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Exploring Cambodia III: Some thoughts on education and possible roles of Hong Kong

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1. Introduction

Cambodia is an emerging economy with a young population and growing middle class. Like many emerging economies, it is facing various development bottlenecks after years of rapid economic growth. Discussion in this article will focus on issues in education and contemplate the possible role of Hong Kong in meeting some of the educational challenges in Cambodia.

We started tracking Cambodia's development journey as part of our Belt and Road research commencing in 2016/17. In July 2024, we visited Cambodia again and engaged in discussions with local government officials, scholars, and business leaders.

Cambodia's growing middle class is driving an increasing demand for quality education. However, protracted political conflicts during earlier decades and insufficient investment in education have resulted in a severe shortage of qualified teachers and conspicuous gaps in various levels of education. While Cambodia's primary school enrollment rate now matches that of advanced countries, it drops sharply at the secondary level with a severe shortage of school places.

2. Nation building and rise of the middle class

Since the 1970s, Cambodia entered the era of the Khmer Rouge regime. Under Pol Pot's rule, the country was plagued by bloody crackdown on large segments of the population and continuous civil wars. In the early 1990s, military forces led by Royal Prince Ranariddh and Hun Sen of the People's Party overthrew Pol Pot, and in 1998 they formed a coalition government to restart national construction⁴. After years of development, the government plan is to achieve middle-income status by

¹ Established in June 2017 by a cross-disciplinary research team, the Research Centre for Sustainable Hong Kong (CSHK) is an Applied Strategic Development Centre of City University of Hong Kong (CityU). CSHK conducts impactful applied research with the mission to facilitate and enhance collaborations among the academic, industrial and professional service sectors, the community and the government for sustainable development in Hong Kong and the Region.

² This policy paper is the second part of the Exploring Cambodia Series. To view the first part, click [here](#). To view the second part, click [here](#). To comment on this policy paper, please email at sushkhub@cityu.edu.hk

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⁴ For discussion on this topic, please refer to - Li, Linda Chelan; Chung, Jeffrey Shek Yan; Oum, Socheat et al. 'Belt and Road Initiative and Cambodia: Capacity-building Challenges.' in [Hong Kong Professional Services and the Belt and Road Initiative: Challenges for Co-evolving Sustainability](#). ed. / Linda Chelan Li; Phyllis Lai Lan Mo. Abingdon, Oxon ; New York, NY: Routledge, 2023. p. 170-191.

2030 and high-income status by 2050⁵. Cambodia's economy has grown remarkably, with its GDP averaging over 7% annual growth since 2015 and exceeding 43 billion USD in 2024. Per capita income almost doubles (83%) during the same period, rising from 1,093 USD in 2015 to 2,000 USD in 2024 (Table 1).

Table 1. Cambodia household income per capita

Year	2015	2020	2024*
Amount	USD\$ 1,093	USD \$1,678	USD \$2,000

*Predicted figure ; Source: <https://www.ceicdata.com/en/indicator/cambodia/annual-household-income-per-capita>

Urban areas are steadily expanded. The urban population have grown from 3.443 million in 2015 to 4.445 million in 2023. Since the total population, including rural residents, grew during the same period, Cambodia's urbanization rate rose by 3.9 percent over these eight years (see Table 2).

Table 2. Cambodia's urbanization rate

Year	2015	2020	2023
Urban Population	3.44 million	4.05 million	4.44 million
Rural Population	11.97 million	12.34 million	12.49 million
Urbanization rate	22.3%	24.7%	26.2%

Source: <https://ips-cambodia.com/cambodias-population-and-urbanisation-trends/>

World Bank data shows in 2004, Cambodia's middle class accounted for only 9.8% of the labor force, equivalent to 642,000 people⁶. By 2023, the number had risen to about 4 million, which is five-fold of the figure in 2003 and comprises more than half of the labor force. The emergence of middle class drives the demand for real estate, retail services such as entertainment and dining, and education, as people come to expect a better life and more educational opportunities for their children. However, rapid economic development has also brought new challenges to governance, including deteriorating public security, rampant cross-border gambling, widening income inequality, unethical behaviors among officials, and education and training system failing to keep pace with societal development needs⁷. We will focus on exploring issues related to education below.

3. Bottlenecks in Education

Data from Cambodia's Ministry of Education shows that, among the national population aged 15 or above, 29.1% have completed the Primary education curriculum, 21.8% have completed the lower secondary education, while less than 3% have attended higher secondary education or post-secondary education (see Table 3).

