

# Starting and Running a Profitable Business in Cambodia—Real-Life Expat Stories

**International Living Australia Report** 

www.ilaustralia.com



Starting and Running a Profitable Business in Cambodia—Real-Life Expat Stories

Author: Janet Nisted

Editor: Barbara Ross

Designer: Ian Fleming

Cover Photo: ©Barbara Ross

© Copyright 2016. International Living Australia Publishing Ltd., Elysium House, Ballytruckle, Waterford, Ireland. All rights reserved. No part of this report may be reproduced by any means without the express written consent of the publisher. The information contained herein is obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. Registered in Ireland No. 285214

## Introduction

Most visitors to Cambodia are enticed by the exotic nature of the place, not to mention the cheap, tasty food and warm, inviting people. It also has stunning natural beauty—everything from mountains and jungles to beaches and islands. A few fall so much in love, they never go home.

An increasing number of those who stay set up their own business, either part-time or full-time. This is easy to do in Cambodia, where you don't come up against the red tape and bureaucracy that you do when setting up a business in Australia. Many see the opportunity to realise the dream of owning their own business—a dream that was out of reach back home.

Easy access to visas, both residence and business, are another reason that so many expats are setting up shop here. And the incredibly low cost of living means that, if you want to, you can take life a little easier. Work enough hours to fund all expenses, then spend the afternoon by the beach. For some, the low cost of living has provided the freedom to turn a hobby and passion into a fulfilling career.

In this report you'll read about two expats who are running a thriving English school in the thriving tourist town of Sihanoukville. She says, "It was more a gut instinct or intuition. The people of Sihanoukville seemed more natural than any place that we had visited before."

Another expat, a former property developer, moved to the capital city of Phnom Penh to follow his dream of becoming a photographer. He says, "The only income I had at the time was limited to my pension, which couldn't support any kind of lifestyle back home. But here in Phnom Penh, I could suddenly afford to enjoy living the good life for less."

The small, low-cost town of Kampot is becoming a popular town with expats. The relaxed beach town lifestyle is perfect for those who only want to work part-time. One expat moved here in 2007 to set up a plant nursery. Today he enjoys his new lifestyle. He says, "I just ride a bike, take a nap in the afternoon, do a little writing, a little internet, water the plants and that's about it...just taking life pretty damn easy."

These are just some of the great lifestyles you will discover in this report. Setting up a business in Cambodia is both easy and an adventure. You can live the life that you've always dreamed of. Be it as a business owner, a self-employed freelancer or a part-time entrepreneur...you can do it Cambodia.

If the people in this report can do it, you can do it too. This is just the first step on your new life as a business owner in Cambodia.

Sincerely

Jackie Flynn

Publisher, International Living Australia

## REAL LIFE STORIES

#### Teaching English in the Growing Tourism Centre of Sihanoukville, Cambodia

By Rob Schneider



 $The \ beautiful \ beaches \ of \ Sihanouk ville \ are \ an \ added \ bonus \ to \ Katie \ and \ Sam's \ new \ life \ here. \\ @iStock.com/sitriel$ 

As soon as Katie Baggott sipped her first beer on Otres Beach in Sihanoukville, Cambodia, ideas for setting up a business began flooding into her.

She had come to the beach resort with her partner Sam Rihani after a year of travelling through Asia in search of an alternative to their corporate careers.

They didn't really expect to find any business opportunities on this mini-holiday from their home-base in the Cambodian capital of Phnom Penh. But once they saw it, they went back to the city to pack their bags and move there.

They loved the beaches...but there were beautiful beaches all over Southeast Asia. "It's hard to put into words," Katie says. "It was more of a gut instinct or intuition. The people of Sihanoukville seemed more natural than any place we had visited before. The city as a whole had a big heart and good intentions but was a bit rough around the edges. That's not what everyone looks for, but that was what we loved most."

Katie noticed that hotel and restaurant staff in Sihanoukville tried hard but didn't have the training or cultural awareness they needed to do their jobs well, especially when dealing with foreign visitors. It was a gap in the market they were qualified to fill.

