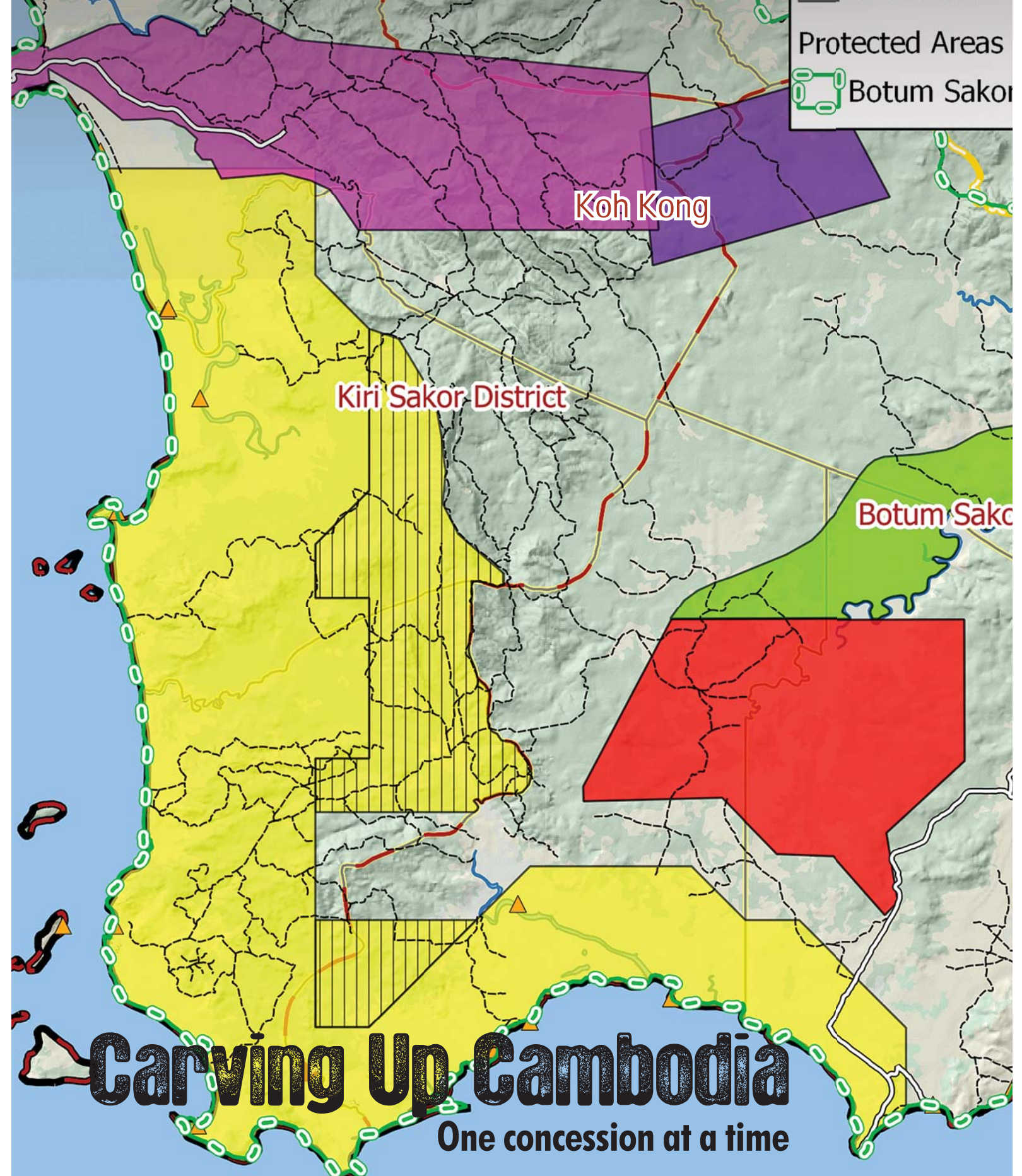


WEEKEND

The CAMBODIA DAILY

Saturday and Sunday, March 10-11, 2012

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Issue Number 730
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L. P. Group
Greenrich
Protected Areas
Botum Sakor



Carving Up Cambodia
One concession at a time

All the Tuk-Tuks in Siem Reap Herald *The CAMBODIA DAILY*



“Sunwah Property, East Samdech Hun Sen Street, 2009,” a photograph from the exhibition “Wrapped Future” by Lim Sokchanlina, currently showing at the Sasa Bassac Art Gallery in Phnom Penh.

