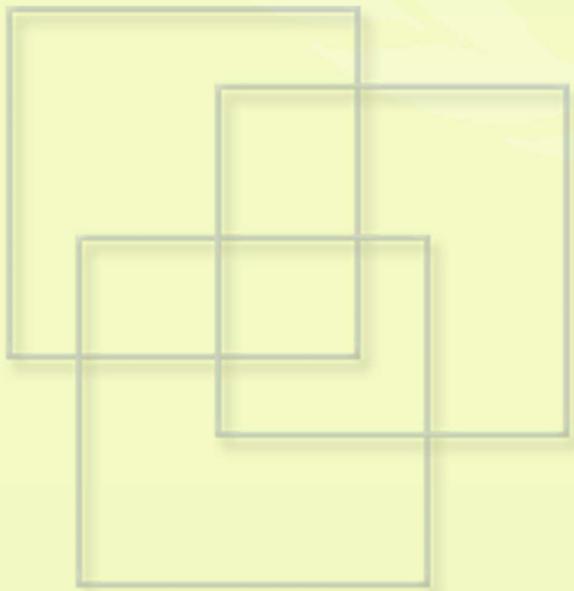


## ILO Asia-Pacific Working Paper Series

### Cross-border labour migration in Cambodia: Considerations for the national employment policy

Max Tunon and Khleang Rim  
October 2013



Tripartite Action to Protect Migrants within and from the GMS  
from Labour Exploitation (TRIANGLE)

Regional Office for Asia and the Pacific

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# Preface

*“To address the labour market challenges, the Royal Government will further deepen reforms of policy, and regulatory and institutional frameworks to ensure that all the components of the labour market are collectively consistent, responsive and reinforcing each other [...] to boost economic growth, create jobs and promote livelihoods.”*

*Rectangular Strategy Phase III (2013-2018), Royal Government of Cambodia, paragraph 107*

The International Labour Organization’s tripartite constituents in Asia and the Pacific - governments, employers’ and workers’ organizations - have committed themselves to an “Asia-Pacific Decent Work Decade 2006-2015”. In doing so they reaffirmed their commitment to achieving full, productive and decent employment for their people. The commitment shown by the Royal Government of Cambodia in developing a national employment policy with a focus on young women and men forms part of the policy efforts toward attaining the goals of Cambodia to consolidate its future development path, as well as those of Asia-Pacific Decent Work Decade 2006-2015.

Cambodia has grown at a remarkable average annual rate of over nine per cent during the decade prior to the onset of global financial crisis in 2008. Since then, the economy has recovered well, albeit more modestly than in the pre-crisis period, with the economy growing at little less than seven per cent on average between 2010 and 2012. While a decade of rapid growth has notably improved the livelihoods of the Cambodian people, with the headcount poverty rate falling from 39 per cent in 1994 to 30 per cent in 2007, poverty remained pervasive in the rural areas at 35 per cent in 2007. At the same time, employment has grown at 4 per cent per year between 1998 and 2008, but much of this growth has been in the rural areas and in the informal segments of the economy. Furthermore, productivity, as measured by output per worker, has been one of the lowest in the region and grew only modestly in the late 2000s. In 2010, output per worker in Cambodia was less than 4,000 in constant purchasing power parity dollars; this was two-third that of Viet Nam and less than one-fifth of Malaysia’s. As Cambodia grows into a middle income country, as envisaged by statements made in relation to Cambodia’s Vision 2030, there is a recognized need to diversify its economic base and to undertake higher value-added activities. Attaining such aspiration requires strategic policy approach, including an employment policy, to enhance productivity of and returns to work in the existing economic activities and to adequately skill and mobilize workers, particularly those currently engaged in vulnerable forms of employment, toward emerging sectors. This would ensure that the growth process is more equitable, generated through broad-based participation and empowerment of the Cambodian people.

To support the Government in developing an employment policy, the ILO has responded by providing policy advice. This first led to a generation of background analyses in areas that are pertinent to employment outcomes and employment policymaking. The ILO has also supported consultation meetings on the background analyses and their policy recommendations in 2012 and 2013, with active participation of the national stakeholders.

In this regard, we are grateful to the financial support provided by the Sweden-ILO Partnership (2009-2013) that has been contributing to the attainment of ILO’s outcome: *More women and men have access to productive employment, decent work and income opportunities*. It is also closely related to the work envisaged by the ILO on the areas of critical importance included in the programme and budget for the next biennium (2014-2015), namely *promoting more and better jobs for inclusive*

growth and *jobs and skills for youth*. In conducting this background research, we are also grateful to the strong commitment and support provided by the Employment Policy Department, ILO Geneva.

This paper authored by Max Tunon and Khleang Rim represents one of the background analyses. It examines the on-going policy efforts to ensure informed, safe, and protected cross-border migration for Cambodian workers and suggests areas that the national employment policy can consider for further actions in Cambodia. It provides a review of existing legislative and institutional framework that governs the migration process. It highlights the Labour Migration Policy (2010) and its Action Plan as a key policy platform that has placed governance of migration onto the policy agenda of Ministry of Labour and Vocational Training. It also emphasizes the need to generate more information in order to find ways of making migration work for domestic economic development, better employment outcomes, and improved welfare of migrant workers, return migrants, and their families.

The new Rectangular Strategy Phase III (2013-2018) has been presented by the government as the policy framework for the Fifth Legislature. By maintaining the central themes of growth, employment, equity, and efficiency, the strategy shows a strong commitment by the Royal Government of Cambodia to promote employment as central part of their medium-term development strategy and institute a policy framework such that productive employment generation and economic development occur in tandem.

This paper is part of the ILO Asia-Pacific Working Paper Series, which is intended to enhance the body of knowledge, stimulate discussion and encourage knowledge sharing and further research for the promotion of decent work in Asia and the Pacific.

Yoshiteru Uramoto  
Assistant Director-General and  
Regional Director  
Asia and the Pacific Region

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This paper draws from the experience and knowledge that has accumulated through implementation of the Tripartite Action to Protect Migrant Workers within and from the Greater Mekong Sub-region from Labour Exploitation (GMS TRIANGLE project), an initiative supported by the Australian Agency for International Development (AusAID).

The paper benefited greatly from the views, concerns, and recommendations expressed by the national stakeholders during the above-mentioned workshop in December 2012. This paper also benefited from very helpful comments and inputs provided by ILO colleagues including Sukti Dasgupta, Kazutoshi Chatani, and Makiko Matsumoto.



# Abstract

It is projected that Cambodia's labour force will grow by 22 per cent between 2007 and 2015. An estimated 250,000 to 300,000 new young workers are entering the labour force each year, for whom decent employment opportunities need to be found. Yet, the domestic labour market still generates limited employment opportunities and relatively low wages, compared to opportunities that exist abroad. As a result, more Cambodians are considering leaving the country to find work abroad. There were an estimated 350,400 Cambodian migrants in 2010. Migrants are increasingly women, largely due to increased demand for women in domestic work and in the manufacturing sectors. For overseas migration to be safe and protected, legal and institutional mechanisms need to be in place to inform potential migrant workers about working abroad and their rights at work, among other measures. Cambodia has initiated, and continues to develop, policy actions and institutions to enhance governance of the migration process. At the same time, more policy efforts may be needed to ensure that overseas migration is strategically promoted and harnessed for domestic economic and labour market developments. The national employment policy could play a role in providing strategic directions to migration, from the perspective of domestic economic development and national development goals, and in encouraging and connecting return migrants to the domestic labour market in a gender-responsive manner. In this regard, some institutional mechanisms would need to be in place to recognize work experiences and skills gained abroad, and generate information on return migrants as well as their labour market outcomes in the country. As a first step, the challenge of information deficiency on return migration needs to be overcome before a programme can be formulated to encourage return migration and enhance the development impact of overseas migration.