In her previous life, she had worked in recruitment for Paypal in Dublin, Ireland and had found a niche in employee engagement. Sam was an enterprise risk specialist, but neither Sam nor Katie was happy in the corporate world. When Paypal restructured in 2010, Katie was happy to take a redundancy package.

"We were both in our late 20s at the time, and our goal was to go to Asia and set up a business," says Katie. "Sri Lanka and Cambodia were at the top of our list because they were both developing countries with troubled pasts but bright futures."

They set out on their journey through Sri Lanka, India and Thailand before settling in Cambodia, where Sam taught English at Pannasastra University, Cambodia's most prestigious university.

Meanwhile Katie looked for jobs and attempted to polish her resume, but "it felt like a heavy backpack I no longer wanted to carry. I didn't realise it at the time, but I needed to start working for myself rather than for someone else." After six months of teaching, Sam agreed. He didn't like the structured environment at the university and couldn't see a future within his role.

That's when they hopped on a motorbike and headed to Sihanoukville for a break, which would change their fortunes.

"We met a man who had just been offered a restaurant manager job at the Golden Sea Hotel and Casino," Katie explains. "We told him our idea, which was basically to teach an English course geared towards the hospitality industry. Aside from helping our students improve their English, we would teach them how to deliver the kind of service Westerners expect to receive at a restaurant or reception area."

The restaurant manager loved their idea and helped them set up a meeting with the hotel manager. "We stayed up all night working on our proposal," Katie continues. "Using PowerPoint as a presentation tool, we drew up an outline of a training course for the service industry and 'Excellence in Service' was born."

#### **Getting Started**

Before long, Sam and Katie were busy teaching English at four large Sihanoukville hotels. The courses were so popular; students started asking for private general English lessons. An English language school was the next logical step, and their families agreed to loan them \$13,500 start-up money. They were on their way.

After looking around for a suitable site, Katie and Sam settled on a newly-built house near Sihanoukville High School. Because construction was going on next to the house, the owner gave them a break on their rent, charging \$805 a month for the first year—a \$268 per month discount. Now it was just a matter of getting a business license and all the necessary permits.

"At that time, no one in Sihanoukville really knew what the various licenses and permits cost and often overpaid," Sam explains. "We ended up paying \$400 for all our licenses and permits.

"It's much easier now. The government has begun to standardise fees and made

posting them mandatory. You just walk into the office and are told everything you need to know, including the cost, which is currently set at \$536. We set up the school in April of 2013. That shows you how far Cambodia has come in a very short time."

Aside from proof of identity and relevant qualifications, Sam and Katie needed to provide details about their organisation's structure, curriculum and the number of classes and students they planned on having.

The loan from their families was just enough for Katie and Sam to transform a house into a school and have some left over to pay staff until the school started paying for itself. They needed everything from the signage in front to cushions for the reception waiting area. Classrooms needed desks, chairs and TVs. And the office needed computers.

To make the atmosphere more welcoming, Katie hung pictures and inspirational posters on the wall. Excellence in Service was not going to have a dry teaching environment. She wanted it to be a place students were happy to come to and would return home inspired to succeed.

Finding students and creating brand trust turned out to be two of the biggest challenges. "One of my first jobs was in door-to-door sales," says Katie. "Thanks to my previous experience I created a sales training course and mapped our strategy. I designed and printed fliers and sent eight newly trained staff out canvassing for students every day. Some of our first students came from the nearby high school, where they don't teach English to a high enough standard. We quickly got up to 70 students. This is our sixth three-month term, and we are now over the 600 mark."

Finding the right teachers has also been a challenge. "Every backpacker wants to teach but not for the right reasons," says Katie. "We want teachers who are passionate about teaching, not people just looking to make extra cash. We tried recruiting via Skype, but weren't satisfied with the results. Having learned from experience, we now only hire teachers we've met face-to-face.

"We now have a core group of dedicated teachers. We keep them happy by maintaining a friendly, family atmosphere. We now have nine great native English-speaking teachers and 18 Cambodian staff members in our 'family'."

