

# Food security amidst growing competition for land: Land grabbing in Mondulkiri province

STAR Kampuchea

## Introduction

Mondolkiri Province, located in the northeast of Cambodia, consists of Sen Monorom town and four districts: Keo Sima, Oreang, Koh Nhek and Pich Chenda. Pich Chenda is made up of four communes: Srae Ampon, Pou Chri, Krang Teh, and Boosra. Boosra commune is home to 3,000 people from about 800 families, while Krang Teh commune is home to 339 families of about 1,750 people. Residents of these two communes are from either the Koy, the Phnong or the Tompoun tribe.

Residents of Boosra and Krang Teh live below the poverty line, with almost all of them being small-scale farmers. Due to serious land conflicts taking place in the area, food insecurity ails the residents of the commune. Boosra is a very remote area with little infrastructure. Farming is the only option for most of its people for a sustainable livelihood. Take away their land and they lose their primary source of livelihood—and food.

From 2006-2009, Krang Teh received support from STAR Kampuchea (SK) in the form of legal training sessions. Topics included land law, forest law, and a course on advocacy. This support amounted to about \$5,000. In its 2010 assessment, SK recommended coursing support activities to Krang Teh through SK's provincial partner, which is part of its Pan Advocacy Network (PAN). This network is still

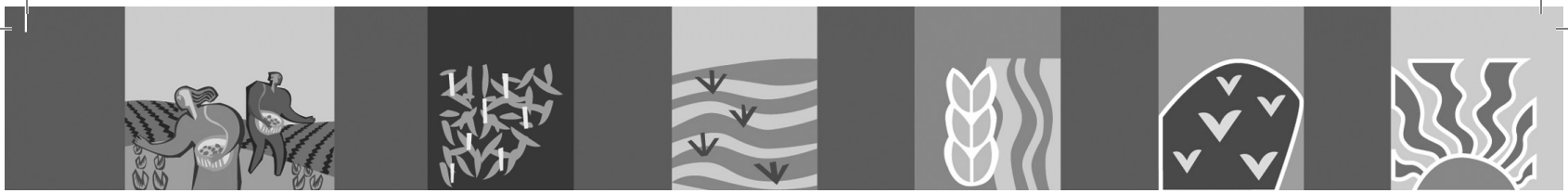
engaged with this community and is monitoring the situation.

Private investment is growing in Cambodia, as the country gains stability and economic momentum. The Royal Government of Cambodia has actively encouraged private domestic investment as well as private investment from abroad.<sup>1</sup>

Companies have answered this call throughout the country. In Boosra commune, roughly 2,386 hectares of land have been cleared for agro-industry, rubber plantations, and facilities and attractions for tourism. Companies active in private investment in this area include: the Khov Chely company (owned by a prosperous Cambodian), Dalak Mondulkiri (a Vietnamese company), Phoviphama, Sufin (a French company), Sethey Coca-Cola (a subsidiary of the Coca-Cola company), and Samala and Vanarasi, all of which were granted economic land concessions in Mondulkiri. Often, private investment in Cambodia comes from international companies that are represented by Cambodian nationals within the Kingdom of Cambodia.

Requests to the government to lease smaller amounts of land (9,000 hectares or less) are handled at the provincial level. Higher amounts generally require scrutiny at the national level. An impact assessment is done by a Ministry Working Group comprised of

<sup>1</sup> InvestInCambodia.com, one of the many resources the Royal Government of Cambodia has established to help ease the path for foreign investors to enter into Cambodia.



participants from relevant government departments (the Ministry of Economy and Finance, the Ministry of Land, etc.). Leases are transferable. The lease confers the right to develop the land and receive any outputs from it, but it does not bestow permanent ownership of that land onto the company.

In Krang Teh, private companies' choice of development projects consists of rubber plantations and the associated infrastructure such as buildings and local pathways necessary to run the business.

In 2007, companies began cultivating rubber trees in the area, establishing large rubber plantations and harvesting the resin to make rubber products. Local residents have not benefited in terms of infrastructure (there have been no roads built to improve the local economy) or jobs (as few residents have been employed by the companies). Therefore, citizens suffer the difficulties of private investment but do not gain any of its advantages.