## About the authors

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*The responsibility for opinions expressed in articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them, or of any products, processes or geographical designations mentioned.*



# Abbreviations

ACRA	Association of Cambodian Recruitment Agencies
AusAID	Australian Agency for International Development
CAMFEBA	Cambodian Federation of Employers and Business Associations
CCTU	Cambodia Federation of Trade Unions
CIDS	Cambodia Institute of Development Study
CLC	Cambodia Labour Confederation
CSES	Cambodia socio-economic surveys
CSO	civil society organization
CTUC-M	Cambodian Trade Union Committee on Migration
EPS	Employment Permit System (Republic of Korea)
FDI	foreign direct investment
ILO	International Labour Organization
IOM	International Organization for Migration
JITCO	Japan International Training Cooperation Organization
KHR	Cambodian riel
LMIS	labour migration information system
MOLVT	Ministry of Labour and Vocational Training
MTOSB	Manpower Training and Overseas Sending Board
MOU	memorandum of understanding
MRC	migrant worker resource centre
MYR	Malaysian ringgit
NACC	National Union Alliance chamber of Cambodia
NEA	National Employment Agency
NEP	National Employment Policy
NGO	non-governmental organization
NV	nationality verification
OSCE	Organization for Security and Co-operation in Europe
PSOD	Phnom Srey Organization for Development
THB	Thai baht
GMS TRIANGLE	Tripartite Action to Protect Migrants within and from the GMS from Labour Exploitation (TRIANGLE)



# 1. Introduction

It is projected that Cambodia's labour force will grow by 22 per cent between 2007 and 2015.<sup>1</sup> An estimated 250,000 to 300,000 new young workers are entering the labour force each year, for whom decent employment opportunities need to be found. Against this backdrop, the Royal Government of Cambodia has requested the International Labour Organization's (ILO) support in formulating a National Employment Policy (NEP).

The basic objective of such an employment strategy is to provide support to policy planners, social partners and other relevant parties to formulate policies and programmes toward generation of productive and remunerative employment, with full respect for rights at work – and in the case of Cambodia, with a focus on young women and men. An employment strategy is also expected to assist the Government in making employment generation (quantity and quality) an objective in economic and social policy-making in order to promote the goal of full employment and decent work. Consultations with constituents have resulted in the decision to carry out in-depth studies in four thematic areas to support informed policy-making: rural employment, macroeconomic and sectoral policies, skills gap, and labour migration.

The following background paper on labour migration has been prepared by the ILO Tripartite Action to Protect Migrants within and from the GMS from Labour Exploitation (TRIANGLE) (GMS TRIANGLE project), which is providing support to the Ministry of Labour and Vocational Training (MOLVT) and social partners in the management of migration and the protection of migrant workers.<sup>2</sup> This paper draws on existing research and materials, particularly the MOLVT's *Policy on Labour Migration for Cambodia*, as well as an assessment of Cambodia's labour migration policies, legal framework and institutions, commissioned by the GMS TRIANGLE project in 2011.

This paper should be read together with the MOLVT *Policy on Labour Migration* and accompanying Action Plan, which were adopted in June 2010 and remain relevant. This paper aims to provide an update on the trends, legislative developments, and progress made towards the objectives identified in the Action Plan.

# 2. Labour migration trends

As a result of the huge number of young people entering the domestic labour market with limited opportunities and the attractive wages offered abroad (see section 4), more Cambodians are considering leaving the country to find work. There were an estimated 350,400 Cambodian migrants in 2010.<sup>3</sup>

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<sup>1</sup> MOLVT, *MOLVT policy on labour migration for Cambodia*, citing ILO, LABORSTA, "Economically active population estimates and projection", p.9.

<sup>2</sup> Annex 1 contains an overview of the ILO GMS TRIANGLE project, and progress made to date in Cambodia.

<sup>3</sup> World Bank. 2011. *Migration and remittances factbook 2011*: <http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1199807908806/Cambodia.pdf>. [accessed 1 Oct. 2012]

The National Poverty Reduction Strategy 2003-2005 noted the lack of employment opportunities in the domestic market and the need to improve living standards through income generation and skills acquired by workers who have migrated. However, labour migration was not mentioned in the National Socio-Economic Development Plan 2006-2010.

The promotion of foreign employment through public and private employment services was identified as a priority in the MOLVT Strategic Plan 2006-2010, and the following measures were highlighted: improved management of foreign employment, expanded protection of migrant workers, strong inter-ministerial coordination, and closer international cooperation. The Decent Work Country Programme 2008-2010 includes the following outcome: “Government and social partners develop and implement policies to manage migration, protect migrant workers, and combat human trafficking in line with ILO principles.”

The main country of destination for Cambodian migrant workers is neighbouring Thailand, but only a small proportion, less than 10 per cent, migrated through legal channels established under the Memorandum of Understanding (MOU) between the two countries. That said, the number of migrants using legal channels has increased by 173 per cent over a five-year period, from 4,116 in 2006 to 11,224 in 2010, and 16,837 (of whom 37 per cent were women) in 2011, as shown in figure 1 and table 1. Of the three countries with which Thailand has such MOUs, Cambodia has sent over 60 per cent of the total number of migrants who have entered Thailand through legal channels (table 2).

In Malaysia, the other major destination for Cambodian migrant workers, the demand for domestic workers increased dramatically following the Indonesian Government’s moratorium on sending domestic workers abroad, which lasted from 2009 to 2011. The number of Cambodian domestic workers migrating to Malaysia increased from 10,165 in 2008 to 30,197 in 2010 and 33,707 in 2011. In 2009 and 2010, female domestic workers made up 84 and 73 per cent of the total number of Cambodian workers deployed to Malaysia, respectively.<sup>4</sup>

The number of licensed recruitment agencies increased from 18 to 31 between 2008 and 2010. There are currently 39 such licensed agencies, 25 of which are members of the Association of Cambodian Recruitment Agencies (ACRA). (See section 6 for more on the role of ACRA).

The total cost of legally sending a migrant worker to Thailand is approximately US\$700, while for Malaysia it is US\$840 to US\$1,200. In comparison, an illegal migrant would typically pay US\$100 to be smuggled into Thailand and would not have to wait long to travel.<sup>5</sup> Prospective migrant workers are asked to put up US\$100 as a guarantee, but the remainder is typically paid by the employer or agency, and then deducted from the workers’ wages for up to a year until the debt is paid off. The average monthly salary for Cambodian domestic workers in Malaysia is about 600 ringgits (MYR), or approximately US\$200.<sup>6</sup>

In October 2011, the Cambodian Prime Minister imposed a temporary ban on sending domestic workers to Malaysia following a series of reports of abuse and exploitation. To enhance protection of migrant workers, an MOU between the two countries is currently being considered. Due to the ban,

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<sup>4</sup> L.K. Ruhunage, *An assessment of labour migration policies in enhancing the capacity of the labour migration institutions to effectively govern labour migration*, (Bangkok, ILO, 2011), unpublished.

<sup>5</sup> Ibid.

<sup>6</sup> ILO GMS TRIANGLE, *Baseline desk review*, 2010, unpublished.

many employers have sought to extend the contracts of their Cambodian domestic workers beyond two years.