In less than two years, Excellence in Service has become a successful business, but it's only the beginning. "We've outgrown our current building," says Katie. "We started looking for larger premises but couldn't find anything suitable. Now we're looking for a second campus for the under-12 students. If the children have their own campus, we can set it up exclusively for them, complete with child-geared facilities and playground equipment."

Setting it up right will cost money, but their families are happy to wait for them to repay their loan. And their current incomes are more than enough to expand the school and enjoy a comfortable lifestyle.

They also opened the London Café, which has also been a big success, bringing in extra income and employing two full-time and one part-time employees. It serves up freshly baked cakes and daily specials, and students are given the opportunity to experience ordering in English.

"We're confident about the school's future because we know our market and our abilities. Having nothing but positive feedback helps, too," Katie says. "Our fees are the lowest in town for what we offer. We want to be affordable for the poorer working Cambodians as we feel everyone should be entitled to a good education. But that's not the

only reason why we're successful. Parents who can easily afford to pay more are sending their kids here because we live up to our name, Excellence in Service."

Katie and Sam found the perfect mix of business and pleasure they were looking for in Sihanoukville. Now they have a thriving business and in their down time get to enjoy all the beach town has to offer. Katie likes to unwind by practicing yoga and taking her dog for walks on Independence Beach. Sam enjoys working out in the gym at the exclusive Independence Hotel, where for \$54 a month, he gets to use the hotel pool, gym, sauna, spa and private beach.

Their enthusiasm for Sihanoukville has rubbed off on their families, too. Sam's brother Mika opened the Coral Beach Resort on Koh Takeo, an island just off the coast of Sihanoukville, and Katie's sister Samantha is selling her custom-designed jewelry in an Otres Beach resort.

With so many great restaurants in town, Katie and Sam never cook at home. Their favourites are dim sum at the Holiday Palace Resort or a vegan feast at nearby Tao of Life. But like most Sihanoukville expats, they can name at least half a dozen more they regularly visit.

It's an exciting time to be in Sihanoukville, they agree. Everything is growing and changing at an incredible rate. Having the opportunity to help it change for the better is their greatest reward.

### "In Phnom Penh, I Can Afford the Good Life Again"

By Steven King



Tuk-tuks are a great way to get around the bustling city of Phnom Penh. © Eoin Bassett

Once famed as the "Pearl of Asia", the Cambodian capital, Phnom Penh, has lots to offer expats.

You'll find a stunningly low cost of living, bustling markets and a thriving food scene, set to a backdrop of colonial French architecture and Buddhist temples. It was Phnom Penh's beauty, and its people's warmth, which inspired expat John Grady, 65, to start taking photos here. And it is through photography that he now supplements his retirement income.

John was a former property developer. But when the global financial crisis slammed the local economy as well as his business investments, he decided to look elsewhere for an ideal retirement. He planned trips across Southeast Asia to look for a second home. But in Thailand, he decided to take a quick detour to Cambodia...and there his travels ground to a halt. A friendly local on his hotel's staff invited him out to see the "real Phnom Penh", away from the tourist area. And what he saw made him realise that Cambodia could be the place for him. Here was a country with a happy and welcoming population, easy access to residence visas, and an incredibly low cost of living.

"Apartment rentals in nice areas of the city are available for as little as \$350 per month," John says.

"But what really amazed me was the low cost of eating out at great local restaurants. You can fill yourself with barbecued meats, grilled fish or Khmer soup, and endless bowls of rice or noodles, for less than \$7.

"Back home, my limited mobile phone plan cost me \$70 per month. But here, I could spend less than \$14 for all my calls and five gigabytes of data. Even international calls are as cheap as seven cents a minute, although I mainly use Skype for making free calls overseas.

"The only income I had at the time was limited to my pension, which couldn't support any kind of lifestyle back home. But here in Phnom Penh, I could suddenly afford to enjoy living the good life for a change."

John returned home, put his goods into storage, and moved to Cambodia permanently within a month. He needed just one suitcase, his trusted camera and his pension to begin his new adventure. It was 2012.

