>th</sup> grade does not exist yet, and 9<sup>th</sup> grade classes may not open if the school cannot secure a space for 9<sup>th</sup> graders. Later, we found out from the director of the secondary school that the 9<sup>th</sup> grade will open in the following year.

Another issue the village chief mentioned was the relationship between the development partner and the local authority. A few years ago, there was a development partner in the village that funded the establishment of a school. However, the problem was that there was no land on which to build, and they could not get permission from the authority. Later, when permission was given to build a school on a certain piece of land, the development partner had already left, and they had no money to build a large school. First, there was money but no land, then, there was land but no money. The village chief was very disappointed about this issue. He stated that had either the relationship or timing went well, there would have been a larger school, which would have

increased attendance.

An interview was also held with the director and teacher at the lower secondary school in Srah Srang Village. The teacher answered that about 95% of the children attend lower secondary school. This is not exactly the same from the village chief's answer, but it shows that a high percentage of children attend lower secondary school. The main reason for the relatively high attendance rate is the fact that the school was established inside the village, but this is not the only reason. Another reason that the teacher mentioned was the encouragement teachers provide for the children's parents towards education. According to the director, the main reason for dropout is poverty. When families can't afford to send children to school, children tend to quit school and work. However, teachers at the lower secondary school visited the families that have poverty issues, and encouraged the parents to send their children to school. This action not only encourages parents, but it develops a firm and reliable relationship between the school and the community. The relationship leads to a better understanding and trust towards education, which leads to a higher attendance rate. Even so, the teacher and director mentioned several issues regarding education.

The first thing the teacher mentioned was the lack of materials for learning. There are not enough textbooks for everybody, and many children can't afford to buy stationary that is necessary for learning. On the other side, the director mentioned the lack of teachers at school. There are only 6 teachers at school that teach 316 children. This means each teacher must teach over 50 children. Also, each teacher needs to teach more than 2 subjects. This may lead to the low quality of education, which may eventually cause dropouts. Therefore, even though there is a relatively high attendance rate in the secondary school in Srah Srang, there are still many issues regarding the educational situation.

For the attendance of the lower secondary school in Tayaek Village, we could get answers from the commune chief, as well as the director and the teachers at the school. The commune chief mentioned that about 70% of the children attend lower secondary school. According to the commune chief, the main reason that 30% of the children don't attend school is poverty. Since the children's families are very poor, they cannot afford to send their children to school. There are many examples demonstrating how poverty leads to dropping out. Without money, children cannot buy stationary or things they need to learn at school, and some children may need to work in order to support their family. The commune chief also mentioned migration as one of the reasons for not attending school. Migration is very closely linked with poverty. The reason children migrate is to find jobs and support their families. Migration may be either external or internal. For external migration, the most popular destination is Thailand, which is the closest in proximity and one of the richest countries in Southeast Asia. For internal migration, the most popular destination is Siem Reap, where many find work, such as in construction.

The director mentioned that one of the major reasons for non-attendance is poverty. This is common for all of the stakeholders we interviewed. Other than poverty, the director mentioned the influence of parents. By influence, it didn't mean that the parents don't care about education or don't want to send their children to school. Interviews with parents revealed that many of the parents did not finish school and dropped out at early

education levels. This is due to many reasons, for example the Pol Pot regime, which banned all education. Children see their parents grow up and live a life without completing an education. Although the parents want their children to attend school, children see their parents and think that they can live without having an education. This is one of the influences of parents that make children drop out from school.

Teachers also mentioned the attendance issue in lower secondary school. One of the teachers mentioned that students' personal problems are also one of the issues. Personal problems include laziness or lack of motivation towards education. Many, but not all children believe that education is better for their future. Some children think that it's better to earn money than go to school. This leads to a decreased attendance rate.

## **4-5. Three important issues**

From the results of questionnaires and interviews, we found people's perspectives on schooling. In this section, we discuss in more detail the following three issues that we thought have the greatest influence on children's attendance.

### ***1. Distance***

In both villages, Lower Secondary Schools (LSS) opened in the villages in recent years. In Srah Srang village, the LSS opened two years ago with classes of seventh and eighth grade, and the ninth grade's class opening in the next year. In Tayaek Village, the LSS also opened in 2009.

In Srah Srang Village, according to the village chief, the enrollment rate has risen from around 50% to almost 100% compared to before the LSS was established in the village. During the interviews, we met one student who didn't have a bicycle and couldn't go to school if the LSS wouldn't have opened in the villages. We also heard that the attitude of parents toward schooling also has changed. The Srah Srang Village chief said some parents came to encourage their children to go to school after the establishment of the LSS. One student said "when school was far, parents didn't agree to send us to school" because a long commute requires a bicycle, which is a burden for the family financially. Also in Tayaek Village, students mentioned that schools used to be far, and it was one of the reasons children couldn't continue to go to school. The Ministry of Education mentioned that the situation of schools regarding the distance is getting better because schools and houses are located closer than before, which is one sign of progress.

In some cases, when there is no need for schools, simply placing schools near to houses may not be effective. But in these two cases, we found that people want to go school if they can, and establishing schools nearby houses can help them to attend school. As mentioned in the part of results of questionnaire, "for future job," the occupations that many children in these two villages desire, need education. Even in Tayaek Village, in which most adults are engaging in agriculture, no child stated that she/he wanted to become a farmer. We found that people think schooling helps them to get better job and better life, and the needs for school are very high.

The questionnaires were distributed in the LSS and the results came from only the children who were continuing to attend school, so it may be biased in some degree. However, when we visited the families in the

villages, there were many children who had already dropped out of school, and we could hear the opinions of these children as well.

## ***2. Influence of parents***

As many researchers have pointed out, there is a great impact from parental influence on children's schooling, (World bank, 2008). Theoretically, school enrollment and dropout rates are determined by a household's demand for education and the supply of education services (Connelly and Zheng, 2003). Demands for education are different according to the parents' understanding the importance of education.

In the two villages of Cambodia where we conducted our fieldwork, like in other developing countries, household poverty is a major factor keeping many children out of school. Under that situation, parents often have difficulties in affording to send their children to school, and if they also think schooling is not important, they are likely to force their children to withdraw. Especially in Srah Srang Village, since the location is nearby a tourism site, there are a lot of opportunities to gain money and some parents want their children to quit school and do part time jobs. On the other hand, when parents recognize the importance of education, they also can be a positive influence to encourage their children to go to school.

One female student in Srah Srang Village said that some parents tempt children to quit school by telling them that they can earn money if they work instead of attending school, and also tell them that they can only get benefits of schooling in the remote future. Furthermore, once they start to do part time jobs and gain income, they gradually lose interest in schooling. On the other hand, in the case of the student interviewed, her parents and especially her mother, was the person who strongly encouraged her to go to school. Her mother told her that if she sells souvenirs, she could get money, but it is a tentative activity and couldn't be her future job, so she must keep on studying to get a better job.

When we asked the directors of LSS in two villages, neither director raised parental influence as one of main reasons for dropping out. However, they did recognize that improving parent's understanding about the importance of education really helps to encourage student to go to school and to decrease the dropout ratio. In the both villages, teachers strongly encouraged children in the classroom. And not only in the classroom, they visited houses directly and explained the importance of education to parents for children who are likely to dropout and/or who already had dropped out but had the chance to come back to school. They thought that changing the attitude of parents was an efficient strategy for reducing the dropout rates.

As mentioned in the literature review, Cambodia had a tragic experience during the Khmer Rouge period. During the period, almost half of the 148 secondary schools in the country were closed. The Khmer Rouge destroyed education in Cambodia by eradicating the educational infrastructure and killing former teachers (Ayres, 1999). Presently, there are still many illiterate people in Cambodia. Most parents in both villages had few, if any, schooling experiences because of the Khmer Rouge. Some parents mentioned that they wanted their children to go to school because they don't want children to be illiterate like themselves. But they

could not realize other benefits of education other than just obtaining literacy. One mother in Tayaek Village said that she could not imagine what education brought to her son because she had no experience. The commune chief of Tayaek also said that since most of the adults in the village were illiterate, children tended to think they could live good enough without education like their parents and didn't recognize the importance of schooling.

From the situation of two villages, we could find out how the parents' attitude toward education has a great influence on their children's schooling in both direct and indirect ways, and it can have either a negative or positive impact.

### ***3. Relationship between child labor and dropout***

As introduced in the literature review part, there is much research about the causal relationship between child labor and dropout rates. While some people say that even softer forms of child labor (children's work activities) are factors that may increase their tendency towards failure, repetition, or dropout altogether, other researchers say there is no significant influence of child labor on dropping out. One researcher even says that child labor is inevitable and it is necessary to consider how to combine work and schooling.

What can we say from observing the cases of these two villages? In Srah Srang Village, many children have part time jobs. Actually, 5 out of 6 students whom we asked in the group interview had a part-time job. They usually worked after school, weekends, and during their long vacation periods. Most of them helped the restaurants in the village or sold souvenirs on the road in front of village or tourism sites. On the other hand, in Tayaek Village, no one among the 6 students who were interviewed had part time job. This was because, the major job opportunities in the village were working on potato farms and the work areas were far from their houses, requiring many hours on the farm. This is a different situation from Sra Srang Village in which children could work for just several hours after school. In Tayaek Village, there were no available jobs that could be done after school. Thus in Tayaek, children had to choose between going to school or working. If there were any financial problems and they had to help their family, they had no other choice than to give up schooling.

As shown in the results of the interviews, according to the stakeholders, it seems that the enrollment ratio was better in Srah Srang Village than in Tayaek Village. Considering that motivation and needs for schooling were almost the same in these two villages, it seems that job opportunities did not necessarily have only a negative impact on children's schooling. It could be said that a part time job, which has compatibility with schooling, could work as a kind of "cushion" that would help to reduce the possibility of dropping out because of the family's financial problems. Children in Srah Srang Village could work and help their families and also earn money for their studies by themselves without giving up schooling. In Tayaek Village, there were no job opportunities that worked as a "cushion", so children were forced to quit school when parents could not afford it. The relationship between child labor and dropping out seemed to depend on what kind of job opportunities were available, or if the job had compatibility with schooling, allowing children to continue attending school and work for family at the same time.

## **5. Conclusion**

The biggest factor is poverty in both villages, but still there were many other factors, which directly influenced student's attendance at school. The opportunity for "part-time jobs" was the factor that seemed to influence the difference of attendance between the two villages. In tourist areas, with many opportunities to get a part-time job, there were two options when the family couldn't afford to support their children to go to school; either quit school, or to go to school and work part-time. In agricultural areas where there were no chances of getting a part-time job, there was no choice but to quit school when the family couldn't afford to support the children to go to school.

Limitations of our research include the short time period (one week) to conduct interviews. Because of this time limitation, we could only interview with a limited number of families and students. Additionally, we could only interview in two villages in different communes. The students in the secondary schools came from several villages and unfortunately we could not interview the families of the students coming from other villages. The biggest limitation of our research was that we could not interview with the children who have dropped out from secondary school. We did get some information about the students' brothers and sisters who have dropped out from school, but the amount of the information about dropout children was very little compared to that of children attending to school.

After our research, we would like to provide a few recommendations. Preparing scholarships for the most needy students, building more schools near households in order to reduce the issue of the distance to schools, lending bicycles and developing bicycle repair services for the students would help those who live far away from schools and in turn, may encourage parents to send their children to school. In addition, providing opportunities to gain side income, may work effectively in increasing the attendance to schools. These are some of the suggestions we would like to make, after going through our research.

## **6. Acknowledgments**

Foremost, we would like to express our sincere gratitude to our adviser Prof. Fujimura and Prof. Veara for the continuous support and constant encouragement throughout the fieldwork. We would also like to express our appreciation to all the people who kindly gave us their precious time to respond to our queries during the field work in Cambodia, especially the Board of Education, commune/village chiefs and families in Tayaek and Srah Srang Cheung, the teachers and the students at Tayaek Kumagai Kiyoo Junior School and Srah Srang Junior School. Finally we cannot express enough thanks to our RUPP counterparts, Mr. Kong Sopheak and Ms. Rineth Sen for their insightful suggestions, support, and patience.

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## ***Working Group 3***

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# **The Paradox of the “Thailand Dream”: Understanding Migration from the Perspective of Rural Women in Cambodia**

1. Introduction
2. Problem Statement
3. Significance of the Study
4. Research Objective and Research Question
5. Methodology
6. Findings
7. Analysis
8. Conclusion
9. References
- Appendix

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# **The Paradox of the “Thailand Dream”: Understanding Migration from the Perspective of Rural Women in Cambodia**

## **1. Introduction**

Migration is a population movement, encompassing any kind of movement of people, whatever its length, composition and causes; it includes migration of refugees, displaced persons, economic migrants, and persons moving for other purposes, including family reunification (IOM, 2004). Amid the tidal wave of globalization, it is increasing in scale and nature, becoming a visible phenomenon. As estimated 214 million people are migrating worldwide, which means 3.1% of the world population are migrants. In addition to that we can also see a feminization trend in global migration (IOM, 2010).

At the international level, there is no universally accepted definition for "migrant". The United Nations defines “migrant as an individual who has resided in a foreign country for more than one year irrespective of the causes, voluntary or involuntary, and the means, regular or irregular, used to migrate” (UN, 2009). Under such a definition, people traveling for shorter periods as tourists and businesspersons would not be considered as migrants. However, certain kinds of shorter-term migrants, such as seasonal farm-workers who travel for short periods to work to plant or to harvest farm products, are included in the common usage.

In Cambodia, migration is an growing development issue. Having emerged only recently from a civil war that lasted more than three decades, Cambodia is a new entrant to the phenomenon of international migration. With the country’s rapid economic growth, starting from in the early 2000s, the number of migrants crossing the border has been rapidly increasing since the late 2000s. This implies the growth has not created sufficient job opportunities for the large pool of young people and adults who are eager for work. For Cambodian migrants, the top three destinations are Thailand, Malaysia and South Korea. According to figures from the Cambodian Ministry of Labour and Vocational Training, there were a total of 90,000 Cambodian people migrating between 1998 and July of 2011 through officially recognized channels. Among them, some 36,000 went to Thailand, some 45,000 to Malaysia and the rest of them went to South Korea (Yamada 2012). However, it is estimated that there are more than 200,000 Cambodian migrants in Thailand and among them, 180,000 are living or working there in an irregular situation, which is becoming a concern for the Cambodian government (Bloch and Chimienti 2011).

From a legal perspective of the admission criteria, migration can be classified into two types: regular and irregular. The former refers to migration that occurs through recognized, legal channel, whereas the latter is movement that takes place outside of the regulatory norms of the sending, transit and receiving countries.

Migrants that infringe on a country’s admission rules and remain in the host country as an unauthorized person, lacking legal status in a transit or host country due to the expiration of his or her visa, is called an

irregular migrant<sup>3</sup>.

## **2. Problem statement**

Despite its prevailing negative image, more and more Cambodian migrant workers have come to use the irregular process, which has a higher probability of exploitation and is considered dangerous compared with the regular process of migration. Several factors such as cheap costs and simple procedures, as well as the growing number of recruitment agencies and middlemen providing migration assistance to Cambodian workers going abroad, make irregular migration attractive. In addition, there seems to be a network among migrants, which can promote this process.

## **3. Significance of the study**

Although there have been numerous studies on women migration in Cambodia, few of them focus on the perspective of irregularity. Therefore, this research seeks to understand the phenomenon of migration in the context of Cambodia specifically, to analyze why women migrants prefer irregular migration to regular migration.

Moreover, for a long time irregular migration has been interpreted as a problem, leading research to adopt policy perspectives and suggest solutions on this 'problem' (Bloch and Chimienti 2011). However, this study tries to understand the issue of irregular migration as a result of each migrant's 'rational choice' despite the disadvantages of the irregularity, which reflects the reality observed in the field.

Based on the findings, this study hopes to provide information to relevant organizations and future researchers in the field of migration. Furthermore, it attempts to provide recommendations on how to better address the needs of women migrants in order to prevent irregular migration and provide them protection when working overseas.

## **4. Research objective and research question**

### **4-1. Research objective**

Given the situation in which Cambodian women migrants choose the irregular way, despite the risks and costs, we would like to identify the reasons for choosing irregular migration rather than regular migration among women, specifically.

### **4-2. Research question**

Why do woman migrants choose irregular migration rather than regular migration?

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<sup>3</sup> The term "irregular" is preferable to "illegal" because the latter carries a criminal connotation and is seen as denying migrants' humanity.