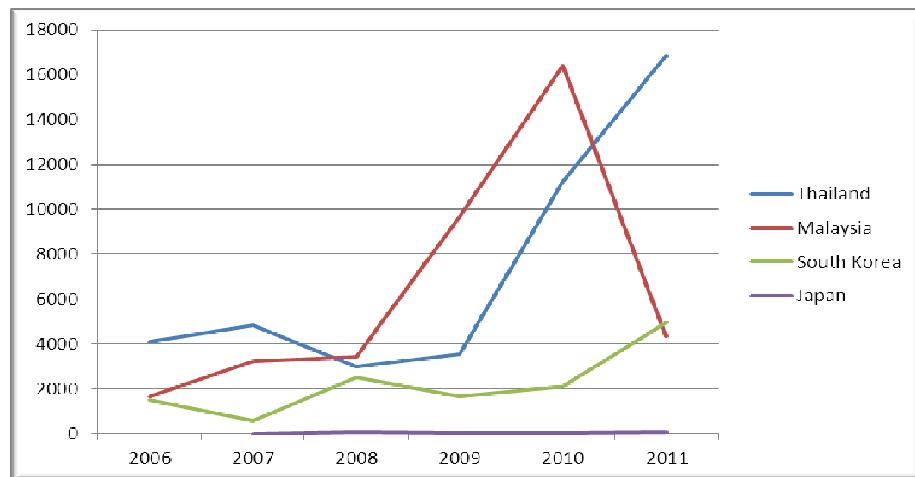
The MOU with the Republic of Korea on the deployment of Cambodian workers under the employment permit system (EPS) is based on: (1) the recruitment and placement process managed by the two governments (government-to-government policy); and (2) the application of a standard framework for all 15 source countries by the Government of the Republic of Korea, which aims to prevent abusive practices and preserve transparency in the process. The Manpower Training and Overseas Sending Board (MTOSB) is a public employment agency tasked with recruiting, training, and sending workers to the Republic of Korea.

In 2011, Cambodia sent 4,957 workers to the Republic of Korea under the EPS, 89 per cent of whom were men (90 per cent of all workers under the EPS are men). Of 15 source countries, Cambodia sent the fourth largest number of workers to the Republic of Korea under the EPS in 2011, and about 10 per cent of the total.<sup>7</sup>

From 2007 to mid-2012, 252 Cambodians (166 men and 86 women) have been deployed to Japan by private recruitment agencies and non-governmental organizations (NGOs) under the Japan International Training Cooperation Organization (JITCO) programme.

An MOU with Qatar was signed in 2011.

**Figure 1. Deployment of Cambodians in foreign employment, 2006-2011**



Source: Department of Employment and Manpower, MOLVT.

<sup>7</sup> Statistics Korea Website, Q&A, [http://kostat.go.kr/portal/english/help/1/index.board?bmode=read&aSeq=260154&pageNo=&rowNum=10&amSeq=&sTarget=&sTxt=\[accessed 1 Oct. 2012\]](http://kostat.go.kr/portal/english/help/1/index.board?bmode=read&aSeq=260154&pageNo=&rowNum=10&amSeq=&sTarget=&sTxt=[accessed 1 Oct. 2012])

**Table 1. Deployment of Cambodians in foreign employment, 2006-2011**

Year	2005	2006	2007	2008	2009	2010	2011
<b>Total</b>	<b>2 244</b>	<b>3 636</b>	<b>9 476</b>	<b>7 340</b>	<b>14 928</b>	<b>29 783</b>	<b>26 219</b>
Male	899	1 798	4 611	3 616	4 292	10 501	15 563
Female	1 345	1 838	4 865	3 724	10 636	19 282	10 656
<b>Thailand</b>	<b>n.a.</b>	<b>445</b>	<b>5 670</b>	<b>2 116</b>	<b>3 543</b>	<b>11 224</b>	<b>16 837</b>
Male	n.a.	226	3 935	1 425	1 968	6 304	10 624
Female	n.a.	219	1 735	691	1 575	4 920	6 213
<b>Malaysia</b>	<b>1 776</b>	<b>1 690</b>	<b>3 219</b>	<b>2 654</b>	<b>9 682</b>	<b>16 394</b>	<b>4 351</b>
Male	467	231	174	53	876	2 522	457
Female	1 309	1 459	3 045	2 601	8 806	13 872	3 894
<b>Korea, Rep. of</b>	<b>468</b>	<b>1 501</b>	<b>584</b>	<b>2 531</b>	<b>1 687</b>	<b>2 116</b>	<b>4 957</b>
Male	432	1 341	499	2 125	1 438	1 635	4 429
Female	36	160	85	406	249	481	528
<b>Japan</b>	n.a.	n.a.	<b>3</b>	<b>39</b>	<b>16</b>	<b>49</b>	<b>74</b>
Male	n.a.	n.a.	3	13	10	40	52
Female	n.a.	n.a.	n.a.	26	6	9	22

Source: Department of Employment and Manpower, MOVT; figures from 2005-2009 cited in Chandararot and Liv.

**Table 2. Total number of migrants recruited through MOU of working in Thailand as of March 2012**

Nationality	No. of migrants working with active work permits and valid passports
Cambodia	56 924
Lao PDR	15 603
Myanmar	18 372
<b>Total</b>	<b>90 899</b>

Source: IOM Migration Information Note, Issue No. 15, IOM Thailand, May 2012. Data from the website of the Office of Foreign Workers' Administration, Ministry of Labour, Thailand.

In mid-2011, the Government of Thailand opened a registration window for irregular migrants as the first step in allowing them to obtain legal status. Employers submitted registration documents for 249,055 irregular Cambodian migrants from 15 June 2011 to 15 September 2011, as shown in table 3. The next step to regularization was nationality verification (NV), after which work permits were issued. As of March 2012, 67,238 Cambodians had completed this process and obtained work permits (table 4). While the registration has closed, the NV process continued, with the deadline for completion extended to 15 December 2012.

**Table 3. Number of migrant workers in Thailand for whom employers submitted registration documents in mid-2011**

Nationality	No. of migrant workers registered
Cambodia	249 055
Lao PDR	105 364
Myanmar	657 024
<b>Total</b>	<b>1 011 443</b>

Source: IOM Migration Information Note, Issue No. 13, IOM Thailand, October 2011. Data from the website of the Office of Foreign Workers' Administration, Ministry of Labour, Thailand.

**Table 4. Total number of migrants who completed nationality verification in Thailand as of March 2012**

Nationality	No. of migrants workers registered
Cambodia	249 055
Lao PDR	105 364
Myanmar	657 024
<b>Total</b>	<b>1 011 443</b>

Source: IOM Migration Information Note, Issue No. 13, IOM Thailand, October 2011. Data from the website of the [Office of Foreign Workers' Administration, Ministry of Labour, Thailand](#)

In August 2011, the Malaysian Government launched the ‘6P’ programme, which provided a window for irregular migrants to register and obtain amnesty. Many of the workers who were granted amnesty have since been placed in jobs in sectors deemed to be affected by labour shortages by the Government. A campaign to crack down on irregular migrants and their employers is now underway. The number of Cambodian workers who registered under the programme is not yet known.

### 3. Profile of migrant workers

The MOLVT established a Labour Migration Information System (LMIS) that collects sex- and sector-disaggregated data on the number of Cambodian workers that migrate through regular channels. More information is needed on their age, education, and home, among other things. The LMIS was set up with assistance from the International Organization for Migration (IOM), and the MOLVT has requested additional support to further strengthen the system.

Article 4 of Sub-decree 190 sets 18 as the minimum age for migration. The Malaysian Government mandates a minimum age of 21 for domestic workers, but there have been reports of birth dates being altered on identity documents to enable girls and young women under 21 to migrate.