Private companies, however, flourished. The resin from thousands of hectares of rubber tree-lined land is a crucial product for export, as rubber is becoming increasingly in-demand.<sup>2</sup> However, a "rubber bubble" has been forecast by some economists, which may result in abandoned rubber plantations that have been stripped of the soil's natural composition, accelerating climate change and soil erosion.<sup>3</sup>

This trend has deeply affected 800 indigenous families in Bossra and another 339 families in Krang Teh who have relied on their land for decades. There are three types of land residents have depended on in the past: common land (shared by the community), sacred ground (important to the spiritual life of the

community and believed to be protected by the spirits of the residents' ancestors), and individual land. These tribal groups face serious threats, not least of them their livelihood hanging at a balance, and the loss of their cultural identity.

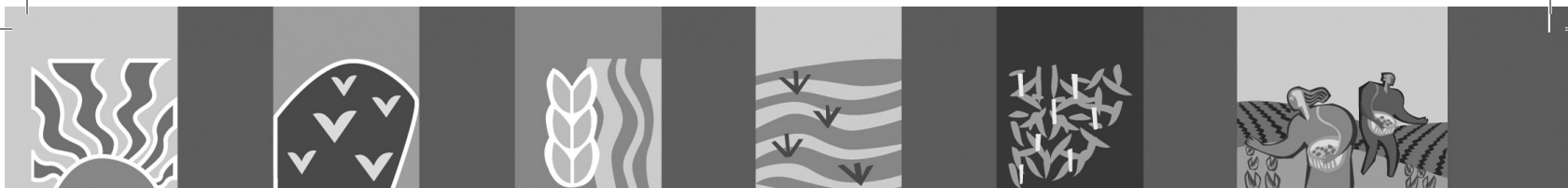
In August 2009, Yim Luch, the Provincial Deputy Governor, mediated a solution to a land conflict in Boosra commune. In this case, companies were expanding their land into the local burial area. The Deputy Governor's solution was for the companies involved to offer one million riel (worth approximately USD250), one buffalo and one pig to the territory spirits. The animals were sacrificed to the territory spirits and the cash was accepted. After these were turned over, Yim Luch declared that this conflict has been solved successfully, and that no further claims would be allowed. Around this time, more and more land conflicts began as the land in the area was flagged for private development.

The first investigation of land conflicts in this area was conducted in September 2009 by ADHOC, a member of the Mondulkiri advocacy network supported by STAR Kampuchea. This investigation indicated that in 2006, 2,705 hectares of economic concessional land was granted to Khov Chely Company in Boosra. The same year, Khov Chealy Company transferred the lease to a French company, Sofin KCD. According to the local authorities, the Vanarasi Company was still one of the parties in the land conflict, instead of Sofin KCD. But the residents claimed that Vanarasi was not involved and that Sofin KCD was without a doubt the other party. Since then, the boundaries and the private parties in the land conflicts have changed slightly, but the core issues persist.

The solutions to the conflict between the people of Boosra commune and the companies resulted in a policy formulated by the Deputy Provincial Governor, trying his hand at another solution.

<sup>2</sup> "Rubber exports stretch to \$250m." *Viet Nam Business News*. <http://vietnambusiness.asia/rubber-exports-stretch-to-250m/>

<sup>3</sup> "Spiraling rubber price a cause for concern." By Petchanet Pratuangkrai. January 2011. <http://www.nationmultimedia.com/2011/01/24/business/Spiralling-rubber-price-a-cause-for-concern-30146995.html>



*“These tribal groups face serious threats, not least of them their livelihood hanging at a balance, and the loss of their cultural identity.”*

Based on the policy, families were allowed to pick any of the following options for settling the case:

1. To exchange the land for cash;
2. To exchange currently held land for equivalent land in a different area, but still within the local community;
3. To share in growing food for consumption.

The proposed solutions applied only to individually owned (or family-owned) land, not to commonly held land and sacred ground.

The residents accepted their solutions. They also began seeking recognition from the Ministry of the Interior for their indigenous community, which in theory would allow them to protect their legal rights to the land better in the future. Thus, individually held land ceased to be an issue in this community. However, the companies were inaccurate in measuring the land for the people.

In a second investigation, conducted on 5 December 2010 (also by ADHOC), Keo Ra, a community representative, indicated that the Khov Chealy Company had taken undue advantage of the villagers by convincing some people to sell their land at a measly price of KHR800,000. These lands were used for growing vegetables. With the sale of land, subsistence farming will cease and villagers will start buying their food.

Kris Van, the Vice President of the community, informed the investigator that the villagers in Krang

Teh had their indigenous community land registered formally and recognized officially by the Ministry of Interior, which guarantees legal protection for the designated land.