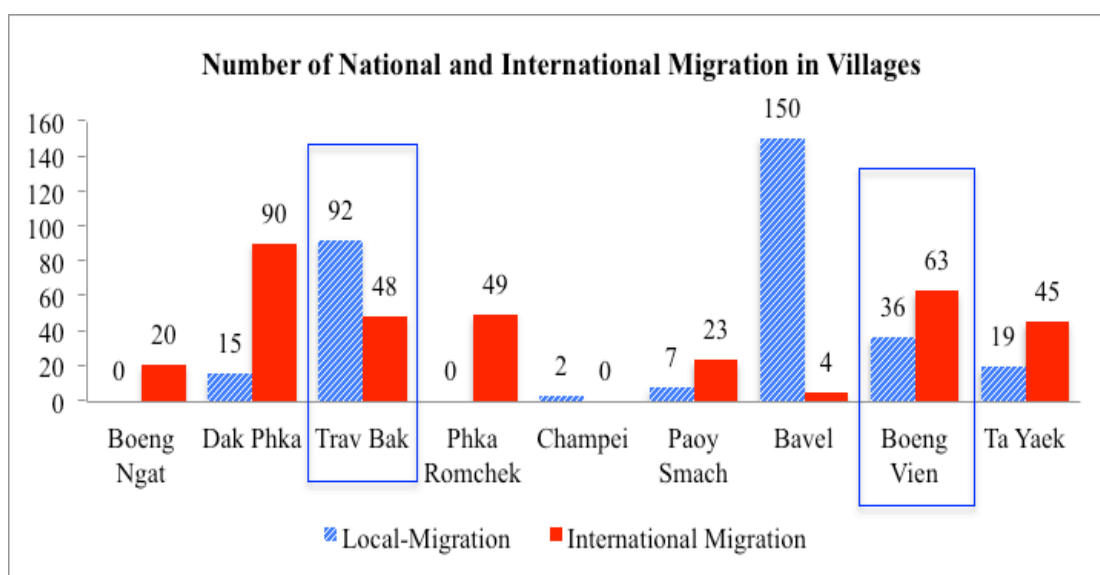
## 5. Methodology

### 5-1. The research site

The research site covers two villages, Boeng Vien Village and Trav Bak Village and both are part of the Tayaek Commune, South Nikom District, Siem Reap Province, Cambodia. Based on the data from the Tayaek Commune Profile 2012, there is a clear difference between these two villages in terms of the numbers of international and internal migrants. As shown in Figure 1, Trav Bak Village has more internal migrants than international migrants, whereas in Boeng Vien Village the situation is the opposite. For this reason, these two villages were chosen to be the research site.

Boeng Vien has a population of 1,017, comprising 196 households with an average household size of 5.2. There are 99 migrants of which 23 are women. The primary occupation for the village is agriculture, wherein 90% of its population is engaged in it.

**Figure 1: Number of International and Internal Migrants in the Villages**



Source: Tayaek Commune Profile 2012

Trav Bak has a population of 1,686, comprising 368 households with an average household size of 4.6. There are 140 migrants of which all are women. Like its neighboring Boeng Vien Village, 90% of its inhabitants depend on farming as a major source of livelihood.

### 5-2. Research approach

This research paper uses both descriptive and qualitative approaches to better navigate the research objectives presented earlier in this paper. This approach is primarily useful when the study describes the characteristics of a specified problem area (Lekvall and Wahlbin, 1993). Since migration of women in rural villages of Cambodia has already been occurring for a period of time, part of this study describes the

socio-economic situation in rural areas that compel women to migrate.

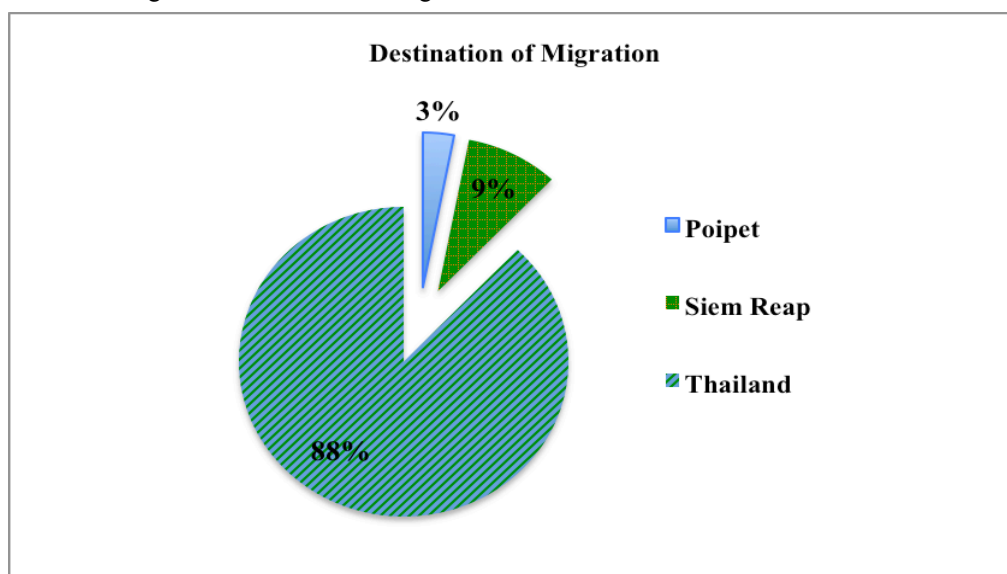
The qualitative approach is used when the study seeks to understand and interpret variations or flexibility observed in complex problems (Lundahl and Skavard, 1999). It facilitates deeper investigation as well as offers the researchers freedom when analyzing the results of the in-depth interviews. Through this approach, we want to explore why women in the rural villages of Cambodia migrate in search for jobs outside their villages or country. Subsequently, we want to know why Cambodian rural women choose the irregular way over the mechanisms set up by the government to facilitate migration. These matters shall be discussed in the findings and analysis section of this paper.

### 5-3. Data collection

The primary data for this study was gathered through in-depth interviews. Except for the migrants and non-migrant villagers in the research site, the respondents from the various offices were already pre-determined in order to ascertain that the data and information to be collected is related to the intended study. This involves key informants from the Department of Labor and Vocational Training and the Department of Women's Affairs in Siem Reap Province and the village chiefs of the two villages. Purposive and snowball sampling were utilized by the study to identify and locate additional women migrants for the in-depth interview.

Secondary data was also used in this study to broaden the sources of information related to the study of interest (Ghauri et al, 1995). In this study, we acquired some general information, namely the migration statistics of Cambodia from academic and government institutions of Cambodia. For the statement of the problem, research objective and questions, as well as the discussion and analysis of this study, a wide range of literature was reviewed.

Figure 2: Destination of Migration



Source: Authors

## 6. Findings

## 6-1. Migration destination

As shown in Figure 2, among 34 women migrants interviewed in the villages of Boeng Vien and Trav Bak, 88% of them migrated to work in Thailand, followed by 9% to Siem Reap and 3% to Poipet. Economic factors were the main reason they chose Thailand rather than other places in Cambodia.

## 6-2. Economic reason

Thailand is known as one of the leading economic countries in Southeast Asia and is classified as a middle-income country in which people can earn at least 150 THB (USD \$5) a day. Thailand adopts a minimum daily wage policy of 300 THB (USD \$10) a day<sup>4</sup>, which came into effect on January 1<sup>st</sup>, 2013. The daily wage in Thailand is much higher than that of Cambodia, which is about USD \$2.67 per day. On average, women who migrate to work in Thailand can earn 200 -250 THB (USD \$6 – 8) per day in the primary sector, which is higher than that of Cambodia at USD \$2.5 -5 per day.

The economic structure of Thailand is shifting gradually from the primary sector to the secondary and tertiary sectors, which demands high-skilled labor from within the country, while hiring low-skilled labor from neighboring, lower-income countries. The official data from the Thailand government illustrates that there are approximately 2.5 million low-skilled workers in the country. These workers are employed in ‘3Ds jobs,’ so called because they dirty, dangerous, and demanding. Among them, 60% are unregistered migrant workers from other countries such as Myanmar (75%), Cambodia (20%), and Laos and others (5%)<sup>5</sup>.

Cambodia is considered a low-income country where it is difficult to find jobs and earn money, particularly in rural areas. Rural people cannot do anything apart from farming and selling labor, which provide them with unstable yields and incomes. Since most people in the villages are poor with little to no education, the opportunity to find jobs in cities or towns has become challenging, especially in Siem Reap City, a famous tourist destination that demands high-skilled labor.

## 6-3. Other reasons

Aside from the economic factors, there are other reasons, such as hoping for new experiences and aspirations, the presence of strong networks in Thailand and the geographical proximity of Cambodia to Thailand. Some respondents said that they are looking forward to having new experiences and possibly receiving higher wages when working abroad. In addition, because of strong networks, such as relatives or co-villagers, in Thailand, it facilitates their experience and process of migration.

Figure 3 illustrates some of the reasons why women in the villages migrate. Interestingly, 50% of women in Boeng Vien village migrate to find a high-paying job as the main reason, followed by getting out of poverty and looking for a job at 15% and 10%, respectively. In contrast, in Trav Bak village, the majority of women migrate in search for a job at 42%, followed by finding a high-paying job at 33% and getting out of

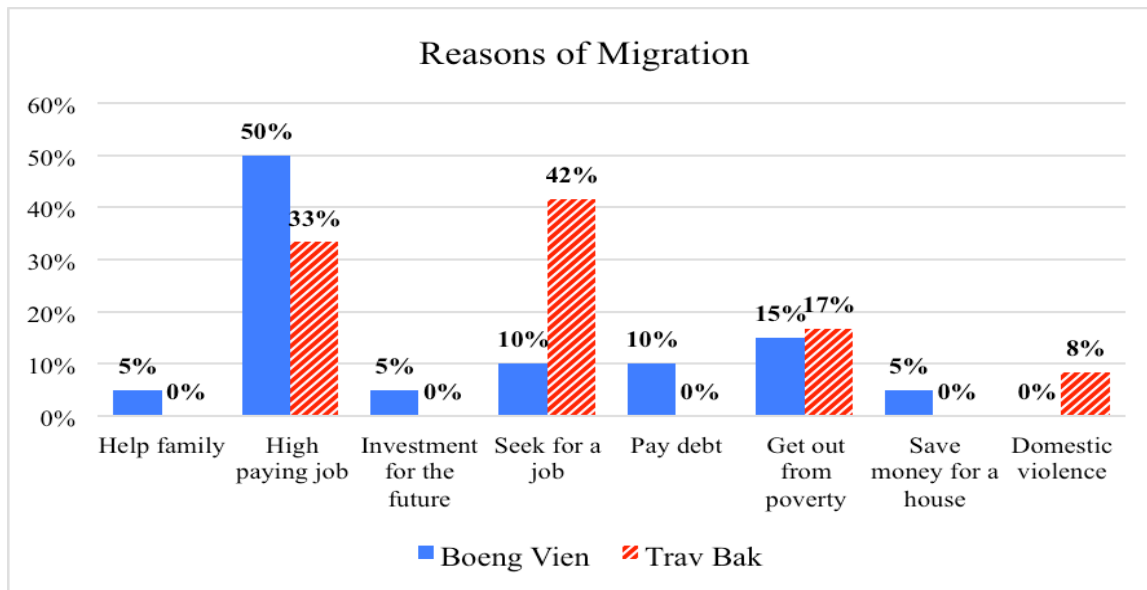
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<sup>4</sup> <http://asiafoundation.org>

<sup>5</sup> <http://www.english.panglong.org>

poverty at 17%. Compared to Boeng Vien, there seems to be less job opportunities in Trav Bak, which is located in a more remote area with less economic activity and poor physical infrastructure.

Figure 3: Reasons of Migration

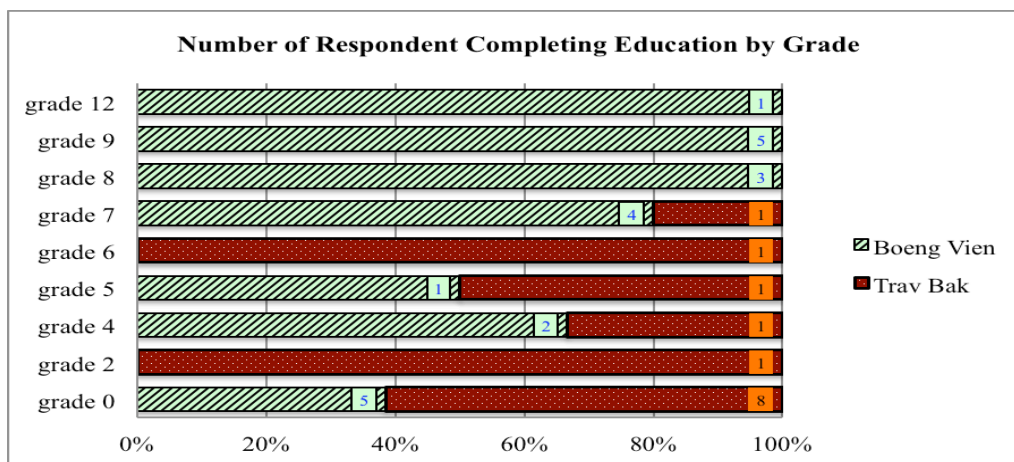


Source: Authors

#### 6-4. Educational attainment of migrants

Further, according to the village chief, access to education remains an issue for the people of Trav Bak where around 80% of villagers are illiterate. Out of 13 respondents, 8 women migrants never went to school and only one woman completed grade 7, which is the highest level among them. Compared to Trav Bav, women migrants in Boeng Vien had a higher level of education. The majority of them finished secondary school and of one them completed high school. The number of illiterate women is also lower at five in Boeng Vien village (See Figure 4).

Figure 4: Number of Respondents Completing Education by Grade

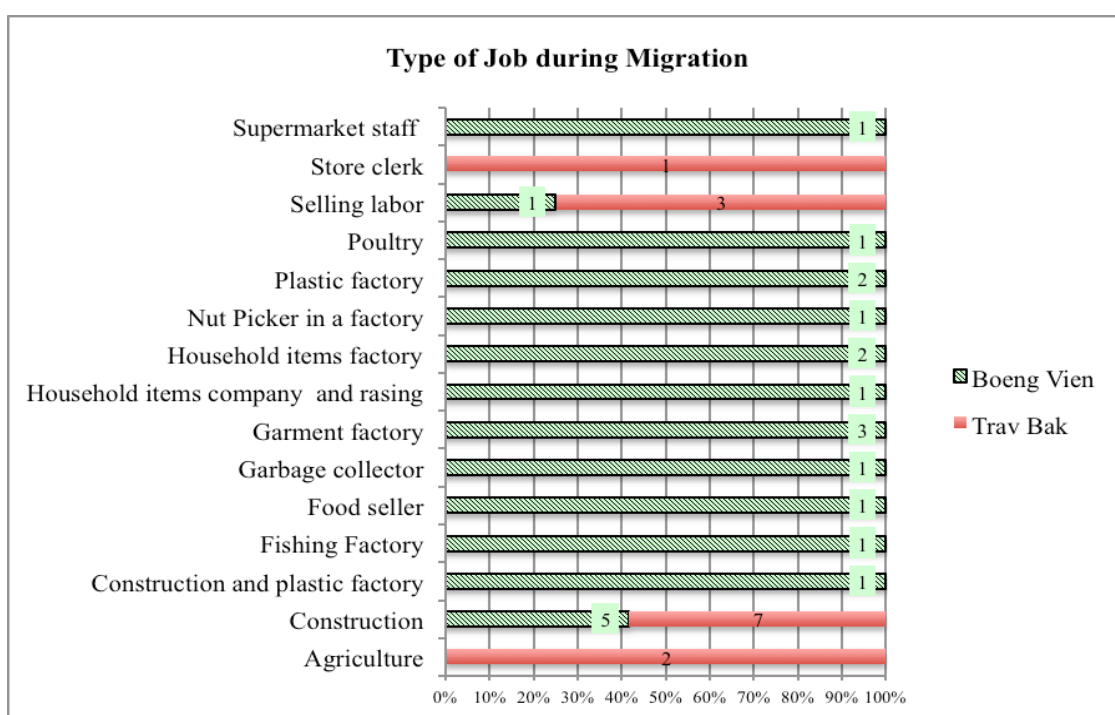


Source: Authors

## 6-5. Type of jobs during migration

Many families in the village are categorized as poor to very poor and they do not own either a house or a plot of land. Furthermore, from the field survey, most of the women migrants from Boeng Vien village work in industrial sectors such as factories that produce household items, garment and fish processing industries, as well as construction. On the other hand, migrants from Trav Bak work in agriculture related-sectors, such as rice fields, sugar cane fields, and lobster farming, where the labor fee is relatively low and requires long hours of work (See Figure 5).

