

## Brief Analysis of Preliminary Results of EC2011

1. **Total number of establishments was 503,008 in Cambodia.** (Refer to Table 1, Graph 1, and Map 1.)

The preliminary results of the 2011 Economic Census of Cambodia (EC2011) provide the current situation of establishments in Cambodia in the recovery process after the worldwide economic crisis which occurred in September 2008. The figures were aggregated from the Establishment Lists and Summary Sheets which were filled in by enumerators and checked by supervisors. Therefore, the preliminary results might be different from the final results which are based on Forms and will be released in March 2012.

There were 503,008 establishments in Cambodia as of 1 March 2011 as the preliminary results of the EC2011 implemented by the National Institute of Statistics (NIS), Ministry of Planning, Cambodia. The EC2011 covered all areas in the country without exception and all establishments excluding all those establishments which belong to “Agriculture, forestry, and fishery” (Section A), “Public administration and defense; compulsory social security” (Section O), “Activities of household as employers” (Section T), “Activities of extraterritorial organizations and bodies” (Section U) of International Standard Industrial Classification (ISIC) Rev.4 following internationally common practices in economic censuses. Mobile establishments were also excluded according to international practices. (Refer to Appendix 7 and 8.)

Cambodia has 503,008 establishments and the number of establishments per 1,000 persons is 34.6 establishments. As compared with other countries, Japan has 6.2 millions and 48.4; Indonesia 22.7 millions and 102.3; and Laos 209 thousands and 37.4 respectively. Among these four countries, Cambodia has relatively fewer establishments for its population size although it is on the rise. <sup>1)</sup>

- 1) *The data sources are 2010 Population Census and 2009 Economic Census for Japan, Population Estimation and Economic Census in 2006 for Indonesia, and 2005 Population Census and 2006 Economic Census for Laos. There are some slight differences in the definition of the establishment among four countries.*

The biggest province in terms of the number of establishments was Phnom Penh with 95,467 establishments or 19.0% to the total number of Cambodia, followed by Kampong Cham (55,903 or 11.1%), Kandal (40,359 or 8.0%),

Battambang (33,982 or 6.8%), and Siemreap (32,034 or 6.4%). These five provinces are located in plain areas or on the lakeside of Tonle Sap Lake, occupying more than 50% of the total number of establishments in Cambodia.

Phnom Penh has a gigantic size of the number of establishments. This can be said due to its recent amalgamation with 20 communes in Kandal province, and needless to say, its development as the capital of Cambodia, as observed in a remarkable number of retail shops and restaurants, etc. as well as in construction of high-rise buildings, and in formulation of a special economic zone.

In Kampong Cham, there are six main industries: rubber, starchy food, animal feed, footwear, timber, and wearing apparel manufacturing. Recently, some town streets have newly been paved. This improvement has expanded business areas and has prompted farmers to come from rural areas to town and to sell their own agriculture or handcraft products, especially in dry season. In addition, power supply from Viet Nam has been expanded to all over this province. This enables local people to do business throughout this province.

In Kandal, two important bridges have been newly constructed and have brought about a slight increase in establishments in spite of a decrease of its area by the above mentioned amalgamation. Namely, one is Preak Tamak Bridge over Mekong River, and the other is Preak Kdam Bridge over Tonle Sap River.

In Battambang, there are four main industries: rice milling, long distance bus transportation, hotel, and hospital. Lately, power supply has been expanded up to rural areas, roads have newly been paved to remote areas, and modern markets have been developed. These improvements on infrastructure have brought about expansion of business areas and easy access between rural and urban areas, and have prompted farmers to come from rural area to town and to sell their own agriculture, fishery, or handcraft products, especially in dry season. The above mentioned development has been done under the Rectangular Strategy Phase 2 and the National Strategy Development Plan (NSDP). It means these two national government policies are successful here. On the other hand, brick and tile manufacturing is decreasing here.