Once settled in Phnom Penh, he began taking his camera out each morning to snap photos of local street scenes—vendors selling noodles from food stalls, motorbike taxi drivers playing cards on the street corner and anything interesting that caught his eye.

John says, "Pretty soon, I had built up a catalogue of great-looking photography from all over Cambodia. I needed some way to release it besides just showing it to my friends and family. I started looking at how I could generate an income using these photos."

One day, he approached an acquaintance who owned a popular coffee shop on the Phnom Penh riverside. They agreed that John could display his photos at the coffee shop, where they would be marked for sale to its busy customer base. John also started uploading his photos to several stock photography websites, which pay him a royalty fee for every image purchased or downloaded.

So far, he has uploaded over 1,000 photos. "I already earn enough from my pension to cover my costs. I was always interested in photography, mainly as a hobby. But I figured, why not try and earn some income from it, as well? There has been a lot of interest in my photos at the coffee shop. Now I am trying to find other suitable locations where I can display and sell my photos. I am kind of new to online services, but there are some interesting websites that act as a partner for selling my images."

The money he earns from photography is mostly reinvested in buying new cameras or equipment, like his new computer, which he uses for editing and storing his large photo collection. Aside from enjoying food and photography, he now spends much of his spare time with his Cambodian wife's extended family.

John sees this as a chance to practice his Khmer language skills, while having fun teaching his in-laws English. He also remains active in Phnom Penh's expat community. An estimated 80,000-plus foreign residents live long-term in Cambodia, most of them in the capital, so John does not lack for company.

"This city is like a magnet for people from every country in the world. There are plenty of Australians here, but also nationals from every country in Europe, Americans, Canadians, Russians and even places like Kazakhstan." John's advice to others looking to turn a skill into a business: "First, it has to be something that you enjoy doing, like a beloved hobby, because you need some passion in your pictures for them to sell.

Photography works well for me, as I get to interact with local people. In fact, the locals

are my main customers, since I give a copy of every photo I take to the people who pose for me. I get a big kick out of the look on their faces when they see themselves in my photos for the first time.

"Photography has been my way to get inside the beating heart of the Cambodian people. The fact that I can now earn money from my photos is really an added bonus. I'm just doing what I love. What better way to enjoy my retirement?"

# Low-Cost River-Town Living in the Khmer "Kingdom of Wonder"

By Natalie Phillips



Destroyed during the Khmer Rouge period, Kampot's old French bridge was repaired in a mix of styles. ©Barbara Ross

It's 2 a.m. and the young bakers at the 333 Bakery are stooped and shirtless as they stack the first baguettes of the day against a faded French-colonial façade. Come daybreak, just about every eatery in the sleepy riverside town of Kampot, from the high-end guesthouse restaurants to the roaming street vendors, will be peddling the soft, airy loaves. But for now, I'm their first and only customer. I have a crumpled 500 riel bill (about 16 cents) in hand, enough to buy one piping-hot baguette for a late-night snack.

Though I'm alone, with only stars to light the path ahead, the fading echo of thumping dough gives me a feeling of protection as I walk back down the block to my studio apartment. There my writer's desk, and yet-to-be-finished mug of coffee await me.

Kampot seems to invite unconventional schedules and unconventional people. Located about eight kilometres from the coast and cut off from the rest of the country by towering mountains, Kampot was once a den for "insurgents, thieves and pirates."

That's according to *Kampot of the Belle Époque*, one of the few academic articles written about the region. Nowadays, however, the town harbours an amiable melting-pot of local Cambodians (more commonly known as Khmers), travellers and expats.

Stan Kahn moved to Kampot in 2007, after spending six years in the chaotic Cambodian capital of Phnom Penh. Though Stan's retired, he enjoys supplementing his pension with "Plants in the Pot," a by-appointment-only plant nursery he runs out of his rental home. The expansive house and accompanying yard, which contains more than 200 species of exotic plants, costs Stan a modest \$170 a month.