Lim Sokchanlina

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ON THE COVER

A map prepared by Licadho shows that 56 percent of Botum Sakor national park in Koh Kong has been granted to Chinese Tianjin Union Development Group (two yellow concessions), CPP Senator Ly Yong Phat (two purple concessions) and three other investors.

EDITORIAL

THE CAMBODIA DAILY WEEKEND

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SOLD

BY PAUL VRIEZE AND KUCH NAREN • THE CAMBODIA DAILY

In the race to exploit Cambodia's land and forests, new maps reveal the rapid spread of plantations and mining across the nation.

Workers prepare to build new homes for residents being displaced by land sales, in Botum Sakor National Park in Koh Kong province on February 20. Reuters

Protected rainforests, endangered wildlife, rivers abundant in fish, villages, farmlands and urban neighborhoods—none are safe these days from the rapid growth of investment projects in Cambodia.

After more than a decade of political stability and years of high economic growth, local and foreign companies are now gaining government support to speed up the exploitation of the nation's resources and push it to new extremes.

Last year saw a record increase in economic land concessions and the area controlled by agro-industrial companies jumped to more than 2 million hectares nationwide, according to human rights groups who track such projects. Mining companies are also flocking to Cambodia and those already here have received concessions to explore 1.9 million hectares of land for gold, iron ore, copper and other precious minerals.

Together, these private firms now control 3.9 million hectares of land, or more than 22 percent of Cambodia's total surface area, according to data from rights group Licadho, which recently made new maps of the concessions available to The Cambodia Daily.

"In all the years Licadho has been keeping track of new [concessions], we have never seen such a high number of new concessions granted as we documented during year 2011," said Mathieu Pellerin, a consultant for Licadho.

The surge in concessions is causing major concern among rights groups, conservationists, governance experts and even donor countries, as it is set to dramatically worsen land disputes—already Cambodia's most pressing human rights issue—and exacerbate the destruction of the country's shrinking forests.

Government officials, however, are downplaying the environmental and social impacts of concessions (not to mention the potential for instability), and their statements on the scale of concessions differ starkly from rights groups' figures.

Ministry of Agriculture Secretary of State Ith Nody said last week that only 1.2 million hectares were granted to 118 agro-industrial firms, including 28 Chinese firms and 27 Vietnamese companies.

Licadho, which based its calculations on official government documents, found that 227 plantation firms, several special economic zones and former state rubber plantations cover almost exactly 2 million hectares, about 800,000 hectares more than Mr. Nody reported.

Mr. Pellerin ascribed the difference in the figures to "a lack of transparency" from the government. "Clearly, the number the government is offering is not anywhere near the scale of concessions in Cambodia," he said.

Serious concerns are now being raised over the spread of concessions into traditional farmlands and rural villages, where companies over the past decade already have forced tens of

thousands of Cambodians from their homes and dispossessed them of crops and land.

"There's a direct link between economic land concessions and land conflicts. A sharp increase in the number of economic land concessions will most certainly lead to a noticeable raise in land disputes," Mr. Pellerin said.

"For example, Kratie's Snuol district is among the districts hosting the highest number of economic land concessions. It was also

As the companies moved rapidly to cut down the dense core of Boeng Per, the impact on forests, wildlife and local communities has been dramatic.

host to many land conflicts...in 2011."