⁵ According to the World Bank (2023), the GDP per capita of middle-income countries was USD \$6,254.1, while that of high-income countries was USD \$48,752.7. As Cambodia's GDP per capita was USD\$2,429.8, it was classified as a "lower-middle-income country." For details, please refer to <https://data.worldbank.org.cn/?locations=XD-XT-XP-XN-XO-XM>

⁶ Please refer to Manhattan Special Economic Zone- "Cambodia's Demographic Dividend Boom: Challenges and Opportunities Intertwine the Future", <https://www.manhattansez.com/zh-hant/challenges-and-opportunities-await-as-cambodias-working-age-population-enters-its-demographic-dividend-phase/>

⁷ Field interviews, July 2024. Also refer to the article in footnote 1.

Table 3 Educational attainment of Cambodia's children (Age 7 or above)

Year	2008	2019
Not educated	2.4%	1.1%
Haven't completed primary education	48.9%	42.3%
Primary Education	28.6%	29.1%
Lower Secondary education	17.0%	21.8%
Secondary education/diploma	1.6%	2.9%
Beyond Secondary Education	1.5%	2.8%

Source: Ministry of Planning 2020, General Population Census of Cambodia 2019 (P.45) , <https://www.nis.gov.kh/nis/Census2019/Final%20General%20Population%20Census%202019-English.pdf>

On the other hand, the literacy rate among youth aged 15 to 24 reaches 95.97%, 9 percent above the world average. A key reason for the high literacy rate is the implementation of 9-year compulsory education system in Cambodia, which consists of 6 years of elementary school education and 3 years of secondary school education. However, Table 4 shows that in 2019, while the enrollment rate for primary school (age 6) was 90%, the enrollment rate for lower secondary school (age 12) was only 47% and the rate for upper secondary school (age 15) further declined to 31%.

Table 4. School enrollment Rate in Cambodia

Year	2009	2019
Primary education	81%	90%
Lower secondary education	31%	47%
Upper secondary education	18%	31%

Source: <https://cambodiainvestmentreview.com/2024/06/11/spotlight-investigating-the-challenges-and-opportunities-of-cambodias-education-sector-for-economic-growth/>

Some other organizations have reported more optimistic enrollment statistics (with elementary school at 100%, secondary school at 60.06%, and higher education at 17.97%⁸). However, the information still indicates a similar message: that the provision of secondary education and above in Cambodia is rather unsatisfactory.

A major reason for Cambodian students to forgo further education is economic pressure, with 38% and 59% of them dropping out of secondary school and high school respectively due to this reason. Notably, a significant number give up studies due to poor results or a lack of interest in education. These indicate the magnitude of the challenges in many Cambodian schools to provide adequate support for students with economic hardships or falling behind in their studies (see Table 5).

⁸ Please refer to https://www.theglobaleconomy.com/Cambodia/Youth_literacy_rate_15_24/

Table 5. Reasons for Cambodian students to drop out of schools

	Primary School students	Secondary School students	High School students
Economic issue	11%	38%	59%
Poor academic results	33%	23%	16%
Lack of interests	30%	32%	12%
Family burden	6%	6%	4%
Others	20%	12%	10%

Source: <https://cambodiainvestmentreview.com/2024/06/11/spotlight-investigating-the-challenges-and-opportunities-of-cambodias-education-sector-for-economic-growth/>

Challenges in progressing to higher education levels are evident from the number of schools at various levels. In academic year 2021/22, Cambodia had over 7,300 primary schools and 2.04 million primary school students; there were 3,500 secondary schools and 1,100 high schools (see Table 6). The figures in Table 6 match with the World Bank's enrollment rate survey, indicating the higher the education level, the fewer the available school places. Some Cambodian education officials expressed intention to further expand the school network to enable more students to receive higher levels of education, but fiscal constraints pose a dire challenge.

Table 6. Number of students and schools in Cambodia (Academic Year 2021-22)

	Number of Schools	Number of Students
Primary School	7,306	2.04 million
Lower Secondary Level (Grade 7-9)	1,777	662 thousand
College (Grade 7-9)	1,253	342 thousand
Lycee (Grade 7-12)*	524	656 thousand
Lycee (Grade 10-12)	35	25 thousand
Upper Secondary Level (Grade 10-12)	559	36.1 thousand

Source: Open Development Cambodia, Public Education Statistics and Indicators 2021-2022.

*"Lycee" refers to secondary schools in the French education system.

Public educational funding for Cambodia remains limited. The educational expenditure doubled from \$450 million USD in 2015 to \$990 million USD in 2024. However, educational expenditure's share of GDP has remained below 3% (Table 7), with public education spending per capita at around \$250 USD only. Education spending in OECD countries typically accounts for 4% to 6% of their GDP, and Cambodia needs to increase spending in public education to improve their education quality. However, Cambodian officials have acknowledged that limited financial resources and varied priorities among government departments have created additional obstacles to raise education expenditure significantly in Cambodia.