Figure 5: Number of Respondents Having Jobs during Migration



Source: Authors

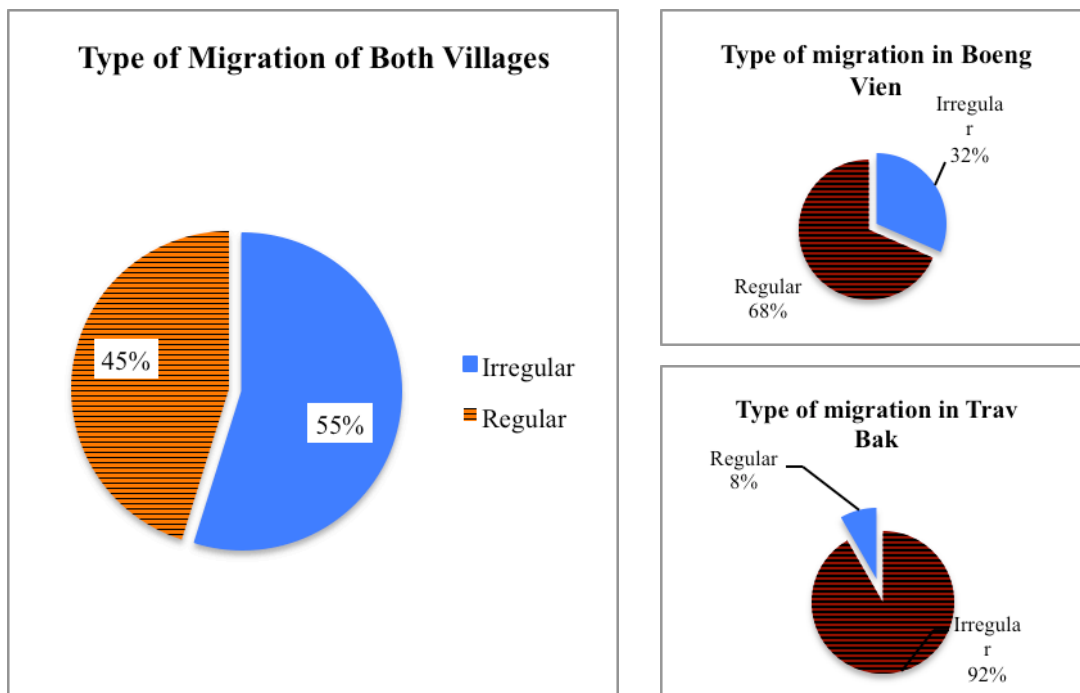
## 6-6. Type of migration

Figure 6 illustrates that women migrants in both villages prefer irregular migration to regular migration at 55% and 45%, respectively. The percentage of women migrants who use irregular channels to cross the border in Trav Bak is higher at 92 % compared to 32 % in Boeng Vien. Trav Bak is considered an impoverished village characterized by poor physical infrastructure, such as lack of schools and health centers. Most of the migrant women's families do not own land, which results in the whole family having to migrate.

Most poor families prefer irregular to regular migration because it is cheap, less time consuming and convenient, while regular migration is expensive, takes too much time and is complicated for the poor with less education. For instance, with the irregular method, they spend USD 75-100 for brokerage and transportation fees from the village to the work place in Thailand, while with the regular way they spend USD \$250-300 for a

passport, visa and other-related documents.

Figure 6: Type of Migration



Source: Authors

## 6-7. Advantages and disadvantages of international irregular migration

The present findings focus on the positive and negative aspects of irregular migration in Cambodia. The reason for this is to present the reasons and motives of Cambodian people in crossing the border between Thailand and Cambodia. It is a well-known fact that the journey by illegal methods is never pleasant, involving human trafficking and cases of migrants who are abandoned by brokers in the middle of the trip. These migrants must consequently find their own way to reach their destination or come back home while trying to avoid the Thai police.

The International Federation of Red Cross and Red Crescent Societies presents a list of common disadvantages of being an irregular migrant: threats to physical integrity, welfare and fundamental human rights exploitation and abuse, human trafficking, economic hardship, discrimination, difficulty accessing social, legal and humanitarian assistance, social and psychological isolation and conflicts with national immigration laws leading to prosecution and detention.

The table below presents a summary of the findings from the interviews with the villagers of Boeng Vien and Trav Bak, concerning the positive and negative aspects of irregular migration:



Negative aspects	Positive aspects
<ul style="list-style-type: none"> <li>• Human trafficking</li> <li>• Irregular migrants not being paid the agreed wages</li> <li>• Arrested due to lack of legal papers. (Fined and sent back to Cambodia)</li> <li>• Marginalization and subjection to abuses while unable to access social services because avoiding authorities is the only way to secure their clandestine status.</li> <li>• Child's education of migrants:               <ol style="list-style-type: none"> <li>a) Migrant parents leave their children in the home country if there are people to look after.</li> <li>b) Cannot send children to school given their illegal status.</li> </ol> </li> <li>• To pay the brokerage fee; most migrants take loans or incur debt to the broker.</li> <li>• Smuggling fees and cheating in Thailand.</li> <li>• Migrants working on fishing boats</li> <li>• The case of illegal construction workers</li> <li>• Threat of arrest by the Thai authorities</li> </ul>	<ul style="list-style-type: none"> <li>• Fast track access to Thailand</li> <li>• Network/connections and viable prospects for finding work</li> <li>• Information exchange</li> <li>• Sense of (social) security</li> <li>• Sending remittances</li> <li>• Short-time, low cost and more beneficial, simple process</li> <li>• Higher expectation of success in terms of getting jobs and more earnings</li> <li>• Flexibility</li> </ul>

In other words, irregular migrants face many dangers like sexual violence, organized crime, assaults, informal jobs without any contract or social security, low wages, poor working conditions, rejection and marginalization, as well as denied access to social services like education or health.

## 7. Analysis

This research analyzes the process and experience of migration from a bottom-up approach, particularly from the perspective of the rural women migrants of Cambodia. The findings of this study revealed that there is a gap between the policy and the actual situation in which policies of the state could not serve the ordinary people well in terms of addressing their needs. In this respect, women migrants in Cambodia trust informal networks rather than state or formal institutions.

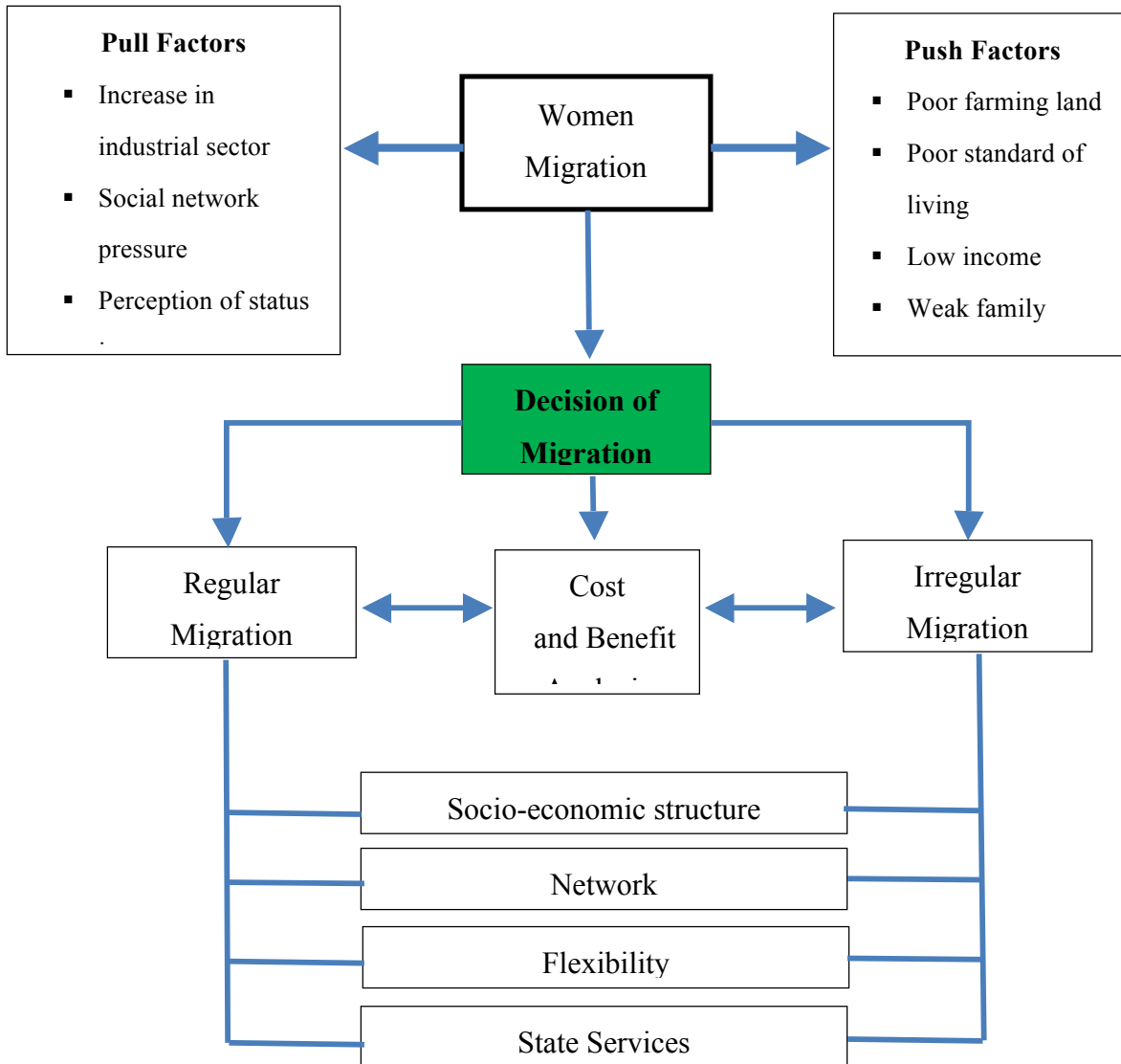
However, we are not discounting the fact that informal networks can also be exploitative because irregular migration has its disadvantages as well. Albeit the costs, risks and challenges involved in irregular migration, after doing a cost and benefit analysis we found that these women migrants nonetheless prefer the irregular way.

This is because the benefits and net returns of choosing the irregular way far outweigh the costs and risks. It is the irregular way that is more accessible and can serve their needs immediately given the circumstances. Thus, on this basis poor women migrants will decide, negotiate and assert themselves within the structure they live by choosing what works best to enable them to pursue better lives, or their vision of a 'good life.'

In addition, the strong network connections played a very important role in reducing the costs and risks and even the perpetuation of irregular migration. This constitutes a kind of social capital that women migrants

can rely on to gain access to employment overseas. It provided them social security, hence decreasing the economic, social and psychological costs of migration (De Haas, 2010).

#### Analytical Framework



According to Putnam (1993), social capital refers to the “features of social organization such as trust, norms and networks that can improve efficiency of society by facilitating coordinated actions for mutual benefit” (p 167). Accordingly, it is argued that social capital is key towards economic progress, government effectiveness, political stability and making democracy work (ibid.). It is because social norms of generalized reciprocity and social networks reduce uncertainty and incentives to defect while it encourages social trust and facilitates cooperation and collective action that can promote economic and democratic institutional performance (ibid). Furthermore, the social contract that sustains such cooperation and collective action is not legal but moral, in which the sanction is not penal but rather exclusion from the network of solidarity and cooperation (ibid.).

Thus, in contrast with the prevailing assumption in the literature that social capital fosters democracy and the rule of law, in this study it appears that social capital is independent from the state, which in some ways

infringes on state law. This is because people don't trust formal or state institutions since they cannot convey their aspirations and deliver their expectations. Hence, the lack or absence of social trust and mutual confidence hinders cooperation and collective action that can be beneficial to both the state and the people. The poor women's strategy of choosing irregular migration somehow reinforced by their networks (social capital) means they have created a kind of social order or condition favorable to them and autonomous from the state.

Therefore, it is important that the state delivers services that are better than the informal networks utilized by rural women migrants of Cambodia. If the state and formal institutions could address the needs of the people sufficiently, migrants would choose the formal way, which could offer them stability and security, and possibly state regulation and the rule of law could be more efficiently and effectively implemented.

Moreover, the way the state regulates and implements policies and laws obscure the real problem, which is the unequal socio-economic structure and access to government services that pushes the poor to defy laws to make ends meet in their daily lives.

## **8. Conclusion**

This paper highlighted the disadvantages for those who migrate irregularly. In doing so, we do not deliberately propose specific new goals for the eradication of irregular international migration, but rather provide new perspectives and some recommendations that could be helpful to rural woman migrants in Cambodia.

In Cambodia, most migrants choose irregular migration to regular migration because of the strong accessibility to social networks, low cost, simple procedure, higher expectation of success and flexibility. Although this is also coupled with disadvantages and can be exploitative. Nevertheless, after calculation of costs and benefits, women migrants will still choose the irregular way.

Thus, it is important to rethink laws and state regulations to be friendlier to the marginalized sectors of our society, such as the poor women migrants. The government needs to provide proper and sufficient information for safe migration that reaches down to the rural village level. It should also establish a mobile center to issue passports around Siem Reap and the main cities in Cambodia. The state has to provide better services to the poor in comparison to the informal networks. Repressive policies and walls between countries that have not prevented irregular migration have diversified modes of illegality. However, despite the limiting condition in which they live, women migrants continue to assert themselves in order to pursue their dreams of having a better life, whether in their home country or outside its borders.

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## **Appendix (Case Studies)**

### **Case Study #1**

Age: 24

Marital Status: Married

Family Members: Husband and one son

Education: Grade 7

Occupation: Household item factory

Workplace: Thailand (2 times)

Duration: 7 months the 1<sup>st</sup> time, 1 year the 2<sup>nd</sup> time

The respondent is an experienced worker in Thailand. She went to Thailand two times to work. She told us that she migrated to Thailand because she was very poor, and she wanted to earn more money for the family so she decided to go to work in Thailand.

When she went to Thailand for the first time, she was single. She went through the legal way, which means with a passport according to her. She had to borrow money from other people to pay company agency fees. She ran back from her job after 7 months because of the bad working conditions. She worked in a factory that produced household items.

After getting married, she and her husband decided to work in Thailand again. She told us they chose the illegal way this time because of her previous experience. She said that the legal way takes time to wait. Also, they could not afford the cost for two people.

She lives in her sister's house in the village. When we met her, it had been 2 months since her return from Thailand. She came back to give birth. Her husband was working in Thailand.

When we asked how she knew about the job, she told us that there are some women who are working in Thailand and she could ask them. She and her husband only needed to pay some transportation fees to the man whom they call the middleman.

She worked in a livestock farm together with her husband. She told us she could earn higher wages so she was satisfied with her work in Thailand.

### **Case Study #2**

Age: 30

Marital Status: Married

Family Members: Husband and one daughter

Education: Grade 9

Occupation: Fishing Factory

Workplace: Thailand

Duration: 3 months

We interviewed the respondent in her house together with her husband. She looked like a strong and

active woman. According to her, she ran back from Thailand one month ago. She explained to us that she migrated to Thailand because she was poor. Before she went to Thailand, she was a farmer and she worked together with her husband. Her husband is also a farmer. They have a farm. But she wanted to earn more money for the family so she decided to go work in Thailand.

Her husband told us that he agreed with her decision, as he could work in the farm in the village while she earned more money by working in Thailand.

When we asked how she knew about the job, she told us that she knew some women who are working in Thailand and she asked them. She told us she could not afford the cost of the legal way, which was about US\$ 300, so she chose to go through an informal network. She also said that if she chose the legal way, there was no guarantee that she could go.

She worked as a factory worker in a fishing factory in Thailand. The working hours were 12 hours a day and on some days, she had to work 3 hours overtime. She lived in a room provided by the company together with other workers. The living condition was very bad according to her. When we asked her if she was satisfied with her work experience in Thailand, she said she wasn't satisfied because of the low salary and poor living condition. She said she didn't get the full rights of a worker because of her illegal status. Therefore, she ran back from her job and she escaped luckily. She said she will not go to Thailand again through the illegal way.

She told us that she realized the life of an illegal worker in Thailand is very difficult and she cannot endure it, after working 3 months in Thailand. That is what made her run back to Cambodia.