When I ask Stan how he spends a typical day, he's reclining in a hammock strung up between two fruit-laden mango trees. "Oh, I just ride a bike, take a nap in the afternoon, do a little writing, a little internet, water the plants and that's about it...just taking life pretty damn easy."

The mellow nature of the town is certainly one of its major draws. Travellers often end up here in need of a recharge after visiting well-trodden destinations like the country's most popular beach town, Sihanoukville, and Siem Reap, the jumping-off point for Angkor Wat, in the north. Most seem all too happy to trade in temples and parties on the beach for a lazy boat ride or a jaunt to one of Kampot's famous pepper plantations.

I'm not retired, but I am guilty of taking it easy. A night owl at heart, I generally wake up around noon before wandering next door to Espresso Café to peruse the day's specials. Breakfast or lunch costs around \$5 a plate, a steal considering that options include treats such as Eggs Florentine and homemade muesli with candied lotus seeds. I tend to linger, savouring the scenes from the street that pass by the vine-covered café front.

Early afternoons are reserved for a scooter ride to the New Market, a sprawling labyrinth of stalls where you can purchase anything from sprigs of green peppercorns to bright-blue crabs still sloshing about in net-covered buckets. I tend to stock up on fresh produce: Hot-pink dragonfruits, fan-shaped oyster mushrooms and bananas that are sweeter than any I've tasted back home.

Though my Khmer language skills are limited, Khmer people are generous with their smiles and remarkably patient with foreigners. When language is a struggle, shopkeepers may simply hold up a calculator with the price.

I reserve early evenings for Oh Neil's Irish Bar, a popular watering hole. Here expats like Stan can be found chatting and watching the sunset over the Kampong Bay River. If I time it just right, I'll also get to see the fishing boats returning with the day's catch. Beer options in the country are limited: Most bars in town serve Cambodia Beer, a Budweiser-like lager, on tap. Of course, it's hard to complain when it costs \$1 a mug.

Neil Bullock spent only \$1,800 to open Oh Neil's in 2012, in a small shack between a hotel and a pizza place. Describing the business as "successful pretty much immediately," he quickly expanded to a new, larger location down the block.

Now that he's put in the grunt work to secure his business, he relishes a relaxing daily routine that includes "bumping into wonderful people all over the place," boating and riding his scooter to scenic locales.

Every day, Neil says he wakes up "knowing the weather's beautiful outside." If I lived elsewhere in the country, I might disagree with the use of the word "beautiful" to describe Cambodia's climate, which can be oppressively hot. Kampot is blessed, however, with cool river breezes, which go a long way toward increasing comfort.

If breezes aren't enough, a quick dip in the river itself is a sure-fire way to cool off. Not surprisingly, "the expat population is growing exponentially" in Kampot, notes the barman. "When I first came here in 2006 or 2007, you could fire a cannon down the main street at

7 p.m. and be guaranteed to hit nothing," he says. "There were two or three restaurants that served Western food. Now there are 49 restaurants listed on TripAdvisor."

In addition to a growing number of eateries, Kampot is home to some eclectic businesses that reflect the town's artistic spirit. There's the Khmer-owned Kepler's Books, a small but impressively-stocked shop that never runs out of second-hand (and blatantly pirated) fringe classics, such as George Orwell's Burma Days and Spalding Gray's Swimming to Cambodia. Then there's the Ecran Movie House, a Belgian-owned movie theatre and Chinese noodle house that plays new releases and old favourites from all over the globe. For \$6 a person, movie buffs even bring their own films and rent a private screen.

Keeping fit can take some creativity, as the town lacks a gym. The paved and shaded riverfront is a popular place to walk and jog, and bicycles are cheap and plentiful: I purchased a three-speed bike for \$45, complete with a lock and bell. Sightseeing and exercise can merge into one at SUP Cambodia, a newly-opened paddleboarding company spearheaded by expat Annie Pizey. An avid paddler, Annie says she "fell in love with the Kampot river: its twists and turns, the reflection of the mountains on the water." According to her, "The local culture and the scenery are magical. You want to pinch yourself to see if you are dreaming; it's that unreal."