In Siemreap, since tourism is a main industry as well-known, there are a lot of hotels, guesthouses, restaurants, drink shops and so on. Recently, clean water

supply has been expanded in addition to power supply and road paving. These improvements on infrastructure have brought about an increase in tourists and enable them to visit remote areas relatively easily. Furthermore, these improvements have provided more opportunities for farmers to sell their own agriculture or handcraft products, especially in dry season. The above mentioned development has been done under the Rectangular Strategy Phase 2 and the National Strategy Development Plan (NSDP). It means these two national policies are successful here.

Meanwhile, the smallest province was Kep with 1,634 establishments or 0.3% to the national total perhaps reflecting the fact that its area is the narrowest in all provinces, followed by Mondul Kiri (2,221 or 0.4%), Pailin (2,868 or 0.6%), Stung Treng (4,596 or 0.9%), and Oddar Meanchey (4,896 or 1.0%). These five provinces are located in the northern or eastern part of the country except Kep.

Kep was the smallest, but there are three main industries: hotel, salt producing, and fish sauces. Lately, access and facilities related to many natural resorts have been renovated in addition to expanding markets. This has brought about an increase in national and international tourists and has expanded business opportunities for local people.

In Mondul Kiri, the main industry is gold mining. Recently, some roads have been newly constructed and have connected Saen Monourom city to remote areas. In addition, some markets have been renovated. These improvements have brought about an increase in business opportunities to local people. Furthermore, a promising hydroelectric power generating station has already operated and natural resorts are under development here. On the other hand, wooden furniture manufacturing has decreased.

In Pailin, there are five main industries: casino, guesthouse, restaurant, quarrying, and selling construction materials. In addition, power supply from Thailand is an outstanding industry. Lately, some main roads have been newly paved. This has brought about an increase in visitors and tourists, and has expanded business opportunities for local people. Accordingly, farmers tend to switch their jobs to commercial business.

In Stung Treng, hotels, guesthouses, and retail shops are main industries. Recently, economic land concession has been issued to some companies in both agriculture and tourism sectors. This has brought about an inflow of

population from other provinces. Accordingly, this has led to economic growth of all sectors here. On the other hand, boat manufacturing and water transport are decreasing because of the new bridge construction.

In Oddar Meanchey, there have been large-scale de-mining activities and a major road construction to Siemreap. This has brought about an inflow of male workers. In addition, there are casinos, hotels, and guesthouses near the border with Thailand.

## **2. Establishment density was 2.8 establishments per km<sup>2</sup> in Cambodia.** (Refer to Table 2, Graph 2, and Map 2.)

The highest province in terms of the establishment density was Phnom Penh with 158.3 establishments per km<sup>2</sup>, followed by Kandal (12.4), Sihanoukville (12.3), Takeo (8.9), and Prey Veng (6.1). These five provinces are also located in the southern part of the country and are in plain areas.

In Sihanoukville, there are three state-owned large-scale industries: autonomous harbor, water supply, and electricity supply, and four private large-scale industries: wearing apparel, footwear, beer manufacturing, and petroleum industry. Recently, visitors and tourists have increased because of recovery from the economic crisis in 2008. This has led to an increase in restaurants and drink shops. Furthermore, a new bridge connected with an island, a new harbor, a business center, and a special economic zone have already functioned here.

In Takeo, there are five main industries: rice milling, pure drinking water, wearing apparel, brick producing, and water supply. In addition, construction material center is an outstanding industry. Lately both the national road No. 2 to the border with Viet Num and No. 3 to Kampot have been fully renovated. Some new garment factories have also been constructed. These have led to an increase in establishments. The increase is also due to the implementation of the national government policies such as promoting free market, paving roads from urban to rural areas, the special economic zone in Phnom Den.

In Prey Veng, wearing apparel is a main industry. Recently, the national road No. 8 has been completely paved and Preak Tamak Bridge over Mekong River has been newly constructed. These improvements on infrastructure have increased the volume of traffic.