### **Case Study #3**

Age: 38

Marital Status: Married

Family Members: Husband and 7 children

Education: Illiterate

Occupation: Construction worker

Workplace: Thailand

Duration: 1 year

The interviewee we met in the village was the migrant's sister and she is looking after her sister's children. The migrant is working in Thailand with her husband and two elder sons. According to her sister, the migrant was very poor and both she and her husband had no job in the village. They needed money because their daughter has a disease that requires an operation. Therefore, both of them decided to migrate to Thailand to earn money for their daughter's medical fees. The interviewee said that they made the adventure for their daughter.

When we asked her sister how they went to Thailand, she said to us they went through an informal network. There was a middleman in the village and he could provide the job information in Thailand. They could also collect information about working conditions in Thailand from other villagers who were already working in Thailand.

According to the interviewee, her sister has been working at a construction site in Thailand for about one year. She also told us that her sister's family can earn 200 baht (around US\$ 10) per day per person. They brought money for their children when they came back. She told us they already have come back twice to see their children.

When we asked her if she knew the living condition in Thailand, she told us that the company where her sister is working also provides accommodation and they are living there. According to her sister, the living condition in Thailand is very good compared to Cambodia, and they are satisfied with their working lives there. However, her sister said they will not stay in Thailand permanently. They will come back when they can save some money for their daughter's medical fees after working 2 years.

#### **Case study #4**

Age: 24

Marital status: Single

Family members: Parents, 4 sisters and 1 brother (she is the 4<sup>th</sup> child)

Education: None

Occupation: Garment factory worker

Workplace: Thailand

Duration: year: 2 years

The interviewee went to Thailand from 2011 to 2013 in order to search for a job with a higher wage. She went to Thailand through a legal agency, which she knew about through an advertisement. She visited the agency with a group of around 20 women. Initially, she was afraid of going to Thailand but since there were also other women in the group who already had experience migrating, she felt more comfortable to go.

She had to contact the authority in Phnom Penh before leaving the country.

When she went to Thailand in a group, each group member worked at the same place. They stayed close to each other so they could take care of each other. She said the job contract was written in English but since there was a translator for them she could understand the content in Khmer. She worked 8 hours each day starting from 7 am until 4 pm and was paid 300 baht per day. When she worked over time until 9 pm, she received 500 to 600 baht per day. Salaries were paid monthly. The factory owner and the team leader were both nice. She lived with 2 other roommates in a room with a rent of 1,000 baht. She is satisfied with her job in Thailand. She sent remittances home through the bank. During her two-year stay in Thailand, she visited home only once. When she missed her family, she called home.

After working in Thailand for almost 2 years, she came back to Cambodia before her visa expired. She will migrate to Thailand again next month. This time she will work for 4 years, as she made further arrangements to extend her stay. Her next occupation in Thailand has not been confirmed yet, as it depends on the contract with the agency. She is planning to take her younger sister with her, as she recommended her sister to go. Some of the other women who went last time will also join. She said "If I stay at home, I can live with my

family but if I go work in Thailand, I can earn more money. So, I would rather go to Thailand to work instead of staying in Cambodia.”

Before migration she did not know how to speak Thai, but after working there for around 2 years, she was almost fluent in Thai, though she could not write letters. She can also speak English now. Her aim is to save the remittances to run a small shop of clothing and other small products in the future. She said she is confident enough to run a business because of the migration experience.

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17 September 2013 Notes / 8:30am

Interview with the Director and Deputy Director of  
Department of Labor and Vocational Training  
Dara Reng Sey Hotel, Siem Reap Cambodia

The officials interviewed said that the Labor and Employment document for Siem Reap could provide basic information like Labor Force and Labor Participation Rate of men and women but it is still in the making. Thus, there is no data they can give regarding this matter at that time.

In the case of overseas and local migration, it is done with the government involving a memorandum of understanding for both foreign and local companies. The concerned company shall first register with the government authorities in order to engage the services of workers. To date, Siem Reap has 33 registered local companies that employ workers, while 20,000 of its people migrated to Thailand for work.

In terms of its vocational training provision function, the officials said that there are two (2) government-owned training centers operating in Siem Reap’s Administrative District. Thus, its trainee-beneficiary coming from the other six (6) districts will come to the centers based on the referral or recommendation of the village chiefs and other local authorities to receive training. The targeted individuals are women, widows, former soldiers, people with disabilities, those belonging to poor families and families with many children. The centers offer training mainly on vehicle repair, sewing, beauty tips and agriculture related activities.

Information needed to be obtained further: The Name and Address of the two mentioned training centers.

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17 September 2013 / 3pm

Meeting with Commune Council Members  
Ta Yaek Commune, Siem Reap Cambodia

Ta Yeak Commune has a population of 6,383 of which 2,254 are female. It covers 9 villages with 83 groups and 2,349 households.

In terms of overseas migration, there are 642 who migrated to Thailand of which 253 were women. On the other hand, there are 229 who migrated to other provinces of which 99 were women. The migrants are



categorized into three: (1) legal, (2) illegal, and (3) risky. Among the migrants they prefer to work in Thailand because of big earnings.

We asked if they could identify returnee or repatriated former migrants for interview in succeeding days during the research period in the commune, and the council expressed their willingness to facilitate and assist.

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17 September 2013 / 10:30am

Interview with the Director of Women's Development Center

Mrs. You Sophear

WD Center, Siem Reap, Cambodia

Established in February 16, 2010, the Women's Development Center in Siem Reap Province aims to train 400 women every year. The target beneficiaries are women who are poor, widows and those with physical disabilities. For the villagers to receive training at the center with free food and accommodation, women must enlist themselves with the commune officials for possible selection. The Center is also giving commune-base or mobile training to the villages for the convenience of the interested woman applicants. The center caters to an average of 2-3 walk-in women clients who seek assistance every week according to the director.

After training, concerned women are referred to companies for possible employment while others have to utilize acquired skills for individual economic endeavors. The Women's Development Center is part of the National Government's Women Plan in connection to their commitment to the Millennium Development Plan. The plan covers 5 major objectives: (1) economic development through the provision of skills training; (2) women education and behavior change; (3) women and teen-age health against HIV/AIDS; (4) legal protection; (5) women's involvement in politics and governance.

To ensure that such major concerns be integrated in each local levels' respective development plans, the government crafted and introduced the Gender Mainstreaming Program through the Women's Development Center.

When asked why most of its migrants are women, the director replied that first, there are more women than men in their population and second, because it is demand-driven as companies prefer to employ women rather than men.

When asked further why women migrate overseas rather than working locally, the director stressed that it is due to salary considerations because they earned more overseas. When asked whether the center was able to cater to returnee or repatriated migrant women, the director recalled that they had not trained any yet.

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17 September 2013

Department of Women's Affairs

Siem Reap Province

Ms. You Sophea

Director

Question 1: I would just like to ask if it is included in the file about general information on Cambodian rural women such as their access to education, health services and nutritional information etc.

Answer: In Siem Reap province, there are 11 districts, 1 city, 100 communes and 875 villages (official/registered). But, it is estimated that there are around 20,000 migrants in Siem Reap alone.

Note: See file and other sources.

Question 2: Who are the targeted participants for the women development centre?

Answer: The poor, widows, orphans, and women with disabilities.

Question 3: Are there any participants from other provinces?

Answer: No there are no other participants from other provinces. Trainings are organized based on the demand of the commune investment plan, then the participants for these trainings are selected by each commune councils but within the same province. In addition, the commune investment plan is prepared every three years starting April to July.

Question 4: When was the centre established?

Answer; It was established on 16, February 2010 funded by the Japanese Government through ADB.

Question 5: How many women have received training provided by the centre?

Answer: The centre trains 400 people every year.

Question 6: What is the arrangement regarding the trainees?

Answer: Women who live in faraway places stay at the centre while women who live nearby come to work every day. In addition, 2 meals are provided (lunch and dinner) for the trainees.

Question 7: How many staff is working in the centre?

Answer: There are 7 full-time staff and 10 contractual staff.

Question 8: Where are the markets for the products? Do you sell it locally or internationally?

Answer: Some products are sold locally and some are exported to Thailand and Japan through the GIZ (Gesellschaft für Internationale Zusammenarbeit) program component. For example, rugs used to be exported to Canada until the financial crisis in 2009. Thereafter, they shifted to domestic production (local market in Siem Reap) but because there is no demand due to its high price, they stopped producing the rugs completely in 2010.

Question 9: What other programs are provided by the centre?

Answer: The Neary Rattanak III focuses on the following five strategic areas:

1) Economic empowerment of women – Provision of skills for women through vocational training to generate income. Encourage them to access credit and formulate self-help groups.

2) Education of women and girls, attitudes and behaviour change – Encourage girls to complete at least grade 9 which is aligned with the Cambodian Millennium Development Goals (CMDGs). The Department of Women Affairs cooperates with some companies and NGOs to provide scholarships to girl students and dormitories.

\*Note: Traditionally in Cambodian society there are gender biases against women so through the Neary Rattanak II program they would like to change the attitudes and behaviour towards women. In this way they can also be a part of the country's economic activities.

- 3) Legal protection of women and girls – Legal protection against women and child trafficking, sexual harassment (including rape) and domestic violence. The Department of Women Affairs play the role of a legal agent to take good care of the victims while the Judicial Police take the legal action with the criminal or suspect.
- 4) Health and nutrition of women and girls, and HIV/AIDS – Raising awareness about reproductive health to girls and women. Also, child care education to pregnant women.
- 5) Women in public decision-making and politics – Women are encouraged to be candidates in the provincial, district and commune council elections.

In the Department of Women Affairs (DoWA) there is another gender mainstreaming program and under this program there are a number of mechanisms for such as the following: Committee of Women and Child Consultation, offices in each district, as well as centre in the commune. The gender mainstreaming program is not only integrated into the provincial development plan, but also the commune development plan. Moreover, DoWA also tries to integrate gender mainstreaming programs into NGOs and other partners. Furthermore, gender mainstreaming is also included in national policies. The implementation of this program is according to the CMDGs and National Strategic Development Plan (NSDP)

Question 10: What is the status of the participants?

Answer: The participants are poor, orphans, widows and women with disabilities. The proportion of single, married and widow participants are approximately equal.

Question 11: What is the role or responsibility of the staff of the Department of Women Affairs (DoWA)?

Answer: The DoWA has 3 working groups which are the economic development (job assistance), legal protection (legal assistance) and gender groups (gender mainstreaming).

Question 12: How many people ask for assistance from the DoWA monthly?

Answer: 2-3 cases monthly. Due to the gender mainstreaming awareness, violence against women decreased while the complaints increased.

Question 13: Why is the number of female migrants higher than male migrants?

Answer: It is because the population of women is higher than men. Also, there is a high demand for female labour force (e.g. garment factory worker in Phnom Penh).

Question 14: Who supports the operation of the Women Development Centre?

Answer: The Japanese government supported the construction of the building while operation and management is under the Royal Government of Cambodia. Before, the training took place in the centre but now the training is done in the participant's community. After the training, the participants are employed in Artisan Angkor, Japanese textile companies, other private companies, or sometimes they run their own businesses. Other participants produce their own products in their communities and sell them to the centre.

Question 15: To what extent can the centre reduce migration?

Answer: The centre has a small contribution to the reduction of migration. However, the number of migrants has decreased from 20,000 to 9,000. To reduce migration, the Royal Government of Cambodia and DoWA particularly cooperate with companies to set the minimum wage at \$80 USD (Siem Reap) for the workers. While

the DoWA cannot stop migration, they encourage them to at least have a safe migration.

Question 16: Between the male and female migrants, which group has more savings?

Answer: Of course, women and some families prefer their women to migrate because they can save more than men.

### **Interview guidelines for migrants**

- 1) Name/Nickname
- 2) Age
- 3) Gender
- 4) Education level
- 5) What was your occupation before migration?
- 6) What was your occupation during migration?
- 7) What was your occupation after migration?
- 8) What kind of migration process (regular or irregular) did you go through?
- 9) How long did you stay there?
- 10) What was your purpose of migration?
- 11) How long were the working hours per day?
- 12) Were you satisfied with your work?
- 13) How was the living condition during migration?
- 14) How is the living condition now (after migration)?
- 15) How did you contribute to your family expenses before migration?
- 16) How did you contribute to your family during migration (through remittances)?

### **Interview guidelines for non-migrants**

- 1) Name/Nickname
- 2) Age
- 3) Gender
- 4) Education level
- 5) What is your occupation?
- 6) How long are you working per day?
- 7) Are you satisfied with your work/life?
- 8) How do you contribute to your family expenses?
- 9) What is the reason you are not migrating?
- 10) What kind of image do you have towards women migrants?

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## ***Working Group 4***

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# **The Contribution of Souvenir Business in Siem Reap Community: Income, Employment and Living Conditions**

1. Background
2. Literature review
3. Scope and limitation
4. Methodology
5. Conceptual framework and data analysis
6. Results and discussion
7. Conclusions
8. Recommendations
9. Acknowledgements
10. References

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# **The Contribution of Souvenir Business in Siem Reap Community: Income, Employment and Living Conditions**

## **Abstract**

This study is an in-depth analysis of the contributions of tourism-based souvenir businesses on income, employment, and living conditions of the community within and around the Angkor Wat heritage site in Siem Reap, Cambodia. The study first describes the role of the local tourism industry in Siem Reap Province in the economic development of Cambodia. It aims to point out the impact of tourist arrival earnings of Siem Reap as a tourist destination on the gross domestic product of the country. Using comparative analysis, this study establishes the similarities and differences between sellers and producers in the souvenir business in terms of income, employment, and living conditions. It further compares the findings of the study with the baseline data provided by the Siem Reap Provincial Government.

In conclusion, the study summarizes the contributions of the tourism-based souvenir business to the local community in the Angkor Wat heritage site in terms of three major points: First in terms of income, this business is the main source of living and it is said that the income is sufficient to meet basic needs such as food, clothing, and shelter. Second, with regard to employment, the majority of the population in the community is engaged in the souvenir business. Finally, in regards to living conditions, the people engaged in souvenir business, whether as producers or sellers, have better living conditions than those in the other sectors, but only with regard to use of electricity, presence of toilet, attendance in schools, and house ownership.

## 1. Background

The Kingdom of Cambodia consist of 23 provinces divided into 159 districts, 26 municipalities and Phnom Penh, which is considered the administrative office and capital of the country. Since the 30<sup>th</sup> of April 1999, Cambodia became one of the Member States of the Association of Southeast Asian Nations (ASEAN). Until September 2013, the total arrival of foreign tourists had increased 28% compared to previous years, and the domestic tourist arrivals had also increased 15% compared to the year 2011. In 2012, it hosted 2.8 million international tourists, earning US\$1,912 million for the country with a participatory rate of 12% of GDP. The forecast for the year 2015 is that tourist arrivals will reach 4.5 million.

Siem Reap is a province in the northern region of Cambodia, situated 314km from the Cambodian capital, and it is where Angkor Wat, a UNESCO World Heritage Site is located. Angkor Wat is one of the most significant tourism destinations in the world, and more specifically in the Asian region. The tourism industry in Cambodia does not differ from other tourist destinations in the world. On this premise, the Royal Government of Cambodia considers tourism as one of the four pillars of its national economy, together with the agriculture, textile, and construction sectors. It anchors its tourism strategies and policies on its promotional slogan, “Cambodia: Kingdom of Wonder” (UNWTO- Asia Pacific, 2012).

Many developing countries utilize tourism to help in their development. Therefore, tourism is not only to satisfy international tourists’ needs and desires, but also to improve the quality of life for local people and to improve regional economic development.

**Table 1: Background information of Cambodian provinces**

Province	Capital	Population
Banteay Meanchey	Serei Saophoan	678,033
Battambang	Battambang	1,036,523
Kampong Cham	Kampong Cham	1,680,694
Kampong Chhnang	Kampong Chhnang City	472,616
Kampong Speu	Kampong Speu	716, 517
Kampong Thom	Kampong Thom	708,398
Kampot	Kampot	627,884
Kandal	Ta Khmao	1,265,805
Koh Kong	Koh Kong	139,722
Kratié	Kratié	318,523
Mondul Kiri	Sen Monorom	60,811
Oddar Meanchey	Samraong	185,443
Preah Vihear	Phnom Tbeng Meanchey	170,852

Prey Veng	Prey Veng	947,357
Pursat	Pursat	397,107
Ratanak Kiri	Banlung	149,997
Siem Reap	Siem Reap	896,309
Sihanoukville	Sihanoukville	199,902
Stung Treng	Stung Treng	111,734
Svay Rieng	Svay Rieng	482,785
Takéo	Takéo	843,931
Pailin	Pailin	70,482
Kep	Krong Kep	40,280

Source: National Institute of Statistics, Ministry of Planning, Cambodia.