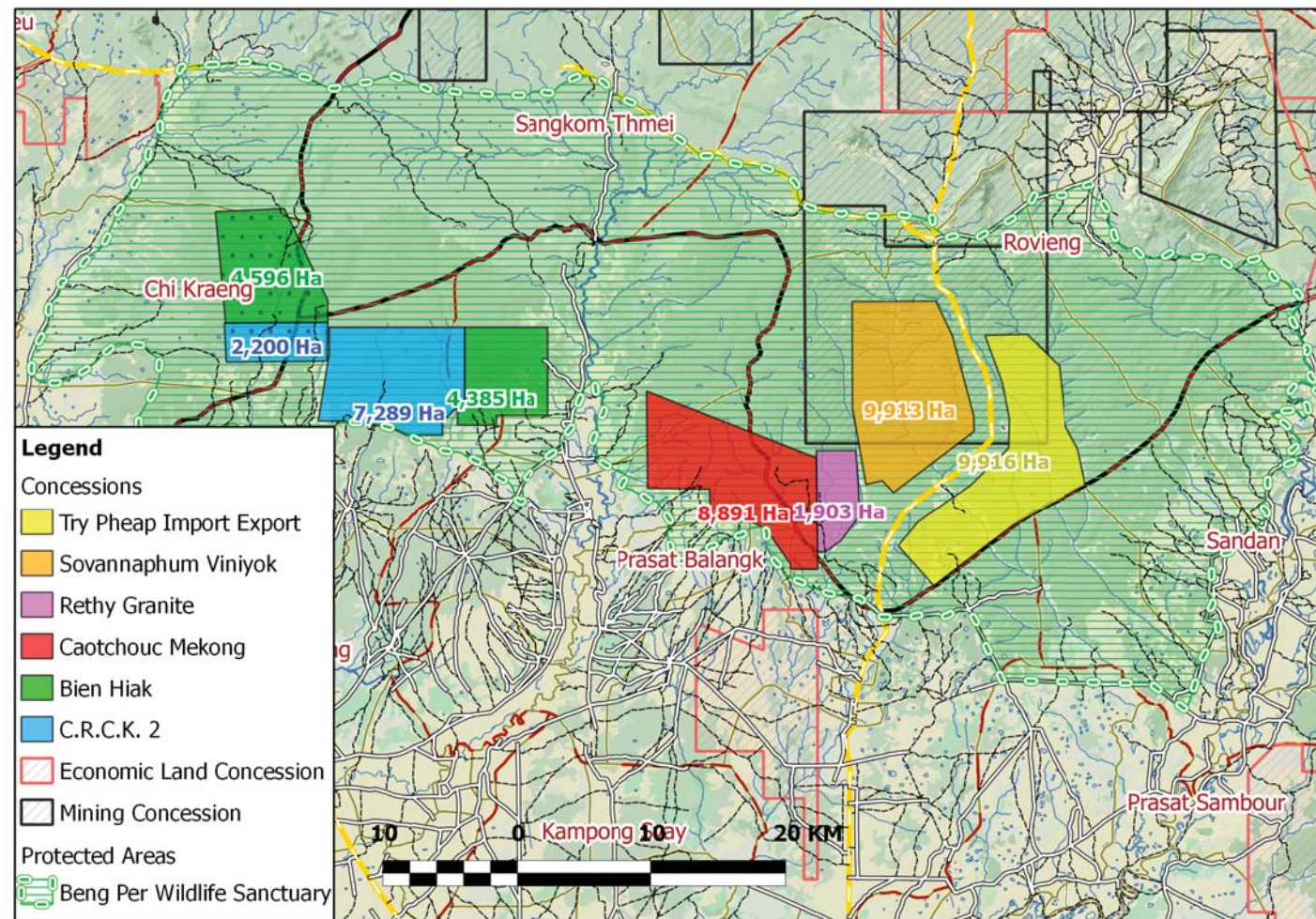
Mr. Pellerin said in many land disputes residents' land rights under the 2001 Land Law go unrecognized, while the government neglects to follow legal procedures that require it to consult with local communities and make an environmental impact assessment before granting a concession.

Once communities are drawn into a dispute over land, he said, "in very few instanc-



Natural Resource Protection Group

Villagers in a stand off with local security forces in Kompong Thom's Sandan district late last year after they protested against CRCK company's rubber concession. Villagers wanted CRCK to stop clearing parts of Prey Long forest on which they rely for income from sources such as resin tree tapping.



Prepared by Licadho

Since 2011, several rubber concessions have been granted that cover about 22 percent of Boeng Per wildlife sanctuary, a 214,000-hectare evergreen lowland forest that covers parts of Preah Vihear, Kompong Thom provinces. Try Pheap's concession and An Marady's Sovannaphum concession cut deep into the area's pristine core, wiping out forest, wildlife and thousands of resin trees that were used by local villagers.

es a proper resolution will happen." In this way, the increase in concessions is embroiling ever more communities in land disputes with no way out, he said.