I had to agree with her after I tried paddling down the river for the first time. As the music of a brass band playing at a bungalow disappeared behind me, I marvelled as soaring Asian swiftlets swirled around me, diving down in a cloud to pluck bugs from the water.

Farther down the river, I could even hear the faint strains of gamelan music echoing through the jungle. After a good paddle or bike ride, I'm fond of getting a soothing massage at Seeing Hands, an established massage parlour that provides employment to blind locals. An hour-long, Japanese-style massage costs just \$5.

Basic medical care is available, though broken bones and major operations are best taken care of in Bangkok. Pharmacies are also sprinkled throughout the town. You'll have the best luck finding what you need if you know the name of the active ingredient. It's hard to think of downsides here. As Neil says: "There isn't a bad box ticked. You couldn't get bored... Everybody you meet here has been around the track many, many times. They're all here for quality of life."

Though Kampot is slowly becoming known, the town is still off the beaten path. Friends, family and well-meaning strangers sometimes express alarm at the idea of a female expat living in small-town Cambodia. But overall, I feel safer in Cambodia than I do in most places back home. At 2 a.m., sitting on my apartment stoop with baguette in hand, I am struck by the sweet sensation that I am safe, content and utterly at home.

## Embracing "Complete Freedom" in Cambodia

By Rob Schneider



Sihanoukville is popular with locals and expats alike as a place to relax and enjoy. ©iStock.com/Yulia-B

Sihanoukville wasn't on Joe Royle's list of semi-retirement destinations when he came to Southeast Asia looking for a new life in 2005. In fact, he didn't even know that Sihanoukville, a beach town of 250,000 some 225 kilometres southwest of Cambodia's capital city, Phnom Penh, even existed.

"I came to Southeast Asia with only one ambition: to open a beachfront bar and enjoy the balmy weather and the company of whatever patrons happened by," says the 55-year-old expat.

"Thailand and Malaysia were the only two countries on my list. While I appreciated that both countries had all the comforts of home and were bustling tourist centres, they weren't what I was looking for. I was looking for a place a little less developed—a place where I could live as I pleased, without the red tape and bureaucracy of developed countries."

With Malaysia and Thailand scratched off his list, Joe thought about where to try next. All he knew about Cambodia was what he had read: It was a dangerous and backward country he ought to avoid.

Still, the border town of Poipet was just four hours away from Bangkok, so he decided to give it a shot. While he didn't like what he saw in Poipet, Joe persevered, and after touring the country found himself in Sihanoukville.

"This was it. It was freedom. Complete freedom. If I wanted to live in a grass hut on \$5 a day, I could. If I wanted to build a mansion, I was free to do so."

He briefly returned to his home to sell his remaining possessions. Aside from another short visit to attend his daughter's wedding, he's been in Sihanoukville full time since 2006. Joe attributes much of his success to his wife, Cheena, whom he met not long after he arrived in Cambodia.

Originally, he hired her as a guide. With her help, he was able to purchase his first piece of property and build his home. As a foreigner, he was unable to own land in his own name, so he bought it in hers. But "if you want to own land in Cambodia," Joe advises, "the safest way to do it is to enter into an agreement with a Cambodian partner through a bona fide real estate company. They have legal teams that can help you make safe investments with Cambodian partners, usually solicitors, who by law must own 51% of any ground-level property."

Most foreigners enter into leasehold agreements, though, Joe says. "Leasehold is a contract entered into with a property owner. Provided the landowner has 'hard title' (legal ownership) and the agreement is registered with the proper authorities, it is the safest and easiest way for foreigners to secure property in Cambodia."

In 2008, the bottom fell out of the stock market and Joe saw half his investments vanish overnight. Fed up with "safe" Western investments, he took most of the remainder of his savings and invested it in homes in Sihanoukville. With expat numbers rapidly growing, renting the two homes he bought was easy, so he built two more on his land and rented them out to expats, as well.