Yang Kun, a community representative, said that a company named DTC had the community's land cleared by three bulldozers. Research indicates that the Vasanara Company transferred its lease to the DTC Company, which then proceeded to grab the land. Once community members became aware of this, a hundred of them came together and organized a demonstration on 09 December 2010. The demonstrators were able to bring work on the plantation to a standstill and force the bulldozers to desist.

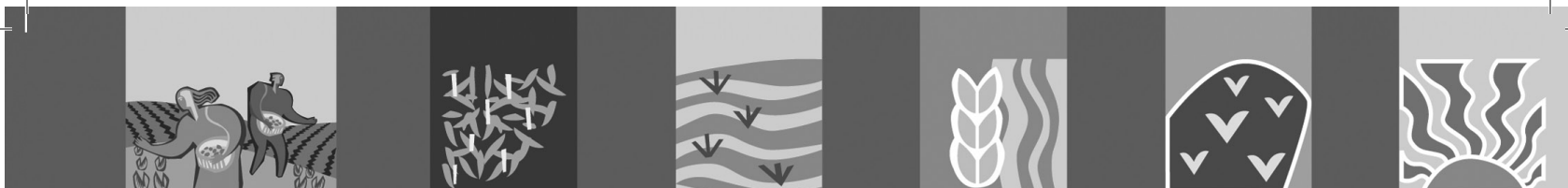
Trek Sophon, a commune head in Krang Teh, said that this problem was beyond his capacity to solve. What he could do, he explained, was to reconcile temporarily the parties in the conflict and help conduct peaceful negotiation. His emphasis was on preventing violent confrontation.

Pichrada District Governor Nuon Saran helped towards solving this conflict by visiting the scene. He announced that he was working on a plan to allocate justly the land for the people (on 20 December 2010). In case his solution was not successful, he agreed to forward the problem to the provincial governor to mediate a new solution.

The situation remains unresolved.

### **Land conflict issues**

Lack of respect from both government and the private sector for the poor in Cambodia is the core issue amid the conflicts. The members of this community were working hard to secure their livelihood and did not act out against the government or any of the private companies. Yet the more powerful parties allowed



the weakest party to suffer most. The members of the ethnic community cannot defend themselves against such powerful interests. Even with the assistance of NGOs, government has the final say and too often they pass on decisions to private businesses. This cycle only pushes the poor further into poverty. Formerly productive contributors to the local economy lose both their income and their resources. Cambodia is a country with few social services, and losing livelihood is often a hole that the victims of land conflicts can never climb out of.

Furthermore, information-sharing is either not a priority of the government or it is being used as a tool to suppress rights advocacy among victims of land conflicts. The status of their land rights cases is also ironically concealed. Different departments of the government issue different responses and information even when presented with the same facts, confusing the community. As they are already poor, this eats up their time and income as they travel between offices and officials, attempting to gain some information to help secure their property.

While the Ministry of the Interior has recognized the common land in this case as indigenous territory, the scope of land that is protected has not been measured and announced. Therefore, while it is indisputable that *some* of the land is protected under the laws protecting indigenous peoples, it is not clear how much and which boundaries are involved.

While many companies do not impinge on land that belongs to local residents, they do not contribute significantly to the local economy. Despite being allowed into Cambodia under very generous terms, companies are not compelled to hire locals or *even Cambodian nationals*.

If the rubber plantations pack up and leave, the farming pattern could prevent future cropping and even contribute to climate change and soil

erosion. So even in the best case that the community recoups their land, the soil is no longer as fertile for expectations of productivity.

Constant land conflicts also create a problem in the social fabric between members of the local economy. The members of the local community feel one-upped and lose trust in the private sector and government. Companies become impatient when conflicts drag on, and are discouraged from investing more money in Cambodia. It also discourages potential future investors, who may see great benefits in investing in Cambodia, but do not want to deal with the possibility of future land conflicts.

#### **The Pros and Cons of Development – the People and Private Investors:**

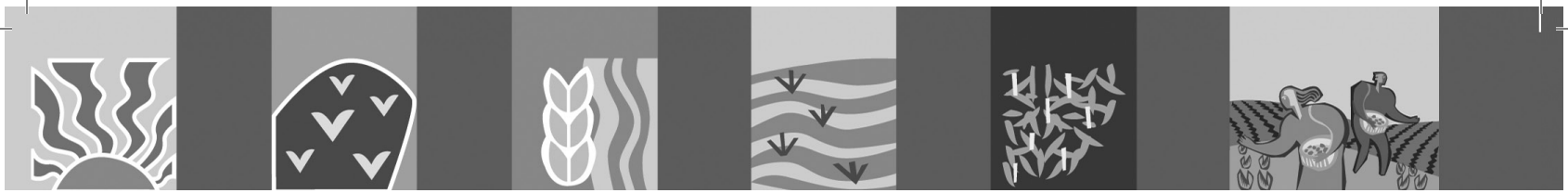
The allocation of the economic land concession has two major effects: first, on the environment; and second, on the livelihood of the local communities.