Since 2003, Licadho has recorded 654 disputes involving the land of about 85,000 families, or about 400,000 people, in 12 provinces. Just last year, some 11,000 families were newly affected by disputes with companies over land.

Rights group Adhoc has recorded some 150,000 families—or about 700,000 people—nationwide involved in disputes over land since 2000, said Ouch Leng, a land program officer with the Cambodian Center for Human Rights (CCHR), who until recently worked for Adhoc.

Mr. Leng said Cambodia's land dispute problem began in earnest in 2000 when the government opened up the land sector to investment companies, which have since grabbed hundreds of thousand of hectares of farmland.

The government, he said, has been complicit in the land grabbing. "The government already knows that when they grant a concession that it overlaps with the people's land, so the problem originates with the government."

Rupert Abbott, Amnesty International's researcher on Cambodia, Laos and Vietnam, said the new surge in granted concessions would further worsen "land conflict and forced evictions, which ... are already creating an environment of desperation and alienation, and leading to social instability in Cambodia."

Mr. Abbott said that despite government repression of rising popular resentment against the concessions, "There seems to be a growing sense amongst the Cambodian population that the land problem is serious."

CPP lawmaker Cheam Yeap however, strongly defended the government's policy to approve the rapid increase of agro-industrial plantations, claiming it was a sound economic model to develop the country and reduce poverty.

"The big increases in economic land concession are made in compliance with the government's development policy in alleviating poverty for the country," he said, adding that relevant ministries were taking all necessary steps to study and avoid the social and environmental impacts of concessions.

Mr. Yeap said that where negative impacts did occur, there is still a positive net effect. "The impact [of concessions] is just so little compared to the benefits for the country's economy," Mr. Yeap said. "Nothing is perfect, so development always has an impact. We acknowledge the economic land concessions for growing rubber and other agri-business are affecting local people and the environment. The affected people should understand that they should sacrifice for the nation in order to help government in reducing people's poverty."

A trend among the new concessions is that they are increasingly being granted inside protected forest areas, causing deforestation rates to soar. The Ministry of Environment recently opened up its 23 national parks and wildlife sanctuaries to investment firms, giving away about 346,000 hectare in 13 conservation areas—or 10.5 percent of the total area—to rubber plantations, Licadho data shows. Much of it is located in pristine forest areas.

About 251,000 hectares of these concessions were granted in 2011 alone, according to

sub-decrees obtained by The Daily, while another 40,000 hectares have been allocated so far this year.

One of the hardest hit conservation areas is Boeng Per wildlife sanctuary, a sprawling 241,000-hectare forest covering parts of Preah Vihear, Kompong Thom and Siem Reap provinces.

Since 2010, according to sub-decrees obtained by Licadho, about 22 percent of the area has been granted to rubber companies, the biggest of which are owned by politically well-connected businessmen Try Pheap and An Marady. The former also owns mining and casino operations.