His real estate investments had an unexpected side benefit. When people came to his home and saw what he had built, they asked if he could help them with their building projects. First requests came in a trickle, then in a flood. Joe's big break came when he was asked to design and oversee the building of Led Zephyr, Sihanoukville's most ambitious Western bar/music-venue project to date.

Since then, he has been working non-stop on projects ranging from a 370-square-metre mansion for a successful internet marketer to his latest contract, the rebuilding of Sihanoukville's iconic backpacker hangout, Monkey Republic, which was destroyed by a fire in 2012. "My life today is a dream come true," Joe says. "Back home, I had a successful business designing and managing industrial building projects, but the work was never satisfying. Here I have complete creative control over everything.

Take Monkey Republic, for instance. When I sat down with them the first time, they gave me a blank sheet of paper and told me to show them some ideas. They loved the colonial-style building I sketched for them and set me loose to finish the project. Back home, I would have been given a preliminary drawing and told to make it workable. They weren't interested in my creative input at all."

Today, Joe makes a good living designing buildings. He sees his rental income as his

retirement income, since he has no intention of returning home. He doesn't need to live on his rental income yet, though, so he sets it aside to use for funding his next venture, whatever that may be. "There's something for everyone here," says Joe.

In particular, Joe sees the internet as a big opportunity for expats. The hillside mansion he built in 2012 includes a high-tech office, with an ocean view, for a staff of six. A young man who is renting one of Joe's houses is still working for the company he was working for back home.

As a "headhunter," he can find skilled executives to fill corporate positions from here just as easily as he could back home, but in Sihanoukville he lives in far greater comfort and style. And then there's yours truly, who started a freelance writing career in Sihanoukville at the age of 60. With fibre-optic cable for your PC and WiFi and 3G connections for your smart phone, keeping in touch with clients is as easy in Sihanoukville as it is in Sydney or London—and a whole lot cheaper.

## Thriving in Cambodia's "Art Town"

By Lina Goldberg



Siem Reap is a thriving tourist town thanks to the temples of Angkor Wat. ©Barbara Ross

It wasn't long ago that the major streets in the northern Cambodian town of Siem Reap were unpaved. There were no shopping centres, no cocktail bars...in short, it was a place only the most intrepid expats would consider living in.

John McDermott, and Narisara Murray, were two of those adventurous expats. "When we came in 1996, Siem Reap was only a tiny little town—charming in its own way, but it was mainly just a place to stay when exploring the nearby temples at Angkor Wat," says John.

"At the time, I was just beginning to look at ancient sites around Asia for my photography. I was interested in finding sites that looked like they belonged to another civilisation on some far-off planet. Angkor certainly fit that description."

The couple originally met in the Thai capital of Bangkok, where John was working as a photographer for a local magazine and Narisara was a freelance journalist. They moved to Siem Reap full time in 2003 to set up a photography gallery showcasing John's work and that of local artists.

"There's so much flexibility about what you do here and how you live," Narisara says. John agrees, saying, "If you have an idea, especially an original idea and want to put it into motion—starting a business, creating an educational organisation or fulfilling a lifetime dream of writing and being an artist—you can do it without difficulty or major expense."

These days Siem Reap is rapidly expanding. French-colonial buildings in the centre have been restored. Many of these buildings, along with Chinese shophouses, host businesses that cater to the huge number of tourists who now come to see the Angkor temple complex.

Just 15 minutes from town, Angkor is easily the country's most famous attraction. Yet, despite the tourism trade, Siem Reap holds onto its small-town charm. "The lifestyle is so stress-free...life here is at a different pace," says John. Narisara says, "Even with all the international travellers and businesses that come here, it's still a small town. You can get stuck in traffic behind a herd of cows, you can watch the monsoon storms sweep across the rice fields and you can hear the frog chorus in rainy season and roosters every morning. You're a lot closer to nature than you are in a city like Bangkok or Singapore. And you get to pick your projects here. Everything we do is work, but everything we do is play."

In addition to working at the gallery, Narisara is also writing a novel set in Cambodia and working on several non-fiction projects. The couple has witnessed the growth of an international expat community, many of whom are also involved in the arts in some way.