The environment is affected through universal climate change and pollution. The northwest region of Cambodia is facing a shortage of rainfall due to deforestation. Near Boosra and Krang Teh communes, native vegetation is being cleared for rubber plantations, which impacts the soil in ways that are not yet thoroughly researched. This can lead to severe and lasting backlashes for the agricultural industry, the tourism industry, and local economy.

The second effect is that traditional Cambodian practices and beliefs are compromised. Not only are sacred lands and long-held practices impacted

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directly, but reduced livelihood among community members fosters the long-term erosion of cultural practices.

Development in this instance is not concretely palpable, whether in the form of roads or other significant infrastructure useful for the community or contributory to their economic status.

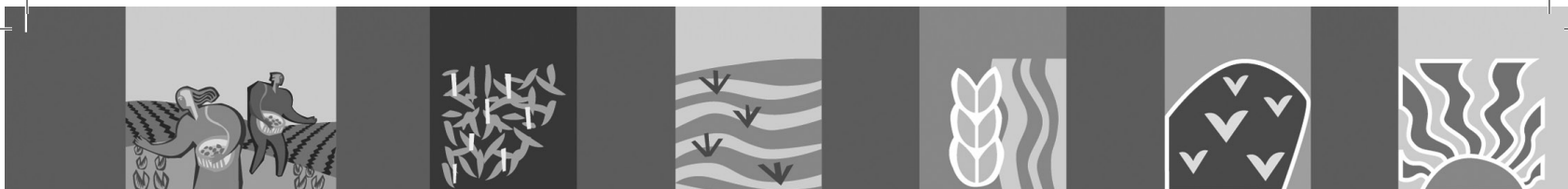
When companies began establishing plantations, they hired some local residents, but not as many as they should have. As the plantations grew, companies stopped hiring local residents and hired from outside the community, usually bringing in company employees from elsewhere. Pay for this work was seasonal, and local residents were paid significantly less than outside workers. In these circumstances, all of the positive results of private development are bestowed upon the companies; all of the negative results are bestowed upon the local residents.

This is not necessarily the only possible outcome. There are companies operating near Boosra commune that are not grabbing land or causing serious difficulties. Setey Coca-Cola, for instance, hires locals, stays on its own land, and does not violate the land or other property of local residents. Companies that behave within the law have the potential to aid the local community and to embrace their manpower as a resource to help the company succeed.

### **Recommendations**

- Authorities should conduct appropriate pre-feasibility studies on land concession before implementing the investment program. The study should include participation from all relevant stakeholders, including representatives of the communities that will be affected.

- Objections from all relevant stakeholders should be considered seriously and mediated before private investment leases are released.
- All stakeholders and local authorities should identify clearly economic concession land. GPS mapping, when possible, should be utilized to establish borders and ensure that future land conflicts do not occur.
- Local authorities should announce widely the provision of economic land concession among the people living in the area to be covered.
- When significant changes are made/solutions reached, all parties should be formally notified.
- STAR Kampuchea should continue to consider Boosra and Krangteh communes as potential training ground for advocates and community leaders. Appropriate proposals and activities that can help find a solution to difficulties of these communes should remain under consideration.
- The future involvement of media outlets, international donors and other parties that could be of service to Boosra and Krang Teh communes should remain on the table.
- Many NGOs have been through this area to ask questions and get information, but there have been few who have remained. One NGO with a solid foundation or a group of NGOs should get firm support from donors and the international community and continue to address this issue until the situation is resolved.



- Donors and the international community should regard this as a case that pits the weakest members of Cambodian society against powerful forces of Cambodian society and international business. This case sets a precedent, especially as private investment continues to grow in Cambodia.
- Private companies should emulate other investors who have come in and taken care not to infringe on land belonging to others. Furthermore, they should consider hiring local people whenever possible, and pay them fair wages. In the long term, this would create popular support for businesses in Cambodia among the population at large.
- If encouraging private companies to hire Cambodians falls on deaf ears, the government should make it obligatory, when appropriate. Private enterprise in Cambodia should benefit Cambodians, too.

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*STAR Kampuchea is an NGO working to build democracy by strengthening civil society in Cambodia. It deals with issues related to land, forestry and fisheries.*