The situation in Cambodia is in line with broader regional and global trend of a feminization of migration, due largely to the increased demand for women in domestic work and in the manufacturing sectors, coupled with changing societal trends that allow women to migrate independently. Cambodian women made up 87 per cent of all Cambodians deployed to Malaysia from 2000 to mid-2012. The vast majority of these women are domestic workers (75 per cent), but women also constitute 48 per cent of Cambodian migrants deployed to work in Malaysia’s manufacturing industry. In Thailand, Cambodian women comprised 38 per cent of the total number of Cambodian workers who registered in 2010 and 2011. Of those women who registered, 33 per cent were employed in the construction sector, 16 per cent were in agriculture, 10 per cent were in services, and 6 per cent were in domestic work.<sup>8</sup> Women made up only 15 per cent of the Cambodians in the Republic of Korea under the EPS, from its inception in 2007 to mid-2012. In 2011, there were 531 Cambodian female workers in the Republic of Korea under the EPS, comprising 11 per cent of the

<sup>8</sup> Statistics provided to the ILO by the Office for Foreign Workers Administration, Department of Employment, Ministry of Labour, Thailand, 2011.

total number of Cambodians. This is in line with the overall trend of EPS workers, 90 per cent of whom are men.<sup>9</sup>

Significant numbers of workers cross the Thai border for seasonal work or on a very short-term basis. This type of migration is predominantly irregular, and the Cambodian Government has indicated that this is an area in which it would like to strengthen cooperation with the Thai Government under the MOU.

Illiteracy rates among migrant workers are very high. This affects their ability to understand contracts, the nature of pre-departure training, and methods of educating migrants and potential migrants about safe migration and their rights at work.

Workers going to the Republic of Korea through the EPS have a different profile from those going to Thailand and Malaysia, given the Korean language requirement and higher costs involved – estimated to be around US\$950 for the costs of a passport, air ticket, medical examination, pre-departure training, and administrative expenses, among others.<sup>10</sup> Because of the male-dominated sectors of work in which there are labour shortages – for example, in agriculture, fishing, and construction – there are far fewer Cambodian women migrating to the Republic of Korea: 10 per cent of the total number of foreign workers and 11 per cent of the Cambodians.

Although licensed recruitment agencies do not place workers in the fishing sector (this is not a formal policy, but an agreement between the Government and recruitment agencies), a considerable proportion of fishing boats on Thailand's eastern seaboard are manned by Cambodians. The GMS TRIANGLE project baseline survey found that 29 per cent of male potential migrant respondents intended to work in the fishing sector. In addition, nine per cent of Cambodian men who registered in Thailand in 2010 and 2011 were in the fishing sector.<sup>11</sup>

Surveys among potential migrants in three target provinces of Battambang, Kampong Cham, and Prey Veng reveal that knowledge about safe migration and rights at work is very low: one-fifth of the respondents did not know any of the legal requirements for working abroad (i.e. job offer, entry visa, work permit); over one-third did not know any of article that should be included in a labour contract; and 68 per cent of females and 49 per cent of males did not know of any channel through which they could obtain support to address grievances in the destination countries.<sup>12</sup>

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<sup>9</sup> Statistics Korea Website, Q&A, <http://kostat.go.kr/portal/english/help/1/index.board?bmode=read&aSeq=260154&pageNo=&rowNum=10&amSeq=&sTargEt=&sTxt=>.

<sup>10</sup> L.K. Ruhunage, 2011.

<sup>11</sup> Statistics provided to the ILO by the Office for Foreign Workers Administration, Department of Employment, Ministry of Labour, Thailand, 2011.

<sup>12</sup> GMS TRIANGLE project, *Baseline survey*, 2010.

## 4. Wages and remittances

The principal factor causing Cambodians to migrate for work is the wage differential. The majority of Cambodians are employed in the informal economy, and according to the 2008 census only 17 per cent of employed Cambodians were salaried employees. Salaried employment was significantly higher in the cities, at 52 per cent, compared with nine per cent in rural areas.<sup>13</sup> A Cambodia socio-economic survey (CSES) found that the daily wage for agricultural workers in Cambodia was 13,756 riel (KHR), equivalent to US\$3.44, in 2009. A 2012 wage survey carried out by the Cambodian Institute of Development Studies (CIDS) on plantation workers in rural Cambodia found that plantation workers earn around KHR13,136 (US\$3.28) per day on average.<sup>14</sup>

In comparison, Thailand's daily minimum wage in seven provinces as of April 2012 was 300 baht (THB), or KHR39,380 (US\$9.78). At the same time, the minimum wage rose by 40 per cent in the other Thai provinces. While the Thai labour law and the MOU guarantee the minimum wage to migrant workers as well, they often earn significantly less. In Peninsular Malaysia, a monthly minimum wage of MYR900, or KHR1,188,000 (US\$295) came into force on 1 January 2013.<sup>15</sup> This minimum wage applies to nationals and migrants alike, except for domestic workers. In the Republic of Korea, the minimum wage is approximately US\$790 per month, based on the hourly minimum wage and the average number of working hours in 2011.<sup>16</sup>

In 2010, the World Bank estimated that Cambodian migrants sent home about US\$364 million in remittances. In comparison, net foreign direct investment (FDI) inflows were US\$0.8 billion, and net overseas development aid (ODA) received was US\$0.7 billion.<sup>17</sup> A 2007 ILO study of remittances from Cambodian migrant workers in Thailand revealed that the median amount sent home in the previous two-year period was about THB20,000 per worker, or THB833 per month (KHR109,338 or US\$27).<sup>18</sup> This figure was lower than the amount sent by migrants from Myanmar and Lao PDR. Forty per cent of Cambodian migrant workers in Thailand reported that remittances were the main sources of income for their families, and the money was mainly spent on daily expenses, health care, and household appliances.<sup>19</sup>

## 5. Ministry of Labour and Vocational Training's mandate

The Cambodian Government agency responsible for the governance of labour migration is the Department of Employment and Manpower, under the MOLVT's General Department of Labour. Sub-Decree No. 52 (2005) mandates the MOLVT with two tasks that are directly related to labour migration: (1) to improve the management of overseas employment service provision through private

<sup>13</sup> MOLVT, *Policy on Labour Migration for Cambodia*, 2010, p.8.

<sup>14</sup> K. Chandararot and D. Liv, *Rural development and employment opportunities in Cambodia: How can a National Employment Policy contribute towards realization of decent work in rural areas?* (Bangkok, CIDS, 2012), unpublished.

<sup>15</sup> Exchange rate, [www.xe.com](http://www.xe.com) (calculated on 20 October 2012).

<sup>16</sup> Ministry of Employment and Labour, [www.moel.go.kr/english/statistics/major\\_statistics.jsp](http://www.moel.go.kr/english/statistics/major_statistics.jsp).

<sup>17</sup> *Migration and remittances factbook*, World Bank, 2011.

<sup>18</sup> Exchange rate, [www.xe.com](http://www.xe.com) (calculated on 20 October 2012).

<sup>19</sup> A. Jampaklay and S. Kittisukthit: *Migrant workers' remittances: Cambodia, Lao PDR, and Myanmar* (Bangkok, ILO, 2009).

companies and the promotion of employment of Cambodian workers overseas; and (2) to coordinate and cooperate with other ministries (especially the Ministry of Foreign Affairs and Ministry of Women Affairs), local authorities, and regional and international organizations.

Sub-Decree 52 and Declaration No. 062/07 of the MOLVT outline the Department's key responsibilities in the management of overseas workers: (1) study and propose measures to develop and protect employment; (2) manage, issue work permits and work books, and provide working visas to Cambodian workers overseas; (3) issue to and check work permits for foreigners in the country; (4) prepare legal procedures and monitoring measures; (5) set up employment offices under provincial offices of the Department of Labour and Vocational Training; (6) develop statistics on employment and manpower in-country and overseas; (7) prepare regulations on the management of foreigners working in Cambodia and the management of Cambodian migrant workers overseas; (8) manage foreigners working in Cambodia and Cambodia workers overseas, in cooperation with concerned ministries; and (9) seek employment markets for Cambodian workers to work overseas.<sup>20</sup>

## 6. Role of social partners

The ILO tripartite structure enshrines trade unions as a vital part of the solution to the issues faced by migrant workers, potential migrant workers, and their family members. In Cambodia, a workshop on the role of trade unions in the management and protection of migrant workers was held from 23 to 24 February 2012. Three confederations of trade unions were represented: the Cambodian Labour Confederation (CLC), the National Union Alliance Chamber of Cambodia (NACC), and the Cambodia Confederation of Trade Unions (CCTU). The federations developed the Trade Union Action Plan on the Protection of the Rights of Migrant Workers 2012-2013 based on the following four pillars: (1) promoting a rights-based migration policy; (2) networking within the country and abroad; (3) educating trade unions and their members; and (4) providing information and support services to migrants and potential migrants.