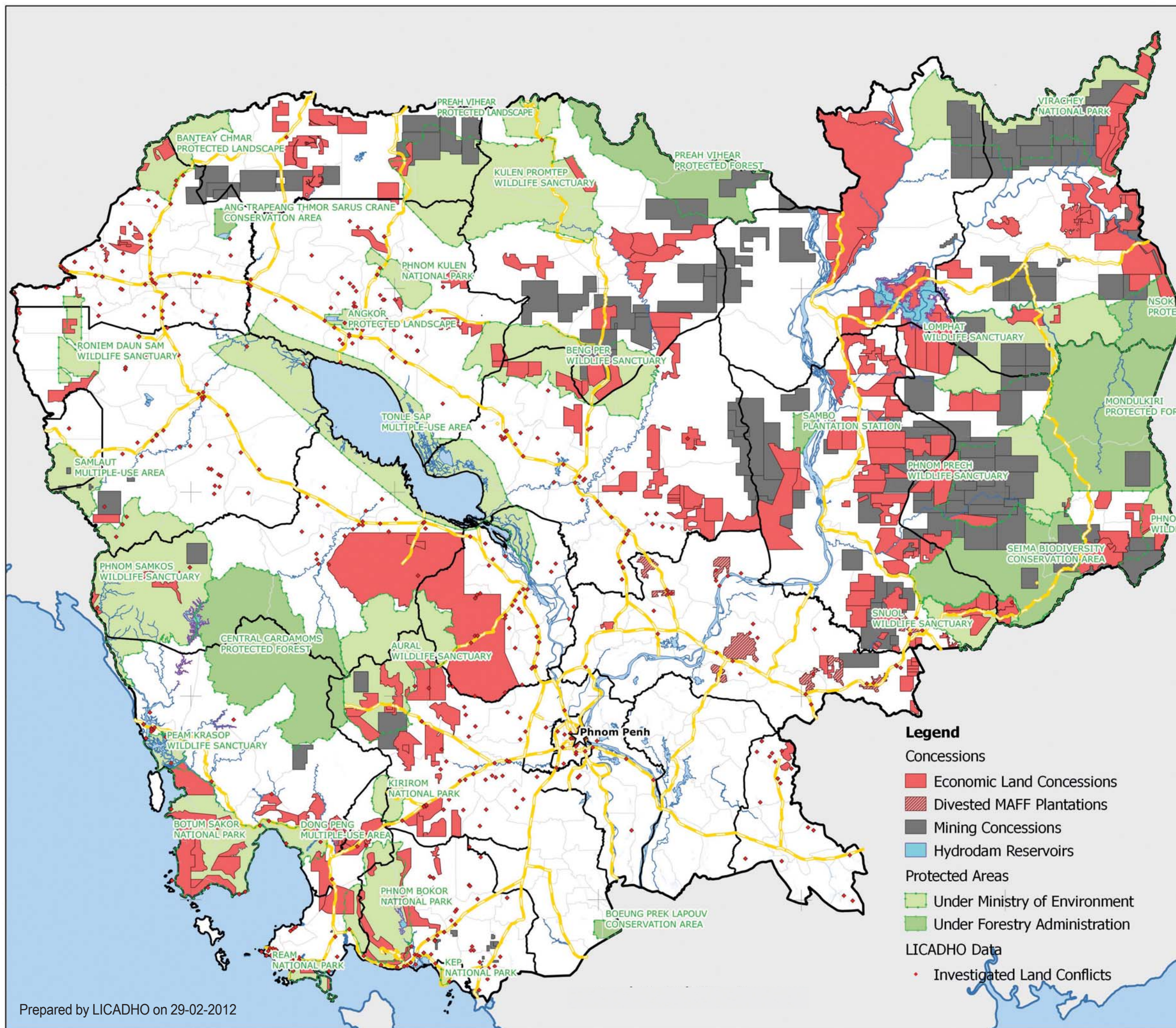
As the companies moved rapidly to cut down the dense core of Boeng Per, the impact on forests, wildlife and local communities has been dramatic, according to Ben Davis, a Preah Vihear provincial coordinator for development group ADRA, who has lived near the sanctuary since the 1990s.

"They're right in the middle...in the best part of the forest," he said, adding that as recent as 2010 "there was still a 15-kilometer strip of pristine forest in the middle. And now Try Pheap and An Marady are cutting it up."

Mr. Davis said the concessions were the death knell for Boeng Per, a lowland evergreen forest which had abundant wildlife such as the Asian elephant, pileated gibbon, langur, barking deer and numerous bird species until the mid 1990s, when it began a slow decline as loggers first targeted luxury wood species such as rosewood and made inroads into the forest.

"When I went to the Try Pheap concession recently, I could see the gibbons watching on

MAPPING THE SELL-OFF



3,936,481

hectares have been granted as mining and economic land concessions, covering 22 percent of Cambodia's surface area, which totals 17,650,913 hectares according to the CIA World Fact Book.

1,900,311

hectares have been granted as mining concessions to companies exploring for precious minerals such as gold, iron ore, copper and bauxite.

2,036,170

hectares have been granted as land concessions for agro-industrial plantations for crops such as rubber, sugar and cassava, an area equivalent to 53 percent of Cambodia's arable land, which covers 3,607,847 hectares according to the CIA World Fact Book.

346,000

hectares of land concessions are located inside conservation areas administered by the Ministry of Environment. This area represents about 10 percent of protected areas under the ministry's control.