## 2. Literature review

Tourism has grown to be one of the world's largest economic sectors. International tourist arrivals grew from 25 million in 1950 to 1,035 million in 2012. The market share for emerging economies increased from 30 % in 1980 to 47 % in 2012. In 2011, tourism accounted for 255 million jobs worldwide. Thus, the total impact of the industry in 2011 was a contribution of 9% of the total GDP, or a value of over US\$6 trillion (UNWTO, 2013).

The surge of the tourism industry surge in Cambodia is not different from the rest of the tourist destinations in the world. In 2012, there were 2.8 million international tourists generating US\$1,912 million for the country, which participated to 12% of the GDP. On this premise, the Royal Government of Cambodia considers tourism as one of its four pillars of national economy, together with the agriculture, textiles, and construction sectors, and anchors its tourism strategies and policies on its promotional slogan, “Cambodia: Kingdom of Wonder” (UNWTO- Asia Pacific, 2012).

Siem Reap Province illustrates the tourism potential of Cambodia, which relies heavily on the presence of Angkor Wat. Adding another feather to its cap, Siem Reap was declared as the “Cultural City of East Asia” on 10 July 2012, on the occasion of the “13<sup>th</sup> Meeting of the Foreign Ministers of ASEAN”, held in Phnom Penh, with China, Japan, and South Korea. The tourism income for Siem Reap represents the lion share of the total tourism revenues of Cambodia (UNDP Jobs, 2012). Ironically, the province is the 9th poorest province in Cambodia out of 24. In 2010, it had 31.1 % of its population (920,120 people) living below the national poverty line, a figure that is significantly higher than the latest estimated national average of 26.1 %.

The UN World Tourism Organization lists twelve (12) major products and industries that arise out of the tourism industry. A study of country-specific tourism indicates that characteristic goods and activities use local knowledge and resources. In any tourist destination, this is the most practical activity that local people can engage in taking into consideration the simple fact that it does not require much in the way of capital, social networks, required skills or education. This knowledge is autochthonous and is part



of the culture that has been transmitted from one generation to another. Hence, there are employment opportunities for the local population because of their capabilities of being natural craftsmen and artisans. In addition, the local people can find additional income and employment from developing local characteristic goods and services related to tourism.

Thus, the local community can experience the so-called fair benefit distribution out of their indigenous knowledge. Souvenir shops ranked No. 4 of the main jobs created by tourism in Cambodia (Sokhom, Pak 2009). The “Old Market” (Phsar Chas) and vendors used to be the limited sources of souvenirs but they are currently facing competition with the boom of new shops, galleries, and boutiques. To this day, the “Old Market” still offers the widest variety of souvenirs and showcases the best selection of items such as baskets, silver work, and musical instruments. However, the boutiques, galleries and specialty shops sell better quality items.

There are local manufacturers of souvenir items as well as foreign traders, who usually come from China, Vietnam, or Thailand. There is an advantage of foreign traders over the locals because they have the best locations for their shops and networks to promote their business. Therefore, the Angkor Handicraft Association (AHA, a non-profit business association aimed at strengthening the handicraft sector in Siem Reap) in collaboration with the Provincial Government introduced a “Seal of Authenticity” to distinguish the local products from imported items. According to AHA, tourists in Siem Reap spend an annual amount of about US\$70 million on souvenir items. Further, 70 % of the tourists prefer locally produced items but 66 % of them are not able to identify which is local from the imported ones. Thus, local manufacturers, artists and craftsmen are facing difficult competition from foreign traders in the operation of souvenir businesses. Though this may be a disadvantage for local businessmen, the foreign traders also employ local people.

The common experience of less developed countries during a tourism surge is that it has generated a significant interest as a strategy to alleviate poverty (Hall, 2007). Tourism has been regarded as a solution to all economic, social, and environmental issues. However, on a universal scale, there has been no empirical evidence to corroborate the claim that tourism has in fact improved the living standards of the poor (Ibid). Notwithstanding, struggling countries such as Cambodia still hold on to the tourism industry as a major development tool.

### **3. Scope and limitations**

This research was conducted to investigate the contribution of the souvenir business on the Siem Reap community as part of the Angkor Wat heritage site during the time period of Sep.17<sup>th</sup> to Sep.25<sup>th</sup>. This research looked into the effect of the souvenir business on income, employment and living conditions. It included research analysis, research findings and recommendations on the basis of income, employment and living conditions of people involved in the souvenir business.

This research is comparative. Data was collected from: Rohal, Ta Luas, BanteaySrei, PrasatBakong,

SrasSrang, Nokor Thom sites in the Siem Reap community. The sample includes 18 producers and 37 sellers to get a cross-sectional view between producers and sellers. However, the collection of samples and selection of sites were limited because of time (one week), resources and group members to collect data. As a result, the analysis, findings and recommendations may not reflect the whole community of Siem Reap. The scope of sites was limited, and didn't include larger souvenir markets, like the Night Market, to provide a comprehensive representation of the souvenir business in Siem Reap.

Furthermore, regarding a comparative analysis of living conditions, the study concentrated mainly on the average provincial data as related to the issue of electricity, schooling, houses, and latrines. Because of time and resource limitations, sample data was not collected from other sectors like agriculture, construction etc. Therefore, there is a limitation of comparative analysis between the souvenir business and other sectors of the local community.

## 4. Methodology

### 4-1. Research site and data collection

The pre-determined research site was Siem Reap Province in Cambodia, one of the most popular tourist destinations in Cambodia where, the Angkor Wat UNESCO World Heritage Site is located. However, the province of Siem Reap is a large area; necessitating that the study area be purposely narrowed down. In accordance with the instructions of the Angkor Handicraft Association (AHA) and the other details of the secondary sources, several villages and tourism sites were selected. The four (4) districts of Prasat Bakong, Banteay Srei, Varin, and Angkor Thom, and one municipality, Siem Reap, were selected and are highlighted in the map.

Figure1: Map of the Research Site Condition



Source Google Map

## **4-2. Research objectives**

Investigate the contribution of the souvenir business on the income, employment and living conditions of the Siem Reap community, and provide policy recommendations.

## **4-3. Research questions**

What is the contribution of the souvenir business on the income, employment and living conditions of the Siem Reap community?

### **4-3-1. Research Sub-Questions**

- 1) What is the effect of the souvenir business on the income and employment generation of the Siem Reap community?
- 2) What is the effect of the souvenir business on the local people's living conditions of the Siem Reap community?

## **4-4. Data Collection**

Though the study is mainly based on primary data, secondary data also played a considerable role in this study.

In accordance with the research objectives, three groups of people, namely (1) souvenir producers, (2) souvenir sellers/shop owners and, (3) government organizations were interviewed in order to collect both quantitative and qualitative data. Other regulatory bodies were also interviewed. With regard to the sampling techniques, in order to select the souvenir producers, the initial location was chosen by the Angkor Handicraft Association (AHA) and advised by Professor Vuthy. Thereafter, the snow ball sampling technique was applied. However, the convenience sampling method was employed to select the souvenir sellers/shop owners. In fact, in both cases non-probability sampling methods have been applied due to time constraints and unavailability of accurate and updated sample frames for both souvenir producers and sellers.

Generally, primary data was collected through interviews, together with a prepared questionnaire, in order to maintain reliable records and the accuracy of the interview. However, in some cases, interviews were the only instrument of data collection. A detailed explanation about the data collection can be summarized as follows:

### Table 1: Primary Data Collection

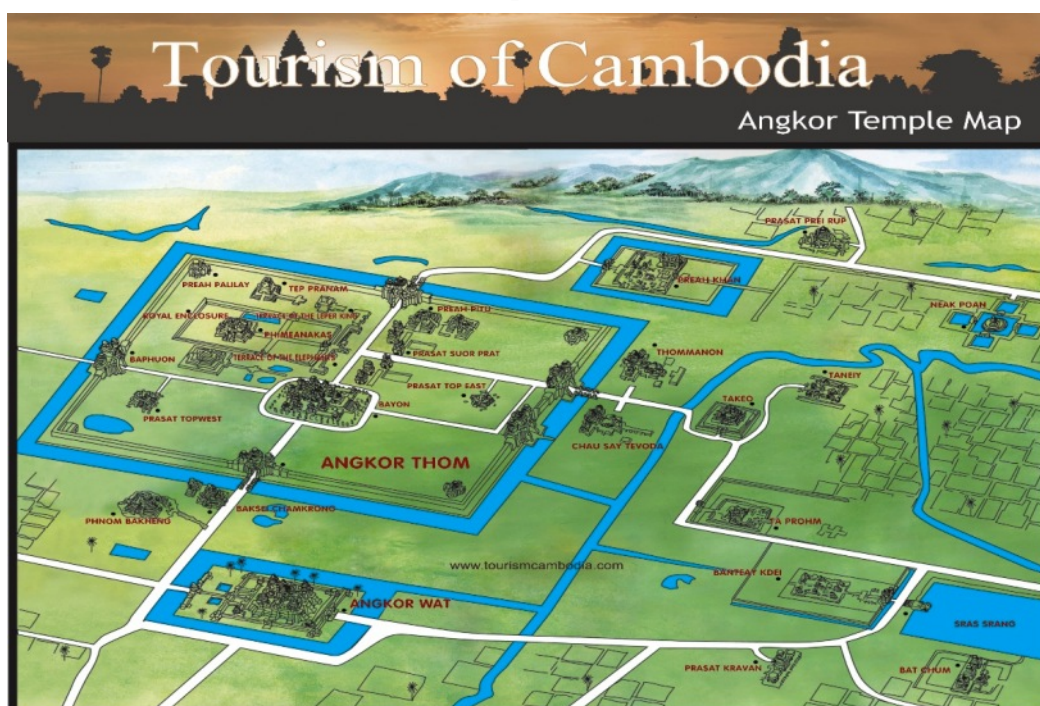
Category of the Respondents	Data Collection Techniques	Sample Size	Sample Area
Souvenir Producers	Interviews with Questionnaire	18	Rohal, Ta Luas
Souvenir Sellers/Shop Owners	Interviews with Questionnaire	37	Rohal, Ta Luas, BanteaySrei, Prasat Bakong, SrasSrang and Anokor Thom.
Angkor Handicraft Association (AHA)	Interview	2	
APSARA Authority	Interview	2	
Department of Tourism	Interview	2	
Ministry of Culture & Fine Arts	Interview	3	

Source: Field Survey

In addition to the primary data, the various kind of secondary data were collected from the sources such as *Siem Reap Commune Profile 2011 & 2012* and various websites related to the tourism in the Angkor Wat area and Cambodia.

The following map provides a clear visualization of the research site, focusing the major temples around the Siem Reap area.

### Figure 2: Major Temples in the Research Site

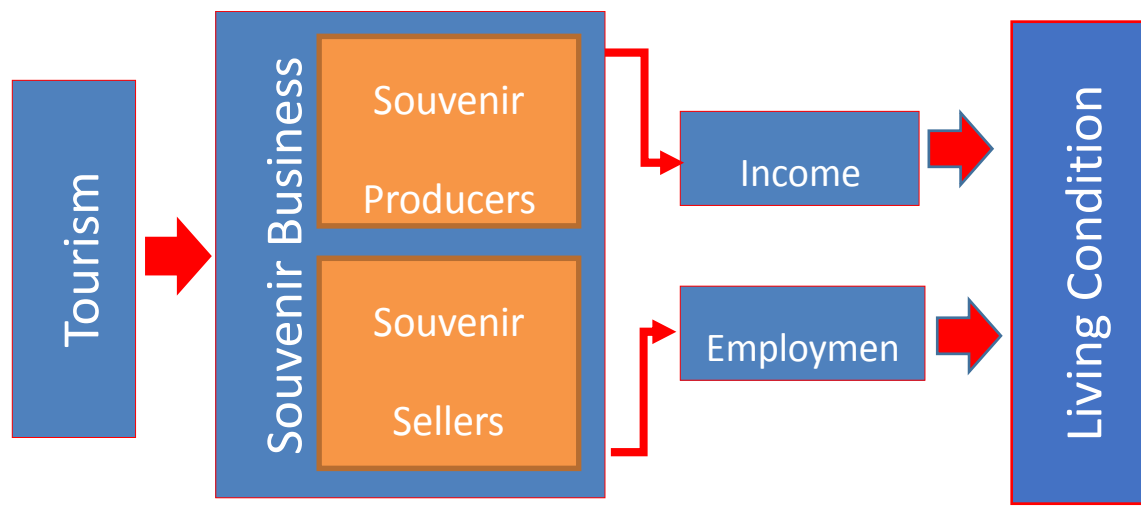


Source Google Map

## 5. Conceptual framework and data analysis

The following diagram indicates the conceptual frame work of the research. It clearly depicts how the tourism industry link with the souvenir business followed by the wellbeing of the society. According to the figure, both souvenir sellers and producers benefit from the tourism industry. The tourism industry accounts for both local and foreign tourism sectors. The benefits to the souvenir sellers and producers can be mainly identified in the context of income generation and employment generation. Ultimately, both income generation and employment generation enhance the living conditions of both souvenir producers and sellers.

**Figure3: Conceptual Framework**



Source: Created by Authors

The current study used a qualitative research design based on qualitative methods of data analysis. Basic bar charts and pie charts have been used to show tendencies to define the first and second objectives, while several radar graphs were used to define the third objective in order to compare living condition standards with the provincial average data. Both primary and secondary data were concurrently used for the analysis whenever necessary.

## 6. Results and discussion

### 6-1. Income

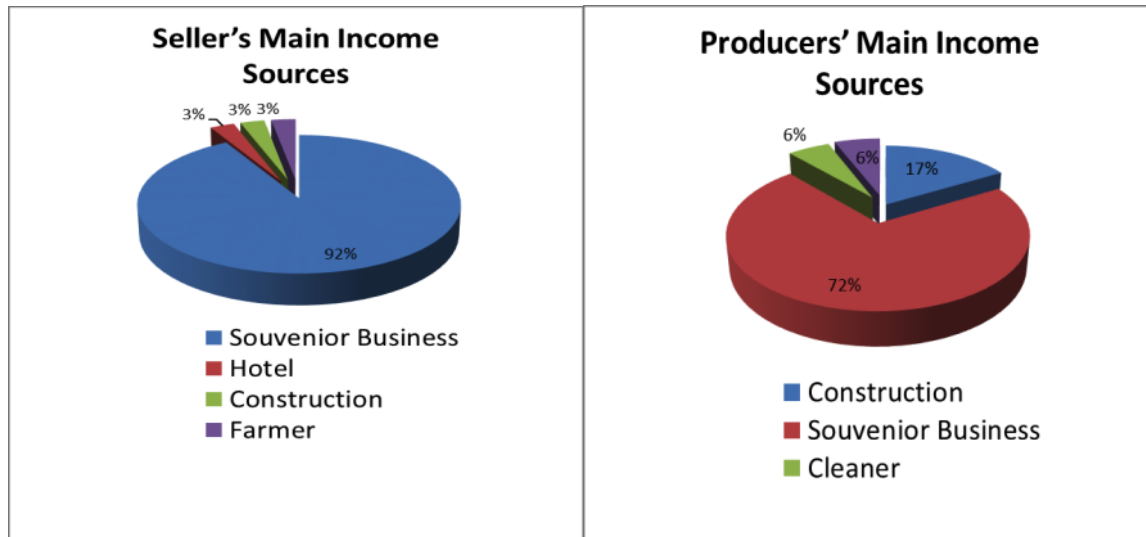
This survey firstly conducted to figure out the contribution of souvenir business on income. Analysis of Main income sources, Contribution of Souvenir Income to the Total Family Income, Sufficiency of Souvenir Income for Living, Saving Behavior have done step by step to deeply dig out the relationship between income and souvenir business.

#### 6-1-1 Main income sources of producers and sellers

The following figure indicates the main income source of 18 sellers and 37 producers. The majority of the sellers which account for 92%, their main income sources are souvenir business. The sellers who are

engaging with other activities such as hotel workers, construction worker and farmers as the main income source are negligible. The similar pattern can be seen for the producers' as well. 72% of the producers' the main income source is souvenir business and other income sources such as construction workers, cleaners and security guards are very limited. Based on the sample we collected around Angkor Wat area, it is easy to find that interviewees' household main income is come from souvenir business.

**Figure4: Main Income Sources of Sellers and Producers**



Source: Calculated Based on Field Survey

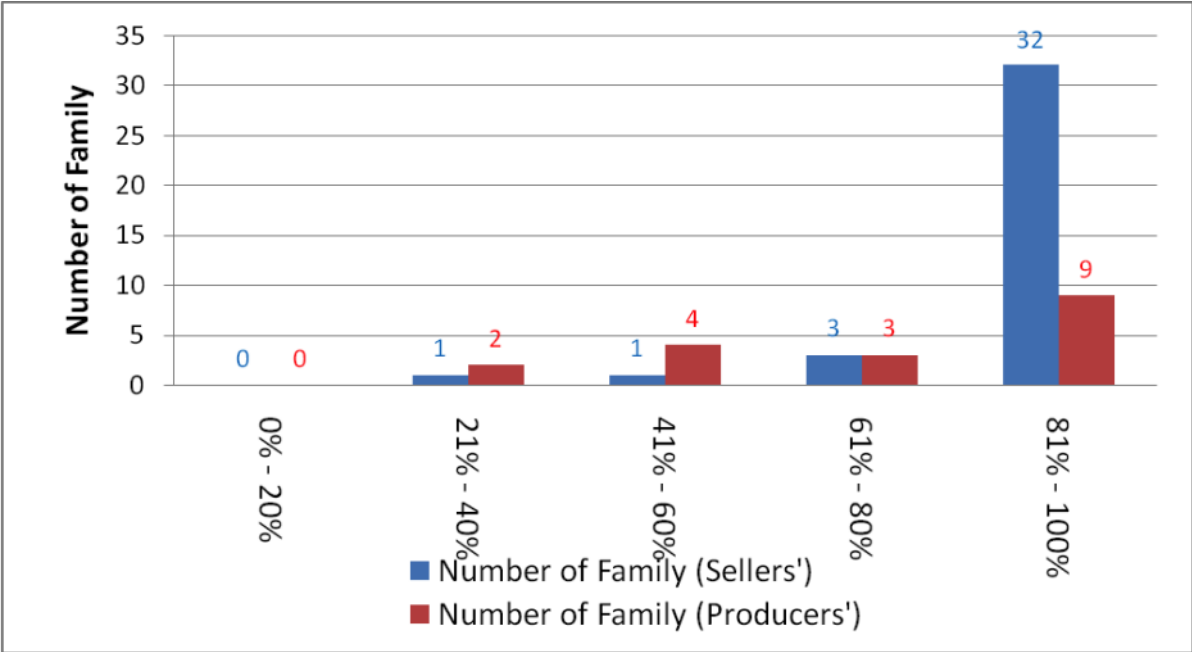
A great deal of people heavily depends on the souvenir business by getting the benefit of world heritage area of Angkor Wat. Since, the significant number of tourists visits this area throughout the year, the local people have adopted to make their living by engaging with the souvenir business. In addition, easy of the accessibility to the souvenir business and the less requirement of higher educational capacity further motivate them to establish souvenir business. However, there is a risk of keeping more hopes on tourism based souvenir business, because tourism is always very sensitive to the external factors such as global and local economic and political conditions. Apart from that 29% of producers are engaging with other main income sources and allocating labor for souvenir production as the second choice. Their main objective is to allocate their free time to make an extra income using their skills of producing souvenir related items.

### **6-1-2. Contribution of souvenir income to the total family income**

The following graph clearly illustrates the contribution of souvenir income to total family income. According to the graph, the majority of sellers earn more than 80% of their family income from the souvenir business. In terms of producers, the contribution of souvenir income to the total household income of 9 producers (that is 50% of the producers) is 81%-100%. However, it is apparent that the income of producers is quite lower than that of sellers. Probably, based on our interview, producers have to face many problems such as middle men's activities in their way to find the market places. Consequently, income of the producers is

basically at the lower level.

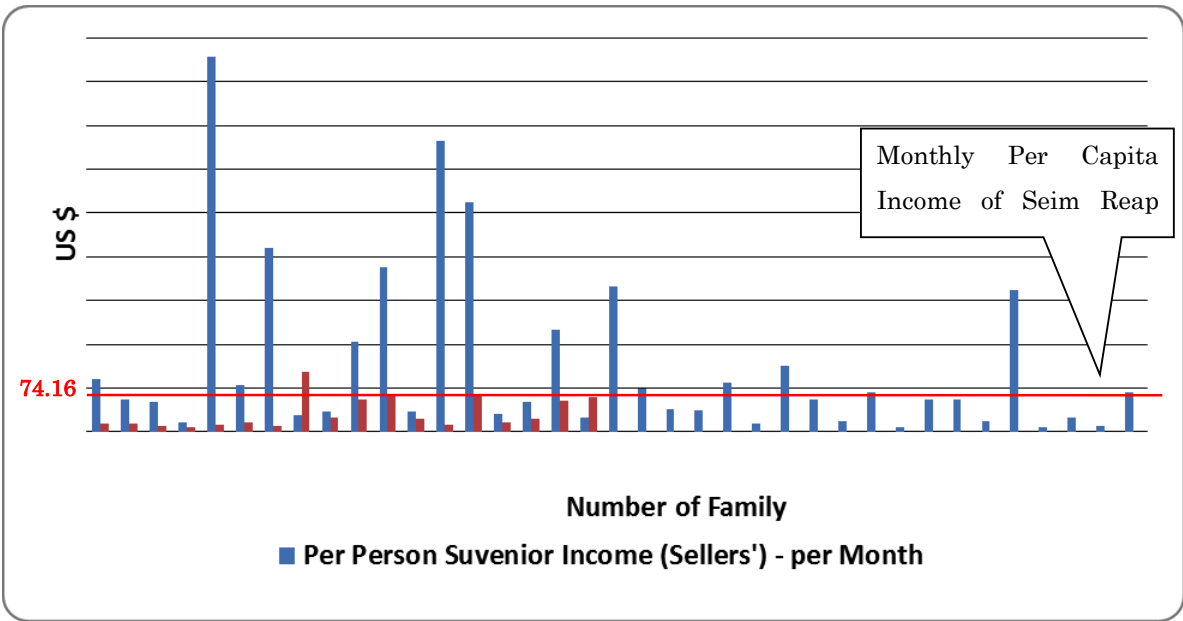
**Figure5: Contribution of Souvenir Income to Total Family Income of Sellers and Producers**



Source: Calculated Based on Field Survey

The following bar graph compares the monthly per capita income versus per capita monthly souvenir income of both sellers and producers. Monthly per capita income for the Siem Reap province was calculated by using the household survey data collected from the commune profile. According to the calculation, it is 74.16 US\$ per month. (Per capita income = total household income divided by # of household member)

**Figure6: Per Person Monthly Souvenir Income Vs Per Capita Income (USD74.16) of Siem Reap Province**



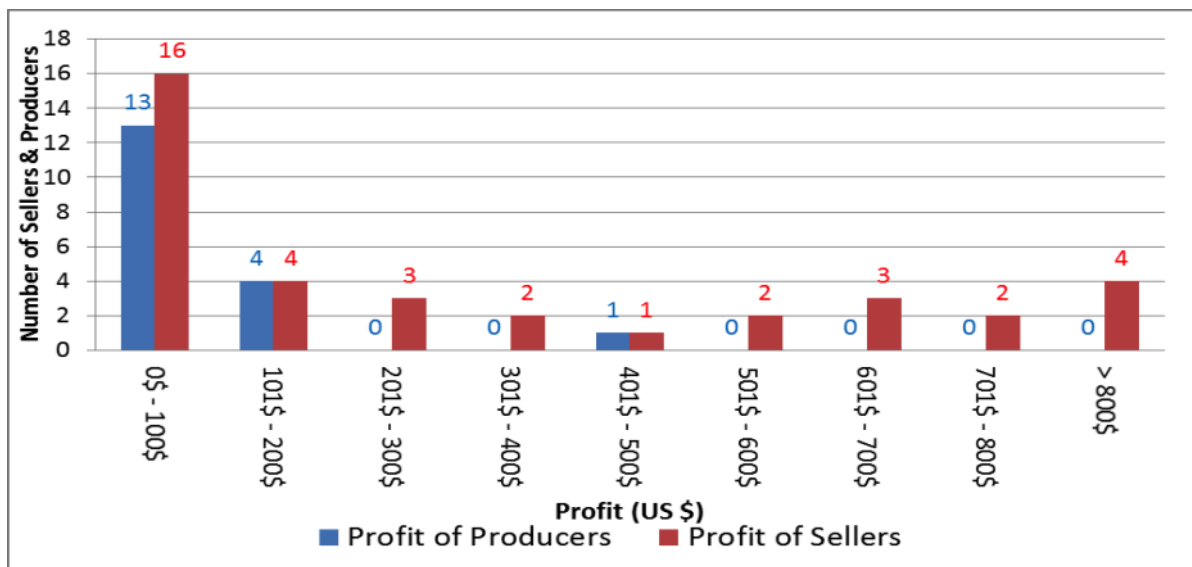
Source: Field Survey Data and Commune Profile Data

According to figure 6, it's obvious that monthly income of most of the souvenir sellers is quite higher than the province monthly per capita income of 74.16 US\$. However, all most all producers are earning even less than the monthly per capita income of Siem Reap province. Therefore, it is undoubtable that souvenir business is highly favorable for the sellers rather than producers.

### 6-1-3. Sufficiency of souvenir income for living

The analysis aforementioned gives us evidence that souvenir business is vital for respondents' family income and most of the people who engage with souvenir business make more income than the provincial level. However, is this amount of income enough for their basic daily needs or some extra consumption? In order to figure out this question, we asked the interviewees' opinion regarding the sufficiency of souvenir income. Before looking the results, firstly figure 6 shows the income distribution of all the respondents. On the one hand, about half of them earn less than \$100 per month, we doubt whether the income for this group of people sufficient or not. On the other hand, almost half of respondents earn more than \$100, and some sellers are comparatively rich, which build up our confidence for the results of income sufficiency.

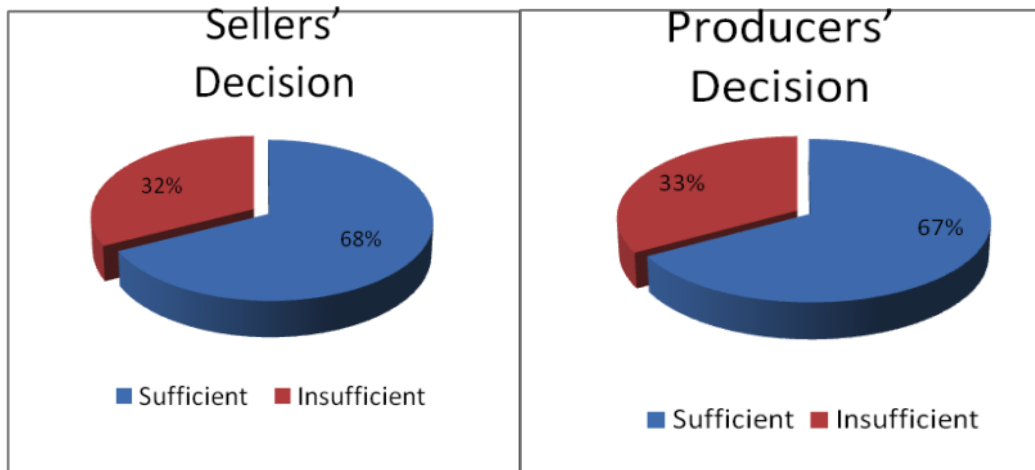
**Figure 7: Monthly Profit of Sellers and Producers**



Source: Calculated Based on Field Survey



**Figure 8: Sufficiency of Souvenir Income for Living**



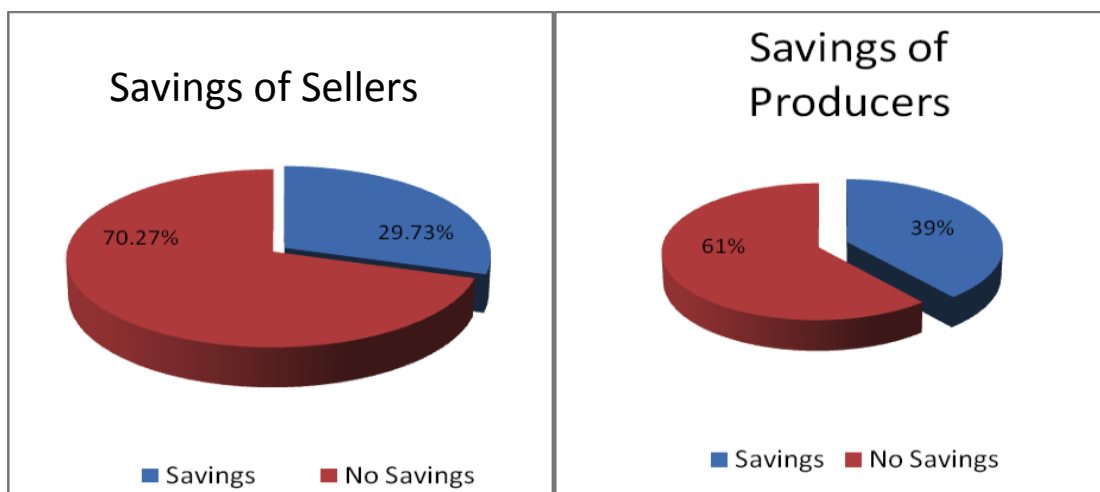
Source: Calculated Based on Field Survey

Not surprisingly, figure 7 illustrated that majority of the sellers and producers are earning sufficient income for their living from the souvenir business. In term of meaning of living in their perspective, most of them mentioned the basic living needs, like food, clothes, children's education, medical care and etc. However, still we found nearly 1/3 of the respondents do not have enough income for living. Couple with the number of respondents in figure 8 shows that the majority can only earn less than \$200 per month, which means most of the people, can only meet the very basic needs of living. No need to mention the savings from souvenir industry which we will specifically explain in the next part.

#### **6-1-4. Savings behavior**

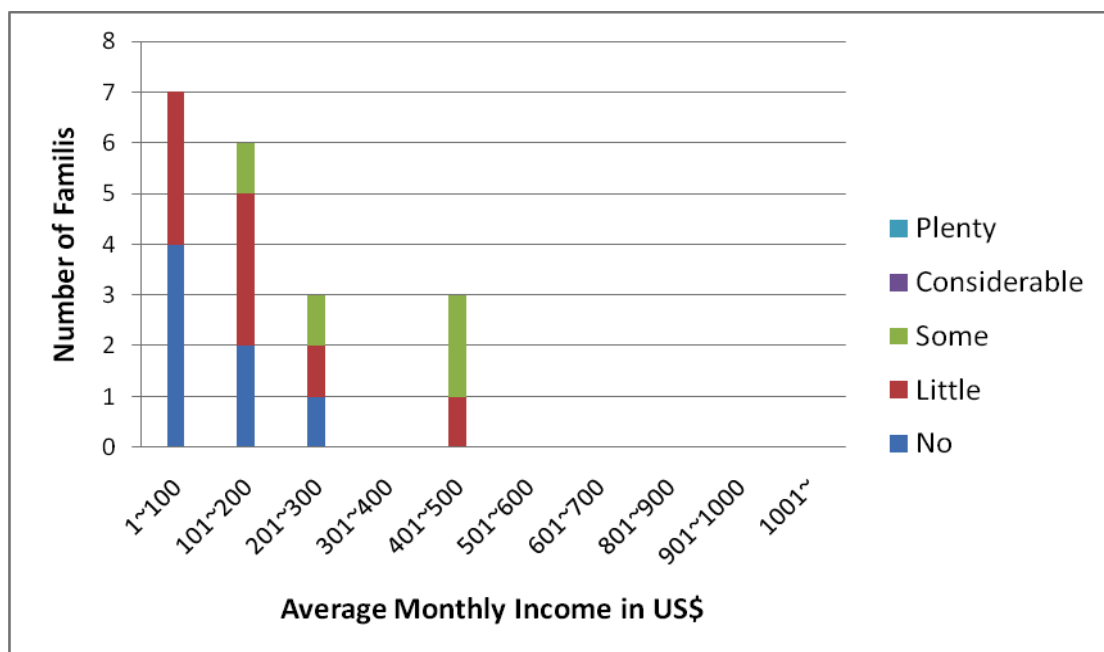
As figure 9 indicates: in terms of souvenir sellers, 70% of them do not have any savings, while only 30% of sellers have savings; from the perspective of souvenir producers, 61% of them do not have any savings, while only 39% producers have savings. Therefore, more than 50% of both souvenir producers and sellers who are participating in souvenir business do not have savings.

**Figure9: Saving Behavior of Sellers and Producers**



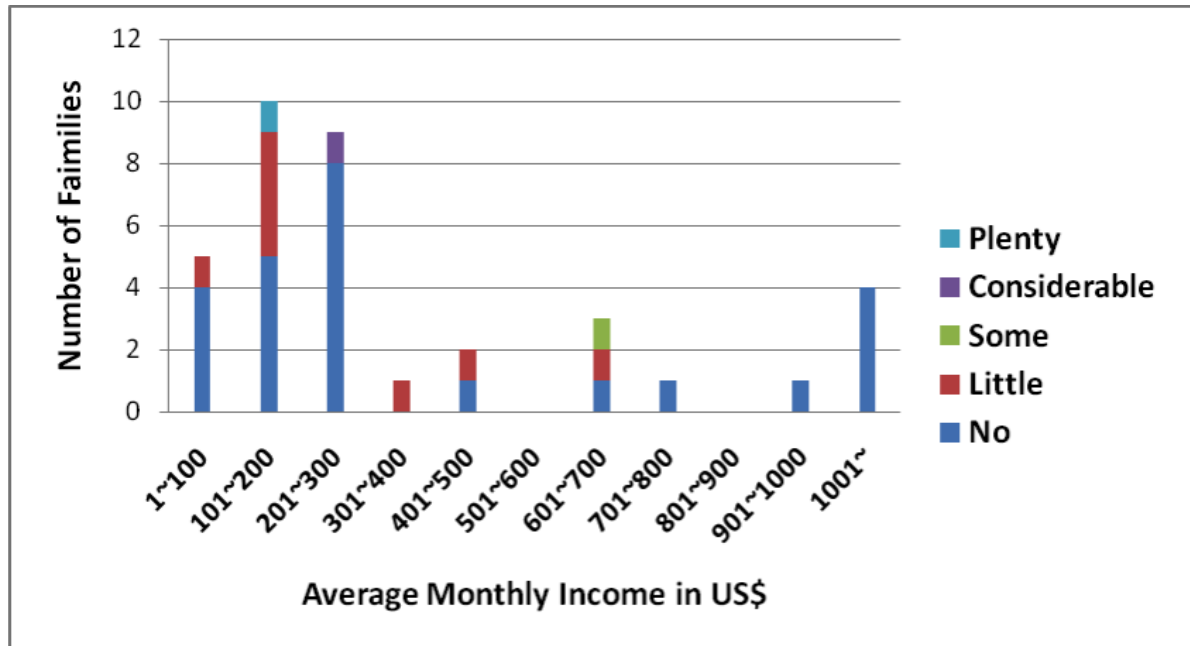
Several factors are contributing to the low saving rate among the souvenir business participants in Angkor Wat Heritage site. Firstly, according to the result from the field survey, to these producers and sellers, most of the profit from souvenir business is used for daily expenses. In other words, those local people in Angkor Wat Heritage site cannot earn extra money from souvenir business to have savings. Secondly, the characteristics of souvenir business determine the low saving rate. The purchase expenses for souvenir products are recurrent expenditure for sellers, while the material purchase account to a large part of producer's revenue. In order to pay those necessary expenses, some of them have to take loans. These characters determine the difficulties of owning stable savings that souvenir participants meet. However, these local people tend to have no savings, even if there are enough profit could be translated into a saving.

**Figure10: Relationship between Income and Saving - Producers**



Source: Calculated Based on Field Survey

**Figure11: Relationship between Income and Saving – Sellers**



Source: Calculated Based on Field Survey

As figure.10 and figure.1 indicate, it is difficult to identify the relationship between the two variables: average monthly income and the degrees of savings. The two variables are not correlated, especially obvious in the graph of sellers.

If nothing to fall back on for emergencies or retirement, it may threaten the social stability and hinder economic problem. Savings act as an inducement for investment. It can also provide a safeguard for unexpected expenditure and a source for future business ventures as capital.

Therefore, encouraging people to save from all income groups is important. However, poor people usually have limited access to formal financial services, and people are forced to borrow money from expensive informal lenders. At the same time, it is also increasing evidence that poor people are in risk when they save in informal sector. Building a safe and successful savings system will need the resort from communities, banks as well as government. Then all income groups will gradually fall into the habit of saving under the safe network that formal financial services support, meanwhile provide a security for the self-future.

## 6-2. Employment

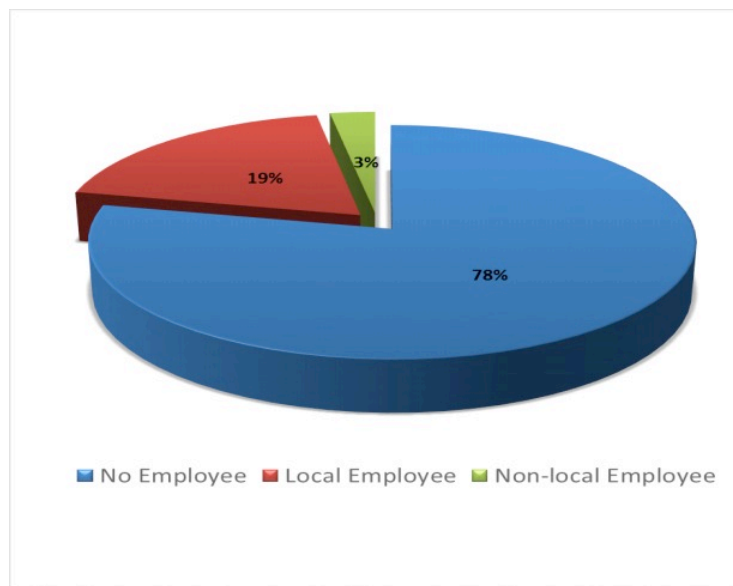
In order to investigate the contribution of souvenir business on employment of local people, this research focuses primarily on two indicators. One is the ratio of local people employed in souvenir business, and the other is the hiring requirement for obtaining a job in the souvenir business.

### 6-2-1. The ratio of local people employed in souvenir business

Figure12 and figure13 explain the hiring policy of both producers and sellers. 89% of souvenir producers do not have employees, while 22% of sellers hire employees. The different preference of hiring

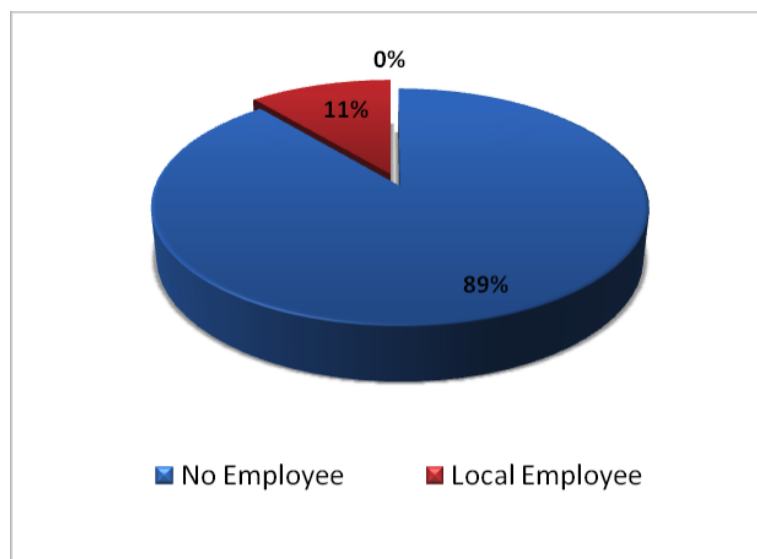
employees among producers and sellers depends on the situation of research area.

**Figure12: Percentage of Employee Hiring Choice—Sellers**



Source: Calculated Based on Field Survey

**Figure13: Percentage of Employee Hiring Choice—Producers**



Source: Calculated Based on Field Survey

The research area, Angkor Wat Heritage Site is one of the most important tourism destinations in South-East Asia. On one hand, as the information provided by Provincial Department of culture and Fine Arts, there are 580 souvenir shops in Siem Reap province, and mostly are grouped in Angkor Wat Heritage Site. Among them, 21% shops are in large and medium scale, which needs a certain number of employees to deal with a tourist influx as the research area is a tourist destination. However, on the other hand, according to the information from Provincial Department of culture, it can be known that around 70% of souvenirs sold in these shops are imported from foreign countries, while only 30% of products are locally made. The limited demand of

local souvenirs restricts the scale of souvenir producing, which will in turn lead to the family run operation chosen by producers. They tend to arrange their own business by family members rather than hire employees.

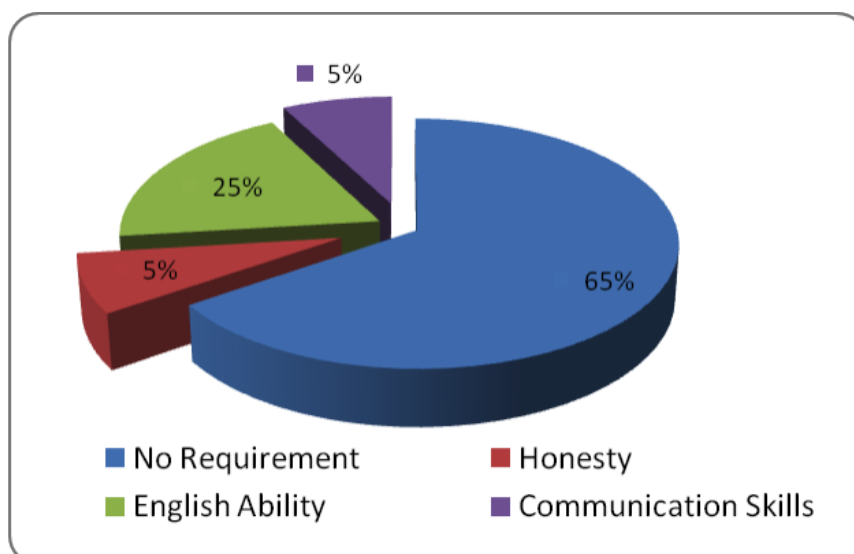
To be specific, among the 22 percent sellers who have employees, 19 percent is accounted by local employees while only 3 percent is occupied by the non-local employees. Among the 11 percent producers who have employees, the whole number has been contributed by local employees. Therefore, souvenir business provides a better opportunity for the local people in term of employment generation.

#### **6-2-2. The hiring requirements for obtaining a job in the souvenir business**

As previously mentioned, 89% of producers have no employees, the second indicator-- the hiring requirements for obtaining a job in the souvenir business is mainly based on the data collected from souvenir sellers, and this indicator is measured by the requirement of skills and education for employees.

It can be learned from figure14, 65 percent of respondents considered that there is no special skills required for working in souvenir business. Only 35 percent of respondents considered that some skills are necessary, such as honesty, English ability and communication skills. One can draw the conclusion that there are no requirements so as to what kinds of special skill are necessary, and the above is only some basic skills required in service industry.

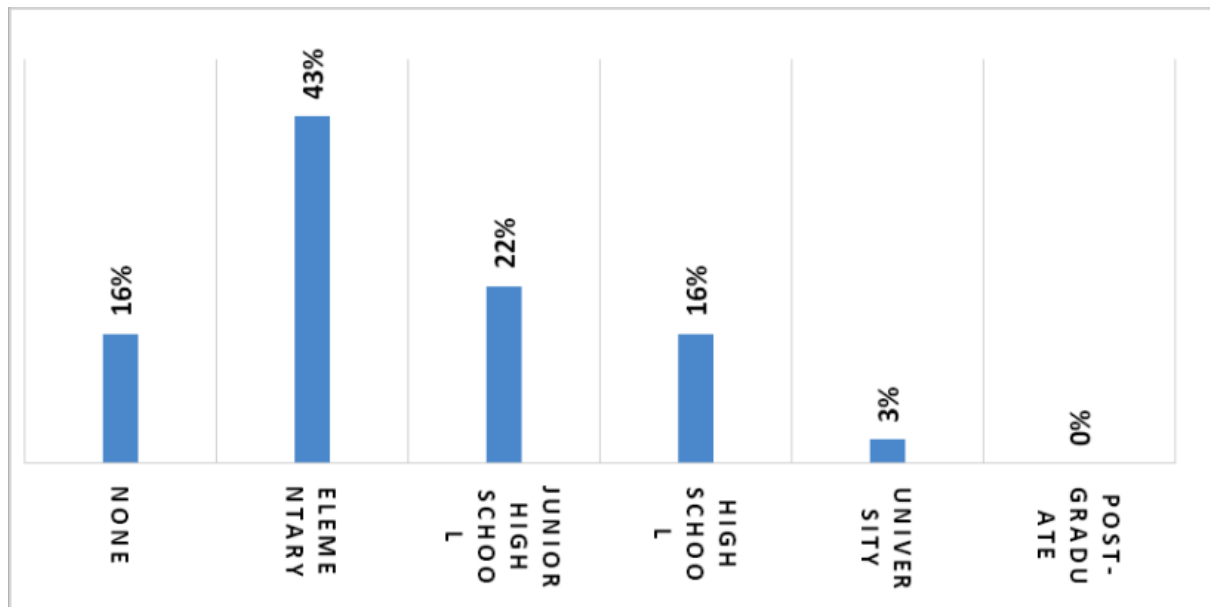
**Figure14: Skill Required for Obtaining a Job in the Souvenir Business**



Source: Calculated Based on Field Survey

In addition, the figure15 indicates that most of the respondents have elementary and junior high school education and these two groups accounted more than 60 percent of total respondents. Therefore, specific requirement in education is not requested in souvenir business too.

**Figure15: Education Level of Respondents**



Source: Calculated Based on Field Survey

In conclusion, the souvenir business in the Angkor Wat heritage site provides a better opportunity for the local people in term of employment generation. It can be known from the findings above, whether producers or sellers, most of them lean toward preferring to hire local people as the employee. Stand in the viewpoint of employees hired by sellers, there is generally no specific requirement to be a sale staff in souvenir shops, except for some basic skills, which is almost universal in service industry. By contrast, producers tend to have no employees due to the small scale of business.

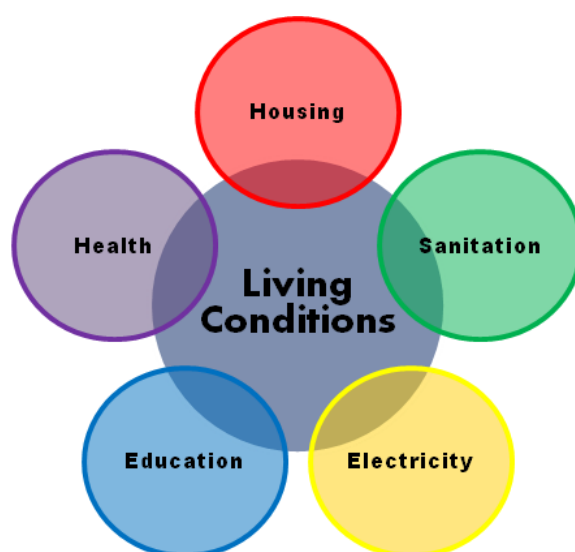
Moreover, it can be learned from the field survey that the craftsmanship is a trade handed down from generation to generation, which limited the approach of outsiders. It is also evident that sellers do not need educational background since the education levels of respondents are more centralized in lower levels. It can be concluded that souvenir business provides more opportunities for the local people who have no specific skills and low education level. In other words, the souvenir business in the Angkor Wat heritage site works to contribute to the employment of local people.

### **6-3. Living conditions**

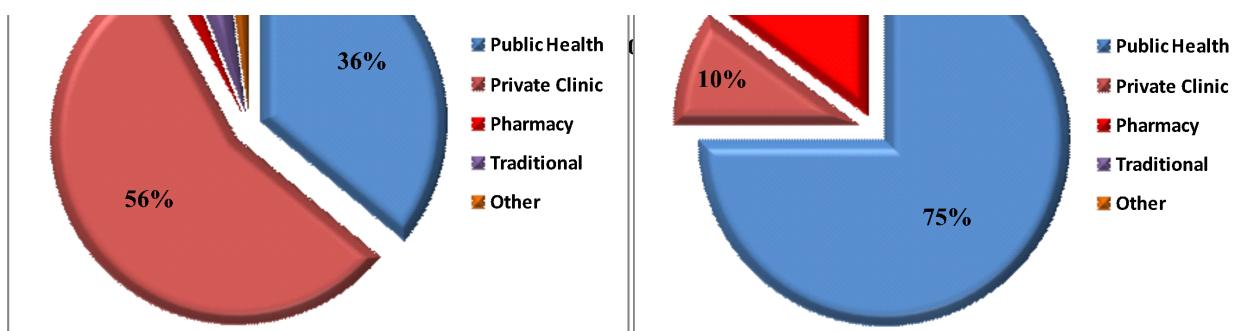
#### **6-3-1. Framework of living conditions**

As shown in Figure 16, this study employed five indicators concerning living conditions; namely housing, sanitation, electricity, education, and health. The indicator of health shows what producers and sellers do when they get sick, while the sanitation indicator shows how many families in total have latrines. At the same time, the number of houses owned by the sellers and producers will be included in the indicator of housing, while the indicator of education shows the percentage of sellers and producers that have attended schools.

**Figure 16: Analysis Framework of Living Conditions**



### 6-3-2. Actions of sickness

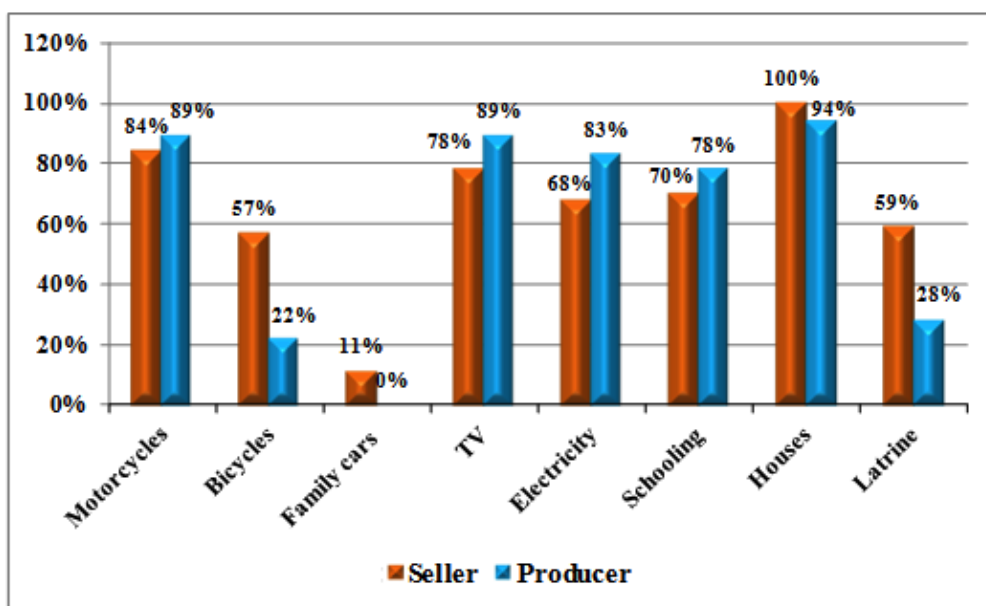


Source: Calculated Based on Field Survey

According to the survey, the majority of the sellers in souvenir business (56%) go to private clinics when they become sick while 36% of them go to public health centres. In comparison, most of the producers go to public health centres with the percentage of 75%, and just 15% and 10% go to pharmacies and private clinics, respectively. This indicates that the sellers have more access to private health care than the producers.

### 6-3-3. Analysis of Living Conditions

**Figure 18: Welfare of the Sellers and Producers**



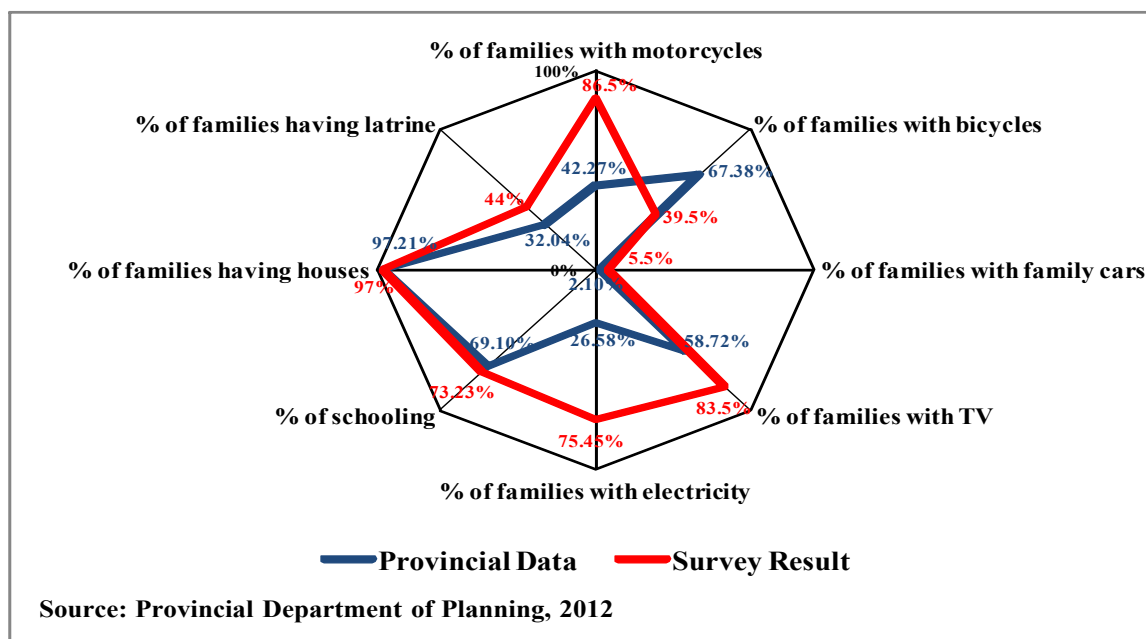
Source: Calculated Based on Field Survey

Figure 18 shows the physical properties that belong to the sellers compared to the producers. As a whole, the sellers own more houses, bicycles, family cars and latrines compared to the producers. However, the producers are considered better off, though not by much, in having motorcycles, TV, electricity, and education.

The whole picture of living conditions for the survey is shown in Figure 19. According to this survey, almost all of the families involved in the souvenir business (both sellers and producers) possess their own houses compared to 97.21% of families in Siem Reap province (PDP, 2012). What is more, 44% of the producers and sellers in the survey have their own latrines while that of the general Siem Reap population is 32.04%, according to the provincial information. With regards to schooling, most people in the souvenir business (73.23%) have received education at schools, regardless of the number of years of schooling, compared to 69.10% of the total population of Siem Reap. Next, compared to the provincial data which shows that only 26.58% of Siem Reap families have access to electricity, 75.45% of the families in the samples utilize electricity in their homes. Moreover, the survey also shows differences between families involved in souvenir business when it comes to possessing motorcycles, family cars, and TVs with the percentage of 86.5%, 5.5%, and 83.5%, respectively, compared to the provincial average of 42.27%, 2.1%, and 58.72%. However, in terms of having bicycles, the indicator shows possession is less and yet that item does not show much value compared to cars and motorcycles.



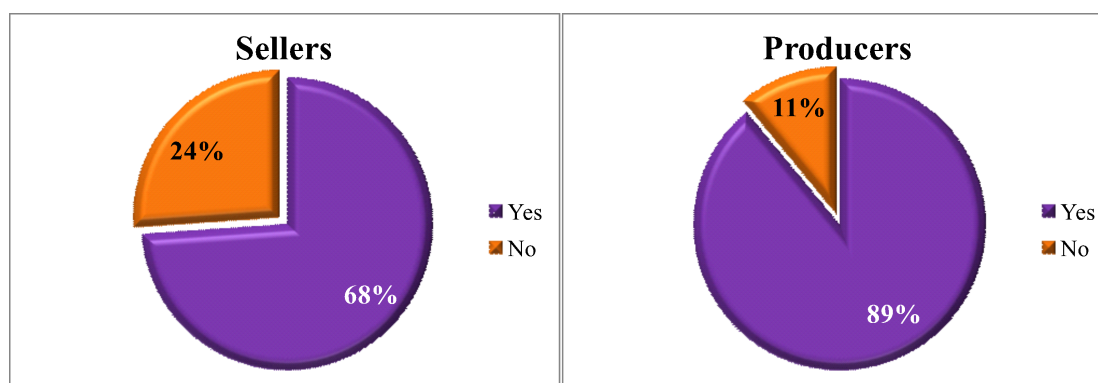
**Figure 19: Living Condition Analysis: Provincial Data and Survey**



#### 6-3-4. Local perception of the souvenir business

Based on the people involved in souvenir business, 68% of the sellers and 89% of the producers said that such a business helps improve their living conditions, while just 24% of the sellers and a small proportion of the producers (11%) answered negatively.

**Figure 20: Perception of the Sample on Souvenir Business**



Source: Calculated Based on Field Survey

## 7. Conclusions

The research was carried out with the objective of investigating the contributions of the souvenir business on the community at the Angkor Wat UNESCO World Heritage Site in Siem Reap, Cambodia. We are now enlightened on how the tourism-based souvenir business positively affects income, employment, and living conditions of the local people living within and around the foremost important tourist attraction of Cambodia. Our conclusions will point out what is common between producers and sellers of souvenirs, as well as the

pertinent differences, which were culled from our findings.

**Income:**

The main income source for people living within the heritage site is from the souvenir business. This is a pragmatic consequence of opportunity that comes along with the benefits of tourism. It is important to note, however, that the sellers are gaining more income from the souvenir business than the producers. This is supported by the fact that producers have to invest in a wider range of activities such as procurement of raw materials, transport of products from production sites to the markets, wages of laborers for some, and amortizations for loans. This also does not discount family expenditures for basic needs such as food, medical care, and education. On the other hand, sellers may have the same expenditures as producers for their operational costs, but they can be flexible with the prices of their products that they sell in the market, which gives them the opportunity to gain more.

As to sufficiency of income, the majority of producers and sellers find their income from the souvenir business enough to support their basic needs. This is advantageous over the locals, who depend primarily on the tourism potentials of their locality. It is alarming, though, that they do not have a culture of savings as established in the findings.

**Employment:**

The tourism industry in the Angkor Wat heritage site is working in favor of the local people in terms of employment. Noteworthy in our findings is that shop owners and producers prefer to hire, either to work throughout the production process of souvenir items or as sales staff. Generally, there is no age limitation for those who engage in the production sector, except for some activities that require a minimum age because of contracts they sign with employers, as in the case of private entrepreneurs or companies. Moreover, there are no formal skills training required for either producers or sellers, especially in view of the family tradition of inheriting the souvenir business. Most producers start engaging in handicrafts at a very early age and find that they continue the activity as their main source of living. It is also evident that on the part of sellers, they do not have to have a formal educational to learn the art of attracting customers. With the exception of the English classes, most local people engaged in souvenir business learned how to speak “sales-talk” through experience.

**Living Conditions:**

The souvenir business contributes positively to living conditions of those involved, and brings better living standards compared to people living in Siem Reap, as a whole, due to the findings and the perception of the local souvenir business people themselves. A majority of the people in the survey, especially sellers, can afford going to private clinics when they get sick. People in the souvenir business have better sanitation in terms of possessing more latrines. They also have better access to education, own houses, own more cars, motorcycles, TVs, and have better access to electricity which shows the positive contribution of the souvenir business to the

community. However, the accessibility of electricity is geological, meaning that electricity is available in the city and the areas around, but not the remote areas. Hence, this percentage cannot be generalized for all people involved in the souvenir business since our sample site is just around the Angkor heritage sites, which are located in or very close to the city.

The local people engaged in the souvenir business have a better standard of living than those who are employed in other sectors. This was inferred from the comparative analysis between the provincial data and our findings on selected indicators including electricity, toilets, attendance in schools, and house ownership. Our findings showed that producers and sellers had a higher percentage of access or ownership of all four variables compared with the provincial data. This may not be representative of the entire province because our research site involved only few villages, but this finding sheds some light on the actual situation. Further, this finding is also limited to the indicators that we utilized namely electricity, toilet, attendance to schools, and house ownership.

As to the differences between producers and sellers, we found that more sellers utilize the services of private health centers than producers. Relative to this, the frequency of sickness in sellers is higher than in producers. The most common diseases are flu, fever, and diarrhea according to our survey. This is attributed to the exposure of sellers to the environment of their workplace and to different customers.

In summary, the contributions of the tourism-based souvenir business to the local community in the Angkor Wat heritage site are the following: (a) In terms of income, it is the main source of living and is sufficient to meet their basic needs such as food, clothing, and shelter; (b) With regard to employment, the majority of the population in the community are engaged in souvenir business; and (c) As to living conditions, the people engaged in the souvenir business whether as producers or sellers have better living conditions compared to those in the other sectors, but only with regard to use of electricity, the presence of toilets, attendance in schools, and house ownership.

## **8. Recommendations**

01. Since the saving rate of both sellers and producers is significantly low, it should be encouraged to increase. In order to encourage saving, should be promoted through daily savings by getting the help of the mobile savings promotion officers. In addition, gifts, attractive facilities and incentives should be provided for reaching a considerable amount of savings. Lack of capital and living hand to mouth are common problems. For the future sustainability and further expansion of their businesses, savings provide the needed capital for investment. Ultimately they will be self-dependent, changing their lives and society.

02. Since the income level is lower for producers compared to sellers', there should be an appropriate and updated programme to lift their income. It is better to facilitate better market places for the producers by alleviating them from the middlemen, a solution which was mentioned by the producers at the time of field interview in Rohal, Ta Luas, Banteay Srei, Prasat Bakong, Sras Srang, Nokor Thom villages.

03. Many producers and sellers are looking for capital to expand their souvenir businesses but are too poor to invest a large amount of money. Some live hand to mouth with the earnings from their businesses. Souvenir producers need financial tools like interest-free loans and subsidies from the government so they can start or invest in their businesses to increase production or establish their new businesses.

04. The potential is high for souvenir businesses near the Angkor Wat heritage site, and therefore, can be a very good employment opportunity for a new generation looking for jobs. Here the government and NGOs should create a training program for unemployed young people to enable them to engage in the souvenir business. Souvenir-related businesses are very attractive and growing in Siem Reap as the area is becoming more popular for international tourists. Thus, the souvenir business is becoming a more sustainable economic activity in the area. In addition, the study revealed that the people who are working in this business are happy with their profession and looking forward to a better future with the help of authorities.

05. Siem Reap is a rather new tourist destination and souvenirs are a newly growing business. But the local souvenir business mainly depends on imported items from Thailand and Vietnam. As a result, the local producers are threatened. It is the responsibility of the government to set controls on the import of foreign souvenirs to protect this local industry.

06. Government and NGO assistance is needed to provide sanitation facilities and trainings. The field study data reflects a concern for the condition (and in some cases the lack) of sanitation facilities within the souvenir business. This is the overall situation in Siem Reap, giving the perception that people are not giving the priority to sanitation facilities. Here we would like to remark that government and NGOs have minimum intervention in this field, which causes other problems and limits the ability to have a better life standard.

07. The government should come up with facilities for safe drinking water. The research revealed that the people related with the souvenir business are struggling with access to safe drinking water. Mainly from underground water sources, rain is the contributing source of drinking water. Some families enjoy tube well water, but in general, people are still having problems securing safe drinking water. However, the situation is changing with income levels, and people are becoming more and more aware about their lives.

08. In terms of access to health services, souvenir sellers are enjoying better quality of health services compared to producers. It indicates that souvenir sellers are earning more and are more conscious about their health. It is because of their regular contact with urban people and tourists from different areas in the world. On the other hand, the souvenir sellers are living in more remote areas where awareness and knowledge of health is very hard to practice. Besides, the level of income for those families is not adequate to spend on private health services.

09. The Ministry of Tourism, Ministry of Culture and Fine Arts, Apsara Authorities and AHA should provide training about market channels. Through the field-work it was observed that souvenir sellers are not

knowledgeable about the market channels. They sell their souvenir to the middle-man who are coming to the villages and buy their products. As a result, they are not getting the prices as per their expectations, which cause them to remain poor. In addition, the availability of raw materials is decreasing and sometimes they need to buy it with prices is increasing day by day. This in turn causes production costs to increase. To help alleviate this situation, the Ministry of Tourism, Ministry of Culture & Fine Arts, APSARA and AHA can arrange some training programs to teach them about the market channels, the pricing policy and how to add the value to their products for higher profits.

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