To implement the Action Plan, a Cambodian Trade Union Committee on Migration (CTUC-M) has been established, to present a united voice from the three federations on migration-related issues. Some of the progress made in implementing the Action Plan so far includes the running of a migrant worker resource centre (MRC) in Prey Veng, the provision of legal assistance to migrant workers, the provision of training for trade unions, and the drafting of an MOU between the CTUC-M and trade unions in Thailand. The trade unions have also participated in the Technical Working Group on drafting a related *prakas* (ministerial order) and in the review of pre-departure training materials.

ACRA is a member of the representative employers' organization, the Cambodian Federation of Employers and Business Associations (CAMFEBA). ACRA was formed in 2008 and adopted a Code of Conduct in 2009. This Code provides minimum standards for recruitment agencies that wish to join this industry group. So far, ACRA has also expelled members for falling short of these standards or for engaging in illegal recruitment activities. The ILO is currently supporting ACRA in developing a set of tools to monitor the implementation of its Code of Conduct. ACRA has been an active participant in the Technical Working Group on drafting the *prakas*, and in the review of pre-departure training materials.

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<sup>20</sup> L.K. Ruhunage, 2011.

In Cambodia, there has been an increase in cooperation and consultation between the Government and civil society organizations (CSOs), in terms of policy development and in the provision of support services to migrants prior to their departure and upon their return. CSOs and international organizations also participate in the Forum to Address Exploitative Labour Recruitment and Trafficking, which is chaired by members on a rotation basis.

## **7. Ministry of Labour and Vocational Training's Labour Migration Policy (2010)**

The MOLVT adopted a Policy on Labour Migration for Cambodia in June 2010. The policy paper and accompanying Action Plan was prepared and adopted through a series of consultative dialogues comprising the concerned government agencies, workers' and employers' organizations, and CSOs in Cambodia.

The strategic priorities are: (1) better governance of labour migration through a stronger legal, regulatory, and institutional framework for migration; (2) protection and empowerment of migrant workers through the supervision of recruitment and placement, standards setting, and provision of support services; and (3) harnessing the potential of labour migration for development by maximizing remittances and investments, and providing greater assistance in the return and reintegration of migrant workers.

The discussion around the NEP provide a good opportunity to review developments and progress made to date, as well as the challenges that remain or have recently emerged. The following developments should be considered alongside the Policy and Action Plan from 2010, which remains relevant. These points are organized below according to the strategic areas set out in the Action Plan.

## **8. Governance of labour migration: Recent developments**

### **8.1 International framework**

The bilateral MOU with Thailand has established procedures for legal migration and regularization of irregular workers. There has been significant process in both of these areas in recent years, with increasing numbers of Cambodian migrants now entering Thailand through legal channels, and 250,000 Cambodians registering with the Thai authorities in 2011.

In recent years, the bilateral discussions have moved towards facilitating official procedures for border and seasonal workers to work in Thailand. In addition to the demand for such labour in

Thailand, these discussions are likely to be influenced by the tight labour market in Cambodia's agriculture sector during harvesting seasons.<sup>21</sup>

It is anticipated that the signing of an MOU between Cambodia and Malaysia will lead to the lifting of the ban on sending domestic workers. The MOU negotiated by Indonesia and Malaysia in 2011 gave domestic workers the right to one day off per week, the right to hold their own passports, and the right for their salary to be paid into a bank account on a monthly basis.

The Thai Government is considering new mechanism for recruiting workers in the fishing sector. While the Cambodian Government does not allow the placement of Cambodian workers in the fishing sector, there may be a new registration window for irregular migrants in Thailand working in this sector. The Thai Government is also considering the establishment of seven fishing labour centres through which migrants would register and receive training.

The MOLVT has been involved in the regional discussions on the drafting of an ASEAN Agreement on the Protection and Promotion of the Rights of Migrant Workers. In September 2011, ASEAN Member States agreed to establish a phased approach to the drafting process, examining in turn: Phase 1 (2012) on regular migrant workers; Phase 2 (2013) on undocumented migrant workers and their families; and Phase 3 (2014) on whether the Agreement will be legally binding or not. The intention is to have an Instrument or Agreement by 2015.<sup>22</sup>

The MOLVT hosted the Fifth ASEAN Forum on Migrant Labour in Siem Reap in October 2012, the theme of which was "Protection and Promotion of the Rights of Migrant Workers: Towards Effective Recruitment Practices and Regulations". The Government of Cambodia also hosted the Regional Conference on Human Rights Instruments, International Labour Standards, and Women Migrant Workers' Rights, in September 2012.

## 8.2 Legislative and regulatory framework

In August 2011, the Cambodian Government adopted Sub-Decree No. 190 on The Management of the Sending of Cambodian Workers Abroad through Private Recruitment Agencies, which replaced Sub-Decree 57 of 1995. The Sub-Decree acknowledges the potential impact of migration on poverty reduction and human resource development. It also strengthens the regulatory framework for managing labour migration and protecting migrant workers.

Sub-Decree 190 will be supplemented by a number of *prakas* on definitions, licensing, and reporting requirements for recruitment agencies; monitoring and issuance of commendations for agencies; standards in the delivery of pre-departure training; use of the guarantee deposit; and standard contracts, among other things. With the support of the ILO, three *prakas* have already been drafted through a consultative process with Government officials, recruitment agency representatives, trade unions, and CSOs. The MOLVT has formally requested technical comments on these drafts from ILO experts – a typical process in the creation of such legislation.

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<sup>21</sup> K. Chandararot and D. Liv, unpublished.

<sup>22</sup> ILO: *Progress on the implementation of the Recommendations at the Third and Fourth ASEAN Forum on Migrant Labour*, Background paper to the Fifth ASEAN Forum on Migrant Labour, Bandar Seri Begawan, 9-10 Oct. 2012.

### **8.3 Institutional framework**

The adoption of Sub-Decree 190 and the *prakas* will provide greater clarity to the authorities on their roles and responsibilities. Effective implementation will require investments in the capacity of the labour authorities at the central and provincial levels in terms of their knowledge of the laws and policies. A training-needs plan has been drafted by the ILO, but requires further discussion with the MOLVT.

There is a need for enhanced cooperation with other ministries and departments at the central and provincial levels. For example, the mandate of the National Employment Agency's (NEA) job centres could be expanded to cover overseas employment information and services. This is currently being piloted in Battambang, with the establishment of a MRC in the job centre.

As of September 2012, a Migration Working Group was established under the Secretariat of the National Committee to Lead the Suppression of Human Trafficking, Smuggling, Labour, and Sexual Exploitation of Women and Children. The overall purpose of the Group is to "promote and protect the safety, rights, and interests of migrants in a way that is gender responsive by using a multi-disciplinary and multi-sectoral approach". The Ministry of Interior chairs this Group, and there are number of vice-chairs, including the MOLVT, Ministry of Women's Affairs, and the Ministry of Justice.

## **9. Protection and empowerment of migrant workers: Recent developments**

### **9.1 Supervision of recruitment and placement**

*Prakas* (ministerial orders) regulating recruitment practices are currently being drafted, with inputs from several Government departments, social partners, recruitment agencies, and CSOs (see section 8.2). for example, a *prakas* is currently under development to govern the establishment of complaint mechanisms and facilitate access to the guarantee deposits of recruitment agencies for legal support and essential services. This is extremely timely given the continued reports of brokers and agents charging excessive fees, recruiting underage workers, providing little or no pre-departure training, and providing limited follow-up services, among other complaints and allegations.