"It's easy to start a business or find a studio space," says Narisara. "You can rent a studio space or a small house for around \$200 to \$250 a month in Siem Reap." John elaborates, "In many countries, opening a business is a nightmare of expense and bureaucracy. Here it is simplified and encouraged.

As a small business, all you basically have to do is get a business license, rent a space and hang out your sign. There's more to it than that, of course, but you don't have to run an obstacle course to get it going. The bigger the business, the more bureaucracy. But the idea is to get business going here and money changing hands. A storefront business means renting a shophouse for anywhere from \$350 to \$2,000 a month, depending on location. We couldn't afford to do this at home."

Becoming parents might mean the "death of creativity," as Narisara laughingly puts it. But it's not so for expats in Cambodia. In Siem Reap, you can hire an experienced nanny for between \$100 and \$160 per month. "Our son has a nanny whom he loves, which allows us to work on our own projects," Narisara explains. "I don't tell my friends back home about it, because it would sound like I'm bragging."

Other costs are also much less than back home. A regular maid or gardener charges even less than a nanny. Monthly rent for a two- or three-bedroom villa with a garden ranges from \$330 to \$650. And food is less expensive in Siem Reap.

Several grocery stores in town sell imported Western treats, often for less than they cost at home. Shop locally at the market and you'll get a week's worth of fresh produce for around \$16. All told, the average monthly budget for a couple is \$1,500 a month, including rent.

"You can buy produce at a local open-air market for a few dollars a day, or you can splash out on a bottle of Veuve Clicquot and imported lamb at the expat grocery store," Narisara explains. "You can live in a wooden Khmer-style house on stilts for a couple hundred dollars a month, or you can rent a modern villa with a landscaped garden, a pool and sauna for a couple thousand dollars a month."

John and Narisara have just had their second child. Because medical care in Cambodia is still below Western standards, they go to Bangkok, a short flight or six-hour drive from Siem Reap. But as tourism in Siem Reap continues to grow, all types of services are rapidly improving, from medicine to internet access.

Roads through town that were once unpaved are now lined with international restaurants, galleries, bars and boutiques, and new businesses pop up every day. "That's what's so exciting about Siem Reap," John says. "Everything is growing and changing." After a decade in Cambodia, John and Narisara are still in love with the easy life they've created there for their small but growing family.

#### Visas

Cambodia offers one of the easiest visa application processes in Southeast Asia.

At both Phnom Penh and Siem Reap international airports, you can obtain a single entry Tourist Visa (T) on arrival. Simply pay \$40 for a one-month visa. You just need to complete an immigration form, have a passport with at least six months' validity and blank pages, and supply one recent passport-sized photo.

If you're planning to stay and work in Cambodia, you will have greater flexibility by selecting a single entry "Business" or "Ordinary" Visa (E) on arrival instead. This will cost \$47.50 and is valid for 30 days initially.

To apply for a business or ordinary visa, Immigration may require you to have a letter of invitation from a supporting organisation or employer, and/or a return ticket. Generally, if arriving from a developed country, and you are a Western national, these are rarely requested due to Cambodia's initiative to encourage foreign investment and skilled workers to the country.

Under Cambodian law, a business or ordinary visa does not give you automatic permission to undertake employment and officially you should apply to the Department of Employment and Manpower which is part of the Ministry of Social Affairs, Labour and Veteran Affairs.

#### **Visa Extensions**

It is possible to extend both the tourist visa and business or ordinary visa. You can go to the Immigration Department of the National Police, which is located directly opposite Phnom Penh international airport. Alternatively, you can use one of hundreds of travel agents to process the extension on your behalf.

You simply need to provide your passport (with at least six months' validity), a single passport-sized photo and a standard processing fee for the visa extension.

A Tourist Visa can be extended for only 30 days, and is only single-entry. It is therefore recommended that you apply for a business or ordinary visa as it can be extended for up to twelve months, and can be multiple-entry.

The fees charged by travel agencies for a business or ordinary visa extension start from around \$61 for one month up to around \$387 for 12 months, though prices do fluctuate on an annual basis.