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និងការពារសិទ្ធិមនុស្ស

លីកាដូ



LICADHO

CAMBODIAN LEAGUE FOR THE  
PROMOTION AND DEFENSE OF  
HUMAN RIGHTS



# ON STONY GROUND: A LOOK INTO SOCIAL LAND CONCESSIONS

A briefing paper issued in  
June 2015





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CAMBODIAN LEAGUE FOR THE PROMOTION  
AND DEFENSE OF HUMAN RIGHTS

# CAMBODIAN LEAGUE FOR THE PROMOTION AND DEFENSE OF HUMAN RIGHTS (LICADHO)

LICADHO is a national Cambodian human rights organization. Since its establishment in 1992, LICADHO has been at the forefront of efforts to protect civil, political, economic and social rights in Cambodia and to promote respect for them by the Cambodian government and institutions. Building on its past achievements, LICADHO continues to be an advocate for the Cambodian people and a monitor of the government through wide ranging human rights programs from its main office in Phnom Penh and 13 provincial offices.

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### **Monitoring of State Violations and Women's and Children's Rights:**

Monitors investigate human rights violations perpetrated by the State and violations made against women and children. Victims are provided assistance through interventions with local authorities and court officials.

### **Medical Assistance & Social Work:**

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### **Paralegal and Legal Representation:**

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### **Supporting unions and grassroots groups and networks:**

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### **Training and Information:**

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### **Public Advocacy and Outreach:**

Human rights cases are compiled into a central electronic database, so that accurate information can be easily accessed and analyzed, and produced into periodic public reports (written, audio and visual) or used for other advocacy.

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Unfinished houses at the Social Land Concession (SLC) site in Thmey commune, Kratie province, February 2015.



LASED signboard along National Road #7 in Kratie province showing Thmey SLC site map, February 2015.

# Introduction



In March 2003, the Cambodian government unveiled a potentially progressive policy with the aim of transferring land to landless and poor Cambodians – Social Land Concessions (SLCs).<sup>1</sup> However, some of the first SLCs were implemented with a total disregard for the legal framework and failed miserably.<sup>2</sup> The Land Allocation for Social and Economic Development (LASED) project was meant to prove that SLCs could contribute to reducing rural poverty by transferring land to landless Cambodians for residential and farming purposes.

LASED’s donors were the World Bank (pledging \$11.5 million) and the Government of Germany (\$1.2 million in technical assistance managed by GTZ/GIZ).<sup>3</sup> The project started in 2008<sup>4</sup> and was originally to be implemented in about five years until June 2013, but was later extended until March 2015.<sup>5</sup> The objective of LASED was to “to