The MOLVT is able to receive complaints from migrants and their families. A number of government and NGO hotlines exist to report abuses, accidents, or cases of trafficking or exploitation of migrants. Complaints may also be lodged through NGOs or ACRA.<sup>23</sup>

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<sup>23</sup> Ibid.

ACRA is also promoting self-regulation of the industry. It has developed a Code of Conduct, and is currently in the process of developing a set of tools to monitor the implementation of the Code of Conduct, with a view to establishing a ranking system for brokers and agents.

## 9.2 Standards setting

The requirements for issuing a broker's or agent's license are included in Sub-Decree 190 and will be further clarified in the *Prakas* on Private Recruitment Agencies. There is also a need to clarify on whether the currently registered agencies will be screened against these criteria, or whether this applies only to agencies that register in the future. In addition, there should be clear guidelines on suspending or revoking licenses.

A standard service contract with agencies has been drafted through a consultative process with Government departments, NGOs, and international organizations. One of the major shortcomings of this standard contract is clear guidance on the fees that agencies are permitted to charge for various services.

A *prakas* will be drafted on the use of standard contracts, covering contracts between migrant workers and recruitment agencies, and between migrant workers and employers (an employment contract). Sub-Decree 190 states that the employment contract shall be written in Khmer, English, and in the language of the receiving country, in compliance with the applicable laws and regulations of the receiving country, and that the contract shall be forwarded to the Cambodian Embassy or representative mission in the receiving country.

It is expected that the MOLVT will negotiate minimum standards for its domestic workers under the MOU with Malaysia. The standards previously negotiated between Indonesia and Malaysia included the right of workers to one day off per week, the right to hold their own passports, and the right to have their salaries paid into a bank account on a monthly basis.

## 9.3 Support services

Standardized pre-departure training materials are currently under development in Cambodia, in collaboration with governments, recruitment agencies, NGOs, and international organizations. Inputs have also been sought from Thailand and Malaysia, the main countries of destination, to ensure the accuracy and relevance of the training. The training content covers rights at work, workplace practices, culture and traditions in the host country, guidance on saving and sending remittances, and accessing rights. In addition to a participant's manual, a facilitators' guide outlines each module in a lesson plan format – with time allotted and step-by-step instructions. The training includes dynamic activities to suit the learning profile of the migrant workers and to stimulate the overall learning process. Remaining challenges include ensuring quality of training delivered and assessing learning levels and effectiveness.<sup>24</sup>

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<sup>24</sup> ILO: *Progress on the implementation of the Recommendations at the Third and Fourth ASEAN Forum on Migrant Labour*, Background paper to the Fifth ASEAN Forum on Migrant Labour, Bandar Seri Begawan, 9-10 Oct. 2012.

The Cambodian Government has so far not appointed labour attachés in any of the destination countries. The MOLVT and the Ministry of Foreign Affairs have discussed the possibility of appointing labour attachés to Malaysia, the Republic of Korea, and Thailand, but there are challenges in terms of the resources required to maintain such posts.<sup>25</sup>

Sub-Decree 190 requires recruitment agencies to cover the travel costs of officials sent to monitor the workplace situation in countries of destination. The agencies are likewise under obligation to intervene in labour disputes between migrant workers and the foreign employers. The agencies must inform Cambodian embassies in cases of non-settlement. ACRA has designated representatives in Malaysia to provide services to migrant workers facing difficulties.<sup>26</sup>

As mentioned, migrant worker resource centres (MRCs) have been established in Cambodia, and are being run by a Government agency (the NEA, in Battambang), a trade union (the CLC, in Prey Veng), as well as the CSO (the Phnom Srey Organization for Development [PSOD], in Kampong Cham). The purpose of the MRCs is to provide information, counselling, and legal assistance to visitors, and to conduct outreach to schools, training institutions, and communities. Such activities are aimed at reaching potential migrant workers, their family members, and community leaders.<sup>27</sup> Preliminary discussions have been held with the MOLVT and the ILO about establishing an MRC in the MOLVT office in Phnom Penh to provide assistance to migrants prior to departure, and to respond to queries from local labour departments and MRCs around the country on legal issues, procedures, and complaints.

Sub-Decree 190 demands that recruitment agencies be responsible for making arrangements to ensure that migrant workers receive appropriate social security coverage in accordance with the applicable laws and regulations of the receiving country. The MOU between Cambodia and Thailand does not provide for the portability of social security benefits. However, migrant workers who have been officially registered under the terms of the MOU or have completed the NV process are entitled to the same social security coverage as Thais.<sup>28</sup>

## **10. Harnessing the potential of labour migration for development: Recent developments**

### **10.1 Migration in the national development agenda**

Strengthening the overseas employment programme to support job creation is part of the National Strategic Development Plan Update 2009-2013. In addition, the Cambodian Labour Policy refers to the need to harness development through return and reintegration services, and Sub-Decree 190

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<sup>25</sup> Ibid.

<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

acknowledges the potential impact of migration on poverty reduction and human resource development.

Cambodia's Decent Work Country Programme 2012-2013 includes outcome KHM 129: Government and social partners develop and implement policies to manage migration, protect migrant workers, and combat human trafficking, in line with ILO principles. The activities under this outcome will be supported primarily by the GMS TRIANGLE project, in terms of staff and resources, with support from the Country Office for Thailand, Cambodia and Lao People's Democratic Republic, Regional Migration Specialist, and Decent Work Technical Support Team specialists.

## **10.2 Migrants' remittances and investments**

The ILO has supported the development and publication of a training kit on financial literacy for migrants and their family members. The kit includes modules on how to send remittances, set up a savings plan, and make productive investments. The training kit was piloted in Cambodia and Indonesia in the drafting stage, and the materials will now be translated into Khmer and made available through the MRCs and other channels.

The ILO Multilateral Framework on Labour Migration calls for incentives to promote the productive investment of remittances in migrants' home countries, and for reduced costs of remittance transfers by providing accessible financial services, reducing transaction fees, providing tax incentives, and promoting greater competition between financial institutions. One of the good practices highlighted in the Multilateral Framework is from the Philippines, where an identification card issued to migrant workers provides access to international savings accounts in a consortium of banks, and allows for low-cost remittance transfers.

The *OSCE-IOM-ILO Handbook on Establishing Effective Labour Migration Policies* identifies measures that countries of origin and destination can introduce to increase remittance flows through formal channels. These include: (a) designing financial products to attract remittances; (b) simplifying transfer procedures and extending the financial network; (c) providing financial advice and counselling, both prior to departure and in the destination; (d) increasing access to services for irregular migrants; and (e) establishing macroeconomic policies and an institutional framework for the safe and low-cost transfer of remittances, both for competition and for a sound legal environment.

## **10.3 Return and reintegration**

Existing and pipeline national policies call on employment services to provide alternatives to labour migration and options for returning migrants. These include the Cambodian Labour Policy that aims to harness development through return and reintegration services; the Millennium Development Goals (MDG) Acceleration Process, which includes the provision of employment and training services as an alternative to migration, and options for returning migrants; and the National Youth Employment Policy on alternatives to migration. These policies and initiatives, however, have yet to be transformed into actual programmes and services that will benefit returning migrant workers in their economic and social reintegration.<sup>29</sup>

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<sup>29</sup> Ibid.

Sub-Decree 190 imposes upon recruitment agencies certain obligations regarding the return of migrants. These obligations include notifying Cambodian missions abroad and the MOLVT upon the termination of migrant workers' contracts, facilitating the safe return of workers, and the issuance of certificates stating that the migrant workers have worked abroad.

A project funded by the Asian Development Bank (ADB) has conducted assessments to compare workers' skills levels in four countries (Cambodia, Lao PDR, Thailand, and Viet Nam) with the aim of promoting greater recognition of skills and thereby facilitating the mobility of workers across borders and the placement of returned migrants in jobs that utilize their skills. These comparative assessments cover three categories of workers: domestic workers, mechanics, and welders.

A few non-government institutions provide limited services for returning migrants. Many of these institutions focus on assisting victims of trafficking. For example, Healthcare Centre Cambodia (HCC) targets assistance to men who have been in labour-exploitative situations. Unfortunately, most of these institutions have limited resources and services to offer to returning migrants.<sup>30</sup>

In 2011, the ASEAN Forum on Migrant Labour put forward a number of recommendations on the promotion of strategies for effective return and reintegration of, and sustainable alternatives for, migrant workers. A review of the progress made against these recommendations, one year on, found that few of the ASEAN Member States had developed comprehensive programmes, and that where services do exist, the effects are not monitored closely.

In the Philippines, the economic component of the Overseas Workers' Welfare Administration' (OWWA) reintegration programme includes preparation for livelihood projects, community-based income-generating projects, skills training, and credit provision. In addition, under the Two Billion Peso Reintegration Project, loans are available to entrepreneurial migrant workers. Applicants with business proposals must show proof of viability, not only to ensure sustainability in supporting the needs of the family, but also in generating jobs and contributing to community development. Loan recipients must undergo training in financial and business management. An assessment is needed to determine the effectiveness of the scheme in terms of repayment, returns, and sustainability.<sup>31</sup>

In Indonesia, a comprehensive reintegration programme has not yet been developed, although various services are available. These include entrepreneurship training, voluntary psycho-social counselling, and a soft-loan facility for returning migrant workers. The ILO's Start and Improve Your Business (SIYB) training-for-trainers programme has been delivered for staff of national and local Government agencies, trade unions, NGOs, and migrant workers' organizations. Assistance has also been provided for productivity and community development training courses run by the Ministry of Manpower and Transmigration, utilizing the ILO Modules on Training for Rural Economic Empowerment (TREE).<sup>32</sup>

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<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

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## 11. Conclusions and recommendations

The Labour Migration Policy and Action Plan, adopted in June 2010, link with the forthcoming NEP in two key ways: Cambodians should be able to migrate safely and undertake decent work in the country of destination, and they should be able to find decent work upon their return to Cambodia. Significant attention has been paid to the former and less to the latter. This is indicative not just of the priority placed on protecting workers, but also the challenge – shared regionally and globally – of effective economic reintegration of migrants. This remains a challenge for a number of reasons, not least because, often, the circumstances that led a migrant to go abroad in the first place have not changed – and so re-migration or staying abroad is the preferred option.

Since the Labour Migration Policy and Action Plan were adopted, there have been significant developments in Cambodia and in key destination countries. There has been a considerable increase in the number of Cambodian workers going abroad through legal channels, and many more Cambodian migrants have obtained regular status in Thailand, in particular. As a result, more Cambodian migrants are in better positions to find decent work, or at least have access to recourse in case of rights abuses.

Progress has been made in a number of areas, particularly in terms of the legal framework on the sending of Cambodian workers abroad through private recruitment agencies. To give effect to the stronger legal framework, migrants and potential migrants need to be made more aware of their rights, and the authorities have to carry out their responsibilities in monitoring and enforcement. In addition, the institutional framework of the MOLVT requires further investment, in line with the increasing number of workers migrating abroad and also to reflect the nature of migration, such as domestic workers to Malaysia. More transparency and accountability within the recruitment process is essential. Some specific recommendations related to institutional capacity, regulation, and support services are highlighted below.

The NEP could consider what type of labour migration the country wants to promote. For example, the Government has introduced bans on sending domestic workers to Malaysia and placing workers in the fishing sector. The NEP, as well as future migration policy documents, could codify some of the criteria that must be met in order for migrants to be deployed to a certain country or sector, for example an MOU, a standard employment contract, a minimum wage requirement, or skills certification, among others. In this regard, the Cambodian Government may look at what specific niches in foreign labour markets it is best suited to fill, and train and certify workers in those occupations. In addition, if Cambodia is considering active promotion of labour migration as an employment or poverty reduction strategy, it may wish to consider what has happened in Viet Nam, where certain groups from designated communes and districts do not have to pay certain costs. In terms of employment and migration-related services, there is certainly scope for building on the example of the MRC in Battambang run by the NEA, and further integrating such services in all job centres in the country.

For employment-related policies and measures for returning migrants, there is a need to develop and implement gender-responsive programmes to encourage return migration and to enhance the development impact of migration. However, at present the amount of information available on return migration is extremely limited, making it difficult to develop such a programme. A comprehensive programme could include: increasing the potential of remittances through financial literacy training for migrants and their family members, delivered prior to departure; providing employment services

and counselling tailored to the specific needs of returning migrants; formulating bilateral or multilateral skills recognition programmes that allow returning migrants to utilize those skills developed abroad; and providing business start-up training to entrepreneurial returning migrants. Elements of this programme should be piloted, building on some of the tools that already exist, such as the SIYB or Community Based Entrepreneurship Development (CBED) training modules, or the *Budget Smart* financial training manual for migrant workers and their families. However, such initiatives need to be adapted either to the Cambodian context, or to the specific situation of returning migrant workers. In addition, the Government must begin collecting data on return migration.

Over the past two years, representative workers' and employers' organizations have been able to demonstrate the active role that they can play in the formulation and implementation of migration policy. The Cambodian Government should be applauded for engaging social partners in the drafting of the Labour Migration Policy and Action Plan, and more recently the *prakas* to supplement Sub-Decree 190. In addition, the Cambodian trade unions are providing information and support services to migrants and their families, and building relations with trade unions in destination countries. The recruitment agency association is promoting self-regulation through the monitoring of its Code of Conduct. The Government should also explore the role of employers' organizations in the reintegration of migrant workers, for example in highlighting labour-market needs within Cambodia, and in supporting small-enterprise development, among other things.

Based on the developments over the past two years, the following specific recommendations should be considered:

Local authorities require guidance on the new Sub-Decree and *Prakas*, and their role in monitoring recruitment practices. The MOLVT should issue a notification to the authorities to present the law and its implications in simple and practical terms. The draft training-needs plan should be discussed further and endorsed by the MOLVT. Regular provincial- and district-level meetings should be held to bring together various departments and partners, to enhance the provision of services in the community and to enhance the capacities of officials and village leaders.

There is a need to establish a transparent mechanism to regularly review the costs of migration (both actual and those charged by agencies), in order to guard against overcharging. This should assist the MOLVT in setting standards on various costs and fees. It is essential that this study and solutions are discussed with destination countries, as many of the costs are recovered through deductions from workers' wages. In a bid to more tightly regulated sub-agents, the MOLVT should explore the possibility of registering and accrediting them as legal parties of affiliated agencies. A feasibility study should be conducted on the establishment of a revolving loan fund for migrants to cover costs associated with migration.

With the numbers of migrant workers and destinations expected to increase, the MOLVT should consider creating a specialized body to oversee and regulate labour migration. Separate and responsible units should be considered to manage the prime functions of an overseas employment programme, such as migrant workers' welfare, dispute management, training and orientation, recruitment agency monitoring, and reintegration.

Emigration procedures should be reviewed with a view to their simplification. For example, the Interior Ministry should explore the possibility of opening passport offices in provinces that send a lot of migrant workers, thus reducing the costs and time for prospective migrant workers to obtain travel documents, and also providing incentives for them to use legal migration channels.

The MOU with Malaysia should draw on the protections under the Domestic Workers' Convention 2011 (No. 189), and the Domestic Workers' Recommendation 2011 (No. 201), concerning decent employment for domestic workers. For example, domestic workers should, at a minimum, be guaranteed the right to 24 hours of consecutive rest each week; the right to retain possession of their own travel and identity documents; the right to be informed of their terms and conditions of employment in a contract, prior to leaving the country; and the right to freedom of association.

Labour attachés should be appointed in key destination countries, rather than solely relying on recruitment agency representatives to resolve disputes and provide assistance. Labour attachés and consular offices should also carry out another essential function in vetting the job order and employers before allowing their nationals to be recruited. Labour attachés should work in close cooperation with the authorities in the destination countries, as well as with other service providers including trade unions and NGOs.

A feasibility study should also carry out on the establishment of a migrant welfare fund. The study should explore possible funding sources (e.g. allocation from the national budget, levy on recruitment agencies for each worker deployed, a levy on employers, or a charge for the issuance of licenses, among other options) and how the fund could be utilized (e.g. for medical assistance, legal assistance, financial assistance, or repatriation).

The guarantee deposit of US\$100,000 required to obtain a license should be reviewed, as it could be an impediment to the expansion of legal migration channels by discouraging and preventing new entrants to the field. Alternative deposit schemes could be considered, for example on the basis of the number of anticipated deployments. In addition, more clarity is required on whether recruitment agents can earn interest on the deposit and on how it can be released to benefit migrant workers.

Sex-disaggregated data collection and gender-sensitive analysis should be improved through an upgrade of the LMIS. This information must be shared and used for agency reporting, monitoring trends, estimating remittances, and in developing evidence-based policy and support services, not just for outbound migrants but also returning migrants.

An assessment should be carried out to determine the labour-market needs, and in particular the skills needed by employers in key destination countries, with a view towards making Cambodian migrants more competitive and allowing them to move into higher-paying and better-protected jobs.

In 2015, the ASEAN Economic Community will come into effect and will lead to greater regional integration, including the proposed greater mobility of skilled professionals. The MOLVT should develop a strategy, in consultation with the associations representing these workers and industries, on how Cambodia can benefit either as a sending country, destination country, or both. In addition, the MOLVT will need to participate in bilateral and regional discussions on, among other things, skills recognition and social security transfer and portability.

# Annex 1. Summary of ILO GMS TRIANGLE project activities in Cambodia

The ILO has a constitutional mandate to protect the interests of workers when employed in countries other than their own. With its unique tripartite structure, experience, and expertise, the ILO is ideally placed to enable partners in countries of origin and destination to better manage migration and protect migrant workers.

The Tripartite Action to Protect Migrants within and from the GMS from Labour Exploitation (TRIANGLE) (GMS TRIANGLE) project aims to significantly reduce the exploitation of migrant workers from Cambodia through increased legal protection and safe migration and improved labour protection. The project aims to strengthen policy, build the capacity of stakeholders (tripartite constituents, recruitment agencies, CSOs, and all migrant workers), and provide support services to migrant workers and potential migrant workers.

The GMS TRIANGLE project is a five-year initiative (2010-2015) supported by the Australian Agency for International Development (AusAID).

## **Objective 1: To strengthen migrant recruitment and labour protection policies and practices to reflect the interests of tripartite constituents and gender-specific concerns**

The MOLVT has specifically requested the assistance of GMS TRIANGLE project to assist in the formulation of *prakas* (ministerial orders) to supplement and facilitate the implementation of the Sub-Decree. The MOLVT has formed a multi-disciplinary Technical Working Group to provide guidance and inputs on the development of the *prakas* related to regulating recruitment practices, developing standard contracts, and setting pre-departure training standards, among others.

The project has also organized broad-based stakeholder consultations on Cambodia's migration laws and policies, and has submitted technical comments in a report on *Strengthening the Labour Migration Policy of the Royal Government of Cambodia*, and in *Recommendations for a Book of Rules on the Sub-Decree on the Management of Sending Khmer Workers Abroad*.

## **Objective 2: To enhance the capacity of tripartite constituents to improve the implementation of national policy, bilateral agreements, and regional commitments related to the recruitment and protection of migrant workers.**

The GMS TRIANGLE project is developing tools and providing training to ensure more effective implementation of laws and policies. There is a pressing need to build the capacity of local authorities in facilitating the safe and legal migration of potential migrant workers. An operations manual will be developed that clearly outlines the roles and responsibilities of labour officials at all levels. This will enable them, initially those in target provinces, to monitor recruitment activity more closely and provide improved services to potential migrants, in close cooperation with a network of relevant authorities and NGOs.

ACRA is a key partner and is developing a set of tools to monitor the implementation of its Code of Conduct for recruitment agencies. The ILO has provided examples from other countries and industries in the design of the monitoring mechanism, and will support the piloting of a ratings system that will enable potential migrants to choose the best recruitment agencies.

The ILO has supported Cambodian trade unions in developing and implementing a policy and Action Plan to enhance their role in the protection of migrant workers. The Action Plan is based on the following four pillars: (1) promoting a rights-based migration policy; (2) networking within the country and abroad; (3) educating trade unions and their members; and (4) providing information and support services to migrants and potential migrants.

At the regional level, the GMS TRIANGLE project has been supporting ASEAN regional cooperation on the protection of the rights of migrant workers through various platforms, including the ASEAN Forum on Migrant Labour, hosted in Siem Reap in October 2012 by the MOLVT.

**Objective 3: To protect the rights of migrants and potential migrants through increased access to support services, training, representation, and social inclusion.**

To address the gaps in potential migrants' knowledge and access to support services, the project is providing information and counselling on safe migration and rights at work; legal assistance and access to justice; and training for peer leaders. In destination countries, Cambodian workers are receiving assistance through various channels, with a particular focus on Cambodians in the Thai fishing industry and domestic workers in Malaysia.

MRCs have been established by project partners in close collaboration with the labour departments in the three target provinces: Battambang (in collaboration with the NEA); Kampong Cham (with the PSOD); and Prey Veng (with the CLC). Preliminary discussions have been held with the MOLVT and ILO about establishing an MRC in the MOLVT office in Phnom Penh, to provide assistance to migrants prior to their departure, and to respond to queries from local labour departments and MRCs around the country on legal issues, procedures, and complaints.

In addition, the project is supporting the development of a pre-departure training curriculum for trainers, and a handbook that will equip departing migrants with reliable and practical information about their future living and working conditions. Challenges faced in providing effective pre-departure training include the literacy level of participants, the quality of trainers, the costs of a longer course, and the appropriateness of the content. The course will be validated and endorsed by the MOLVT and ACRA, while training-for-trainers workshops was scheduled to begin in early 2012.

A film entitled "My Name is Saray" has been produced in collaboration with the Asia Foundation. It aims to raise awareness about the risks involved in labour migration and to promote informed decision-making. The film is being shown for training purposes in MRCs and in communities, as well as in schools and training centres.

## **Cross-border labour migration in Cambodia: Considerations for the national employment policy**

It is projected that Cambodia's labour force will grow by 22 per cent between 2007 and 2015. Yet, the domestic labour market generates limited employment opportunities and relatively low wages compared to opportunities that exist abroad. As a result more Cambodians are considering leaving the country to find work abroad. An increasing number of migrants are female, largely due to increased demand for women in domestic work and in the manufacturing sectors. For overseas migration to be safe, legal and institutional mechanisms need to be in place to inform potential migrant workers about working abroad and their rights at work. Cambodia has been developing policy actions and institutions to enhance governance of the migration process. At the same time, more policy efforts may be needed to ensure that overseas migration also contributes to domestic economic and labour market development. The national employment policy could play a role in better connecting overseas migration to the Cambodian labour market.

Tripartite Action to Protect Migrants within and from the GMS  
from Labour Exploitation (TRIANGLE)

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