Meanwhile, the lowest province was Mondul Kiri with 0.2 establishments per km<sup>2</sup> corresponding to the fact that it has the lowest population density in all provinces. Mondul Kiri was followed by Preah Vihear (0.4), Stung Treng (0.4), Koh Kong (0.4), and Ratanak Kiri (0.5). These five provinces are located on the frontier, and border on other countries.

In Preah Vihear, lately, some new roads have been constructed and have connected some villages. In addition, there has been population inflow, especially labors, from other provinces because of new road construction. These have led to a slight increase in establishments in spite of the border dispute since October 2008.

In Koh Kong, there are three main industries: sugar cane, tourism, and sea transport. Recently, the national road No. 48 which has been completely paved together with the construction of four new bridges, has provided easy access from Phnom Penh side to Koh Kong city and even to the border with Thailand, bringing about a remarkable increase in tourists and visitors in addition to establishments. Furthermore, promising hydroelectric power generating stations and a special economic zone have already functioned, and natural resorts have been developed here.

In Ratanak Kiri, there are rubber plantations and gold mining activities. Lately, promising hydroelectric power generating stations have already operated. In addition, wholesale and retail establishments have increased due to international trade with Viet Nam, and a special economic zone is under development.

**3-1. Number of establishments per 1,000 persons was 34.6 establishments in Cambodia.** (Refer to Table 3-1, Graph 3-1, and Map 3-1.)

The highest province in terms of the number of establishments per 1,000 persons was Phnom Penh with 54.7 establishments, followed by Sihanoukville (43.1), Kep (40.7), Kampong Chhnang (38.3), and Koh Kong (37.7). These five provinces are located in the western or central part of the country and are in plain or seaside areas, being more competitive areas for business. Koh Kong was in the fifth position, a relatively higher position as compared with the 21st position in establishment density. It means that establishments and people are concentrated in limited areas, and Koh Kong has relatively more establishments

for its population.

In Kampong Chhnang, there are four main industries: wearing apparel and textile, footwear, brewery, and medical supply manufacturing. Beverage, grocery and food product manufacturing are increasing meanwhile rice milling is decreasing. The outstanding industry is micro finance.

Meanwhile, the lowest province was Oddar Meanchey with 22.4 establishments per 1,000 persons, followed by Kampot (27.6), Pursat (28.2), Preah Vihear (28.6), and Banteay Meanchey (29.0). These five provinces are located in the northern or western part of the country. It means that there is room to have more establishments in these five provinces as compared with their population.

In Kampot, there are three main industries: production of cement, brick, fish sauce, furniture, and animal feed as well as agricultural machinery supply. Recently, the national road No. 3, No. 31, and No. 33 have been completely paved and have provided easy access from Phnom Penh side to Kampot city. Mobile phone networks also have been expanded. These improvements have brought about an increase in tourists, visitors, and establishments like hotels, guesthouses, restaurants, micro finance. The increase is also due to the implementation of the national government policies such as promoting local and international investment. Furthermore, a promising special economic zone has already functioned and some tourist resorts have already been developed.

In Pursat, there are three main industries: rice milling, banking, and micro finance. The outstanding industry is grocery shops. Lately, hotels and guesthouses have increased in urban areas, small-scale establishments have increased in rural area, and promising hydroelectric power generating stations have already operated.

In Banteay Meanchey, the main industries are rice milling, trade, hotel and guesthouse, restaurant, drink shop, and casino. Recently, the national road No. 5 between Serei Saophoan (Sisophon) and Poi Pet has been completely paved, providing easy access from Phnom Penh side to Poi Pet and even to the border with Thailand, and has brought about a remarkable increase in tourists and visitors in addition to establishments. Furthermore, a promising special economic zone near Poi Pet has already functioned.