Table 7. Public education expenditure in Cambodia

Year	2015	2020	2024
Amount (KHR)	18.1 trillion	37.8 trillion	40.8 trillion
Equivalent in US dollars	450 million	940 million	990 million
Share of GDP	2.50%	3.63%	2.83%

Source : UNICEF (2024) <https://www.unicef.org/cambodia/media/8146/file/English-Education%20Budget%20Brief%202022.pdf>

The Cambodian government is currently undergoing a critical leadership transition. Former Prime Minister Hun Sen announced his retirement in July 2023 after serving 30 years as prime minister. His son, Hun Manet, subsequently won the 2023 election and has since been prime minister. The cabinet includes 21 ministers of state, 28 ministers, dozens senior advisors and two secretariats. Several younger-generation leaders have taken up key positions in various ministries, including the Ministry of National Defense, the Ministry of Justice, the Ministry of Interior, the Ministry of Land Management, Urban Planning and Construction, and the Ministry of Agriculture, Forestry, and Fisheries. Two deputy prime ministers are appointed from the senior-generation officials.

In addition to the Ministry of Education, Youth, and Sports, the Prime Minister's Secretariat has established a special task force on education charged with the drafting and planning of education reforms. One key reform initiative in education is the recent introduction of subsidies to extend school teaching hours, which aims to narrow the learning gap between students in half-day and full-day schools, and to assist students' navigation of the transition from primary to secondary education, with a view to improving the effectiveness of education and reducing drop-out rate as students advance. A nationwide implementation of this reform would require additional funding up to 30% of the current education budget – in part to recruit more teachers and pay for longer teaching hours. Given the current education expenditure already accounting for approximately 17% of the total government spending, the required new funding is equivalent to an additional 5 percent of total government expenditure, a tall order to be achieved. An additional challenge in reform execution is, as acknowledged by officials involved in the reform discussion, the wide disparities in the basic education system - between different types of schools but also between the more and less developed regions.

4. Hong Kong's possible roles

Our discussions with local scholars find that the quality of education varies significantly between secondary schools, with the top secondary schools being highly competitive for admission. At the same time, Cambodian universities are not as competitive as universities in neighboring countries, given their relatively brief history - many were only reestablished after the conclusion of the Cambodian civil war in the 1990s. Middle-class families in Cambodia have hence been inclined to send their children abroad for higher education.

Based on the discussion above, below are some thoughts on Hong Kong's possible roles in bridging the gaps in education in Cambodia.

4.1 Attracting Cambodian students to study in Hong Kong

Cambodians have a strong demand for quality education, and Hong Kong's education system is among the best in Asia. The Hong Kong government and higher education sector should develop more demand-driven strategies, and develop a deeper understanding of why students from Southeast Asian countries choose—or do not choose—to study in Hong Kong. By doing so, Hong Kong will attract more international students and enhance the diversity of our student population.

We should also consider measures that attract overseas students to study in Hong Kong's secondary schools. Such measures can include reviewing and adjusting the coverage of the Belt and Road Scholarship, introducing incentives for secondary schools to enroll overseas students from countries such as the UK, the US, Australia, New Zealand, Canada as well as Southeast Asian Countries. This will contribute to Hong Kong's role as an international education hub and reinforce our status as a global metropolis.

4.2 Exploring opportunities for educational institutions in Hong Kong to expand in Cambodia

Many middle-class families and foreign investors in Cambodia send their children to private or international schools. Phnom Penh alone has over 50 international schools, with some even opening additional campuses in other parts of Cambodia.

Hong Kong's educational institutions can engage with established enterprises and business chambers in Cambodia, consult with local professional service firms, and consider expanding their reach in Cambodia. Before making a final decision, the institutions should monitor the evolving local education regulatory framework, and conduct thorough market demand studies.

4.3 Promote further exchange on education management between Cambodia and Hong Kong

Cambodian government officials we engaged with expressed a strong interest in learning from Hong Kong's successful education policies, in particular our free education system, in order to support their development initiatives. They are also looking for strategies that will gradually increase education expenditure, better manage disparities between schools, enhance teachers' quality, and improve student learning quality.

The Hong Kong Government, schools, NGOs, and private sector could develop collaboration strategies to work together in the above areas. Following our field study in July 2024, we have connected Cambodia's Ministry of Land Management, Urban Planning, and Construction with Hong Kong scholars specializing in housing policy and management issues to conduct training and knowledge transfer activities in Cambodia.

Our recent Belt and Road study shows that cultural and educational exchanges often play a critical role in fostering mutual understanding, strengthening soft power, and promoting economic cooperation. Expanding interactions in these areas will not only enhance bilateral relations between Hong Kong and Cambodia, but also create long-term benefits for future collaborations and investment opportunities at the personal, corporate and society levels.