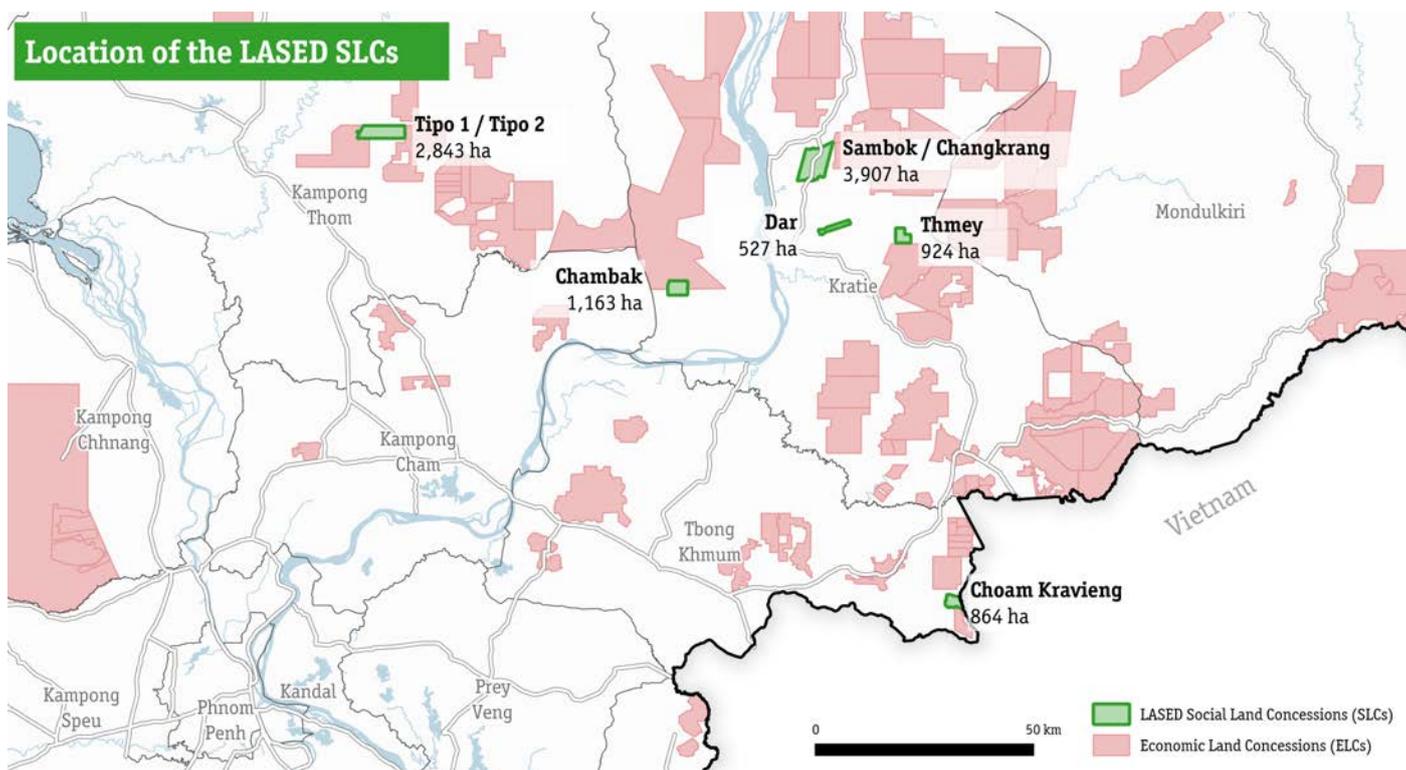
improve the process for identification and use of state lands transferred to eligible, poor and formerly landless or land-poor recipients selected through a transparent and well-targeted process.” The quantitative aim was to allocate 10,000 hectares of land to 3,000 poor households, accompanied by community development as well as livelihood and agricultural support services in the provinces of Kratie, Kampong Cham, and Kampong Thom.<sup>6</sup>

The narrative by World Bank and GIZ is overwhelmingly positive. In the latest World Bank LASED Status Report released in December 2014, a few months before the end of the project, the World Bank gives the project best possible ratings both in terms of achievement of its objective and related indicators as well as overall implementation progress.<sup>7</sup> The GIZ describes the achievements of LASED as a “cost-efficient replicable model guaranteeing

<sup>1</sup> See Sub-Decree #19 on Social Land Concessions available at [http://www.cambodiainvestment.gov.kh/sub-decree-19-on-social-land-concessions\\_030319.html](http://www.cambodiainvestment.gov.kh/sub-decree-19-on-social-land-concessions_030319.html)  
<sup>2</sup> See LICADHO report “Land Grabbing & Poverty in Cambodia: The Myth of Development,” May 2009, page 11 ff, available at <http://www.licadho-cambodia.org/reports.php?perm=134>  
<sup>3</sup> Project Appraisal Document 2008, available at <http://documents.worldbank.org/curated/en/2008/04/9415731/cambodia-land-allocation-social-economic-development-project>  
 See also GIZ Land Allocation for Social and Economic Development –LASED Factsheet (GIZ Factsheet): <http://giz-cambodia.com/wordpress/wp-content/uploads/FactSheet-LASED-140529.pdf>, retrieved June 3, 2015. Note that Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) was merged with two other organizations in 2011 to create the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).  
<sup>4</sup> GIZ states that piloting of SLC projects in Cambodia began as early as 2005. See “Commune-Based Land Allocation for Poverty Reduction in Cambodia: Achievements and lessons learned from the project: Land Allocation for Social and Economic Development (LASED),” (GIZ Paper) page 6, available at [http://www.landandpoverty.com/agenda/pdfs/paper/muller\\_full\\_paper.pdf](http://www.landandpoverty.com/agenda/pdfs/paper/muller_full_paper.pdf)  
<sup>5</sup> The LASED project design and progress reports publically available are the World Bank’s Project Appraisal Document and World Bank’s LASED Status Reports. Project design and progress documentation of the GTZ/GIZ has not been disclosed. Thus, the information that follows pertaining to project design is mainly drawn from World Bank documents.  
<sup>6</sup> Project Appraisal Document 2008, page 7.  
<sup>7</sup> See World Bank Implementation Status Results Report, 23 December 2014, (World Bank Status Report) available at <http://documents.worldbank.org/curated/en/2014/12/23071237/cambodia-land-allocation-social-economic-development-p084787-implementation-status-results-report-sequence-09>