**3-2. Population per establishment was 28.9 persons in Cambodia.** (Refer to

Table 3-2, Graph 3-2, and Map 3-2.)

The highest province was Oddar Meanchey with 44.7 persons per establishment, followed by Kampot (36.3), Pursat (35.5), Preah Vihear (34.9), and Banteay Meanchey (34.5). These five provinces are located in the northern or western part of the country. They have relatively more population per establishment and room to have more establishments.

Meanwhile, the lowest province in terms of the population per establishment was Phnom Penh with 18.3 persons, followed by Sihanoukville (23.2), Kep (24.6), Kampong Chhnang (26.1), and Koh Kong (26.5). These five provinces are located in the western or central part of the country and are in plain or seaside areas.

**4-1. Number of establishments per 1,000 households was 162.5 establishments in Cambodia.** (Refer to Table 4-1, Graph 4-1, and Map 4-1.)

The highest province in terms of the number of establishments per 1,000 households was Phnom Penh with 273.6 establishments, followed by Sihanoukville (206.6), Kep (199.5), Stung Treng (194.7) and Koh Kong (180.9). These five provinces are located in the western or central part of the country and are in plain or seaside areas except Stung Treng. They are relatively competitive areas for business. Stung Treng was in the fourth position, a relatively higher position as compared with the 22nd position in the establishment density. It means that Stung Treng has relatively more establishments for its number of households.

Meanwhile, the lowest province was Oddar Meanchey with 105.2 establishments per 1,000 households, followed by Kampot (124.0), Svay Rieng (126.4), Prey Veng (127.9), and Pursat (132.6). These five provinces have fairly lower positions as compared with their positions in the establishment density except Pursat. It means that there is room to have more establishments in these five provinces as compared with their number of households.

In Svay Rieng, there are two main industries: casino and hotel. The outstanding industry is palm sugar production. Recently, establishments for production of footwear, wearing apparel, and painting as well as bicycle assembly have increased. In agricultural off-season, farmers have begun to sell their own agriculture or handcraft products. Furthermore, two promising special economic

zones in Bavet city have already functioned.

**4-2. Number of households per establishment was 6.2 households in Cambodia.** (Refer to Table 4-2, Graph 4-2, and Map 4-2.)

The highest province was Oddar Meanchey with 9.5 households per establishment, followed by Kampot (8.1), Svay Rieng (7.9), Prey Veng (7.8), Pursat (7.5). These five provinces have relatively more households per establishment and room to have more establishments.

Meanwhile, the lowest province in terms of the number of households per establishment was Phnom Penh with 3.7 households, followed by Sihanoukville (4.8), Kep (5.0), Stung Treng (5.1), and Koh Kong (5.5). These five provinces are located in the western or central part of the country and are in plain or seaside areas except Stung Treng. They are relatively competitive areas for business.

**5. Number of establishment with ten persons engaged or less accounted for more than 98% in Cambodia.** (Refer to Table 5.)

Looking at the number of establishments by size of persons engaged (4 groups), “1 to 10 persons engaged” was 493,117 establishments accounting for 98.0% of the total. Subsequently, “11 to 50” was 8,476 (1.7%), “51-100” was 779 (0.2%), and “101 or more” was 636 (0.1%).

Looking at the number of large-scale establishments with 101 persons engaged or more by province, there were 348 establishments in Phnom Penh accounting for 54.7% in Cambodia. Subsequently, Kandal was 49 (7.7%), Siemreap was 39 (6.1%), Svay Rieng was 32 (5.0%), and both Kampong Cham and Sihanoukville were 29 (4.6%).

Looking at the number of medium-scale establishments with 51 to 100 persons engaged by province, there were 297 establishments in Phnom Penh accounting for 38.1% in Cambodia. Subsequently, Kampong Cham was 73 (9.4%), Kandal was 72 (9.2%), Siemreap was 64 (8.2%), and Battambang was 46 (5.9%).