400,000

people have been affected by land disputes in 12 provinces since 2003, according to Licadho, mostly after concessions were granted in their area.

335,142

combined hectares owned by CPP Senator Lao Meng Khin as part of three projects, including his 315,000-hectare Pheapimex concession in Pursat province and Boeng Kak lake development project in Phnom Penh, representing 16 percent of all land concessions nationwide.

100,000

hectares comprise CPP Senator Mong Reththy's Green Sea concession in Stung Treng province, representing about 5 percent of all land concessions nationwide.

86,000

hectares controlled by CPP Senator Ly Yong Phat, whose 10 sugar and rubber plantations and an economic zone account for about 4.3 percent of land concessions nationwide.

41,000

hectares comprise An Marady's projects, while Try Pheap controls about 36,000 hectares. Together the tycoons control about 4 percent of all land concessions nationwide.

Legend

Concessions

- Economic Land Concessions
- Divested MAFF Plantations
- Mining Concessions
- Hydrodam Reservoirs

Protected Areas

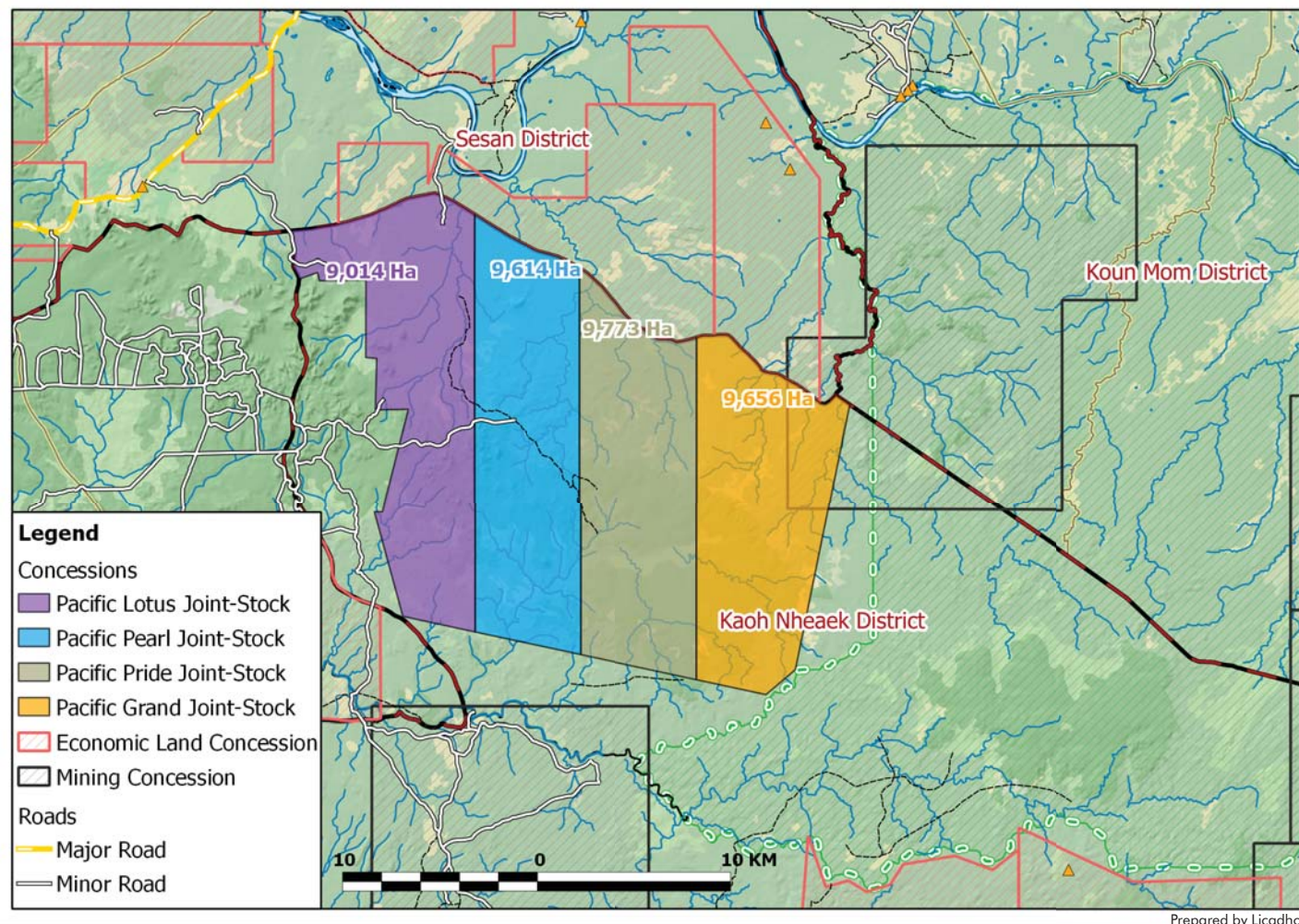
- Under Ministry of Environment
- Under Forestry Administration

LICADHO Data

- Investigated Land Conflicts

Prepared by LICADHO on 29-02-2012

Data provided by Licadho



There is a legal limit of 10,000 hectares per economic land concession, according to a 2005 law. Concessions granted before the law was passed can be bigger. Some new concessionaires have found a way around the limit by planning concessions next to each other, like the Vietnamese owners of the four Pacific Joint Stock companies have done in Mondul Kiri's Koh Nhek district.

as workers cleared trees.... It is a hotspot for gibbons," Mr. Davis added.

Company workers had told him they were clearing forest at the staggering rate of 500 hectares per month, he said, adding that workers also trapped animals escaping from the areas being logged in order to gain extra income.

Valuable timber such as resin trees—which are a traditional source of income for local villagers, many of who are indigenous minority Kuy—were being logged in the tens of thousands and immediately cut at a local saw mill, where a cubic meter of this tropical hardwood was being sold for about \$350, according to Mr. Davis.

Mr. Marady offered local families between \$1.25 and \$2.50 per resin tree lost, he said. The concessionaires, meanwhile, must be making "tens of millions of dollars" from this logging alone, Mr. Davis estimated.

A local indigenous minority Kuy villager, who declined to be named because he feared retribution by local authorities, said villagers in Preah Vihear's Romany commune were suffering from the destruction of Boeng Per.

"Since we have lost the resin trees and forest, we feel we have lost everything in our life. People are unhappy with the small amount of compensation provided by the company," he said.

"We definitely are losing our traditional Kuy culture and livelihoods," he said. "Spirit forests are facing threats of being cleared by the concession companies soon."

Local authorities are also keeping a close watch on dissent in the community, the villager said. "Although we are so fed up for being mistreated, we are so scared to protest since we have been under threat.... We've been intimidated to face arrest or detention for leaking information to outsiders."

Mr. Pheap is meanwhile maintaining good relations with authorities after building a new office for the local CPP branch and the Boeng Per rangers, and giving them motorbikes and photographic cameras to monitor, of all things, illegal logging, local officials said in September.

Mr. Marady and Mr. Pheap could not be reached for comment.

Such losses of protected forest, endangered wildlife and traditional livelihoods are now taking place across the country, as many concessions cut deeper into numerous parks under the Environment Ministry's control as can be seen on Licadho's map (see page 8).

In the 170,000-hectare Botum Sakor National Park in Koh Kong province about 56 percent of the area was granted recently to CPP senator and businessman Ly Yong Phat and the Chinese Tianjin Union Development Group (UDG), which is developing a billion-dollar holiday resort that includes hotels, golf courses, a casino, an airport and a port located along the once-pristine coastline.

About 1,100 families from coastal fishing villages were forcibly evicted to make way for the 45,000-hectare UDG project last year, receiving some financial compensation and homes on

poor quality land far away from the coast.

In the 330,000-hectare Virachey National Park in Ratanakkiri province, concessionaires Mr. Pheap and Mr. Marady are again at work, as they are among a group of companies that received rights to clear 16 percent of the park—mostly pristine hillside forests along the eastern border with Vietnam—ostensibly to replant it with rubber.

The Environment Ministry has denied that the rapid sell-off of protected areas is affecting biodiversity and livelihoods.

"The concessions are only allowed in the fringe of the protected zone where there are low-grade forest and barren trees," Secretary of State Thuk Kroeun Vudtha said Wednesday. "It's a good decision to grant the barren land to... agro-business. When we just leave the land empty, the country's economy will take a loss." "We all have seen that rubber has high potential in the regional economy."

Mr. Vudtha acknowledged that there had been an increase in the amount of concessions in protected areas, but said he did not know how much the total area was.

"There is nothing to be concerned about at all regarding the loss of pristine and core forest," he said.

But environmental groups such as World Wildlife Fund said they are "extremely concerned" over the location of these concessions and the fact that the parks seemed to have no designated protected core zones that are off limits to agricultural development.

"The recent large-scale land concessions in protected areas have been granted [...] without, in the first place, taking account of the protected area zoning plans and proper environmental and social impact assessment," WWF Cambodia's country director Seng Teak said.

"Land concessions are not compatible with the aims of protected areas and therefore should not be granted inside areas of high conservation value."

Mining exploration concessions have also proliferated rapidly across Cambodia in recent years, as Chinese, Australian and local companies have moved to control huge areas—both in protected and unprotected forests, and sometimes on farmlands—in order to explore the largely untapped and little studied mineral wealth in the northern and northeastern provinces.

Little exploitation of minerals has been conducted so far in the 1.9 million hectares of mining concessions, but communities in Preah Vihear, Kratie and Mondul Kiri provinces have already complained over the loss of access to sites that were long a source of income for local artisanal miners. Some critics also worry that full scale exploitation of mining sites will have far-reaching environmental consequences.

Analysts and governance experts raised doubts over the government's development model in rural areas and its heavy social and environmental impacts.

Graeme Brown, a specialist in natural resource management and indigenous people's rights who has lived in Ratanakkiri province for a decade, said indigenous communities in the province had suffered greatly from the influx of agro-industrial and mining firms.

"People are saying they are getting poorer, their resources are diminishing and it's breaking up their culture and community," he said.

Mr. Brown questioned the premise of the current approach of promoting economic

“In all the years Licadho has been keeping track of new [concessions], we have never seen such a high number of new concessions granted as we documented during year 2011”

growth through mining and plantation farming, and said it did little to help the rural poor.

"We can't rely on a trickle-down effect. It's more a suck-up economy. The more it's stimulated, the more the rich and powerful people are enabled to exploit the resources on which poor people rely," he said.

He said the increase in concessions was giving rise to a popular backlash.

"Many people are reporting to me that they are becoming more active in their resistance, they know it's dangerous, but they feel they have no choice."

A root cause of this distorted development, according to Mr. Brown, are the regional development models promoted by foreign donors such as the Asian Development Bank, which push for increasing transport and energy infrastructure into the remotest corners of the country without considering its impact.

Lao Mong Hay, an independent political analyst, said the ruling political elite favored the model of economic development through the proliferation of plantation concessions, as it

further entrenched their power and business interests.

"Since the 1990s, high-ranking people have said 'We can create jobs for you [through concessions].' This policy of favoring big companies has turned our people from landowners to a landless working class," he said.

Although popular resentment against these social impacts is growing, Mr. Mong Hay believed it had not yet reached a tipping point. "The suffering of these land-grabbing victims has not yet received widespread sympathy of other people."

Foreign donors have so far largely refrained from directly criticizing the Cambodian government over its land rights record. But this may be changing. Last year, the World Bank suspended its projects in Cambodia after the government ignored the land rights of 4,000 embattled Boeng Kak lake families in Phnom Penh under a land-titling program funded by the Bank.

Jacob Jepsen, counselor and deputy head of representation at the Danish Embassy, which supports the government on forestry issues, said the recent surge in concessions and their haphazard allocation in protected forests and on village farmlands had worried many in the donor community.

"There's concern about the way it's done, the lack of environmental impact assessments, the lack of information, the whole process," he said. "Every day in the media we see reports of clashes between communities and concession holders—that's due to a lack of planning, it all seems very much ad hoc."

Mr. Jepsen said the embassy was "extremely concerned" over the effect of concessions on the land rights situation in Cambodia. "This type of development is not useful for the country," he said. "If we have recognition of land rights of communities things would be much, much better."



Botum Sakor National Park, pictured above, in Koh Kong province was once the unspoiled jungle but is now being cut down to make way for a Chinese-backed casino development.