significant positive impact on rural livelihoods is now available for nationwide dissemination and up-scaling.”<sup>8</sup> In 2014 the World Bank announced a possible new \$25 million loan for a second phase of the project – LASED II – which would provide support to 14 existing and one new SLC, including the eight sites supported under the first phase. If approved, the new loan will be the World Bank’s first since suspending funding to Cambodia in 2011 after an 18-month investigation by the World Bank’s internal auditor into a land-titling project supported by the Bank which discriminated against citizens living in

Between October 2014 and March 2015 LICADHO conducted field visits to all eight SLC sites supported under LASED located in seven communes in the provinces of Kampong Thom, Kratie and Tboung Khmum (formerly part of Kampong Cham province). LICADHO teams visited the sites without prior notice to authorities and conducted observations and informal interviews with randomly selected residents at the sites as well as some village leaders and teachers. The interviewees were asked about living conditions they experience at the site. LICADHO also reviewed the project documentation made public on



Phnom Penh’s Boeung Kak lake area. The Boeung Kak lake dispute is one of the largest and most well-known Cambodian urban land disputes and the auditor’s report found that the project failed to protect the housing rights of thousands of residents who were forcefully evicted from the area following exclusion by the land-titling project. At the time, the World Bank pledged that there would be no new funding until a resolution to the Boeung Kak dispute was reached, a condition that has not yet been fully met.

The land that was allocated by Cambodian authorities appears to be – at least in part – simply not suitable for agricultural purposes.

the World Bank website<sup>9</sup> as well as other publicly available documents.

Whilst the project objective to allocate residential and/or agricultural land to 3,000 families has been achieved, LICADHO estimates that less than 50% of the families that received residential land had settled and remain at the sites at the time of LICADHO’s visits. Four of the eight SLC sites were not yet functional at the time of the visits by LICADHO and will need substantial financial and technical support to achieve a minimal level of sustainability.

Numerous villagers at seven of the eight sites reported limited ability to use the allocated agricultural plots and hence gained no significant improvement in terms of food security. The land that was allocated by Cambodian authorities appears to be – at least in part – simply not suitable for agricultural purposes. Many villagers reported that they are not able to properly cultivate the agricultural plots they received because of low soil fertility and/or they

<sup>8</sup> GIZ Factsheet: available at <http://giz-cambodia.com/wordpress/wp-content/uploads/FactSheet-LASED-140529.pdf>

<sup>9</sup> See <http://documents.worldbank.org/curated/en/docsearch/projects/P084787%5EP084787>

lacked the necessary tools and manpower to clear the land and prepare it for farming. As a result, poverty reduction was not achieved at the end of the project for the majority of the land recipients.

Additionally, land tenure security is not yet guaranteed and villagers reported at the time of LICADHO's visit that no one had received a land title yet. Villagers who have already occupied the land for more than five years were still waiting for land titles and many others may lose their property rights as poor implementation of the project effectively forces them to violate the legal requirements that they must satisfy to apply for the land title.

To a great extent these moderate outcomes after a six-and-a-half year project stem from a lack of political will from relevant Cambodian authorities to grant sufficient and adequate land for the SLCs in a timely manner. The lack of political will caused considerable delays in the settlement process, further aggravated by shortcomings in the provision of infrastructure and crucial livelihood support for many land recipients. In contrast to that, the Cambodian government had – during the same period – no difficulty in allocating hundreds of thousands of hectares to private ventures through Economic Land Concessions (ELCs).



Residential area in the SLC in Dar commune, Kratie province, February 2015.

# How LASED failed to reduce rural poverty



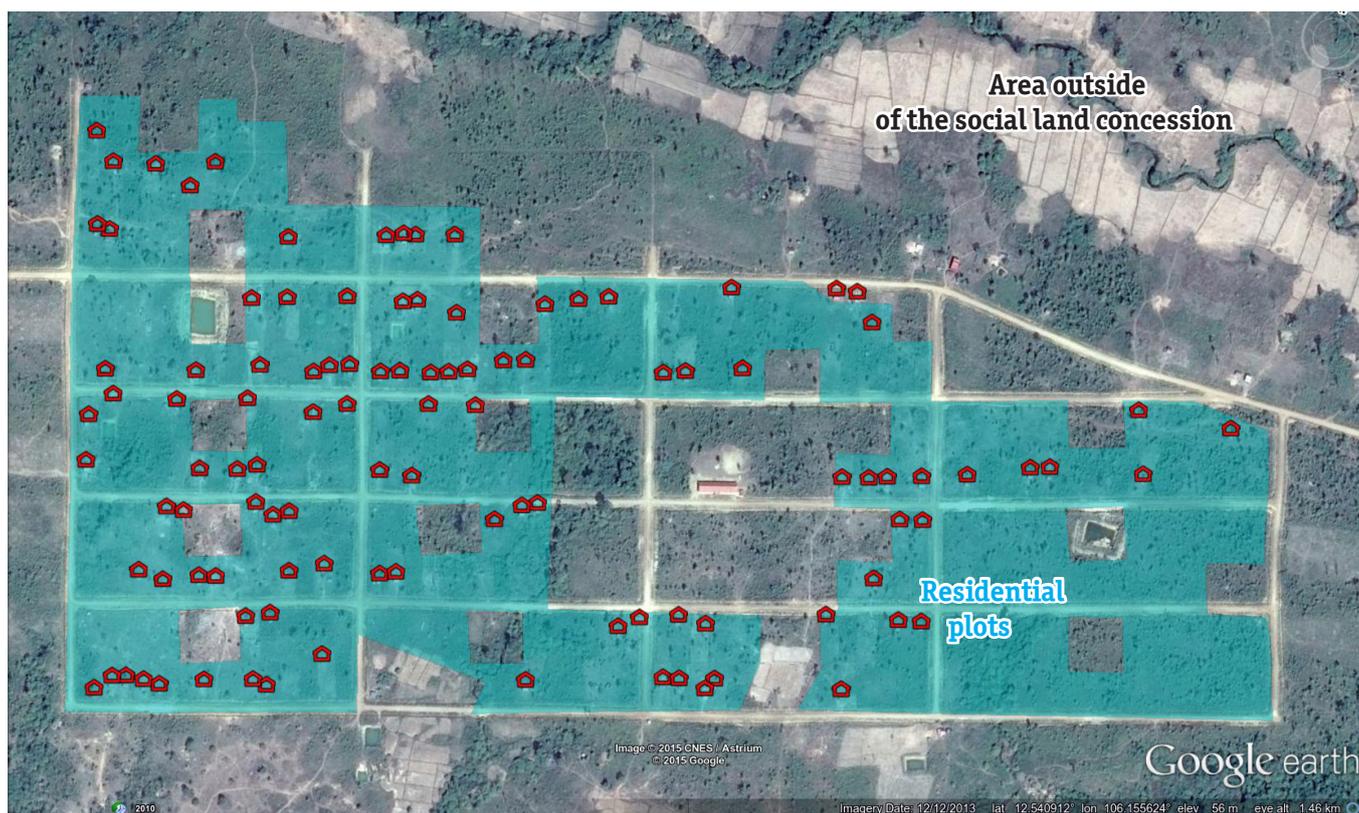
The LASED framework envisaged developing a model for commune-based land allocation to landless and land-poor Cambodians in rural areas. The project sought to increase the political attractiveness of SLCs by demonstrating effectiveness and achieving “positive outcomes in terms of beneficiary satisfaction and low levels of land abandonment.”<sup>10</sup>

LASED aimed at transferring 10,000 hectares to the 3,000 land recipient families by September 2011, according to the project appraisal document.<sup>11</sup> The actual implementation of the project, however, was characterized by substantial delays which undermined the possibility of achieving sustainability or sufficiently increasing food security. By October 2011, three years after the start of the project, only 1,614 families had received land (54% of the target) and only 6,850.6 hectares of land (68.5% of the target) were registered for SLCs.<sup>12</sup>

The project also targeted \$4.8 million in spending by the end of 2011 to cover settling-in and livelihood support for land recipients and at least 80% of the community development services. However, as of August 2012, only 45% of the infrastructure and services were provided.<sup>13</sup>

After a delay of nearly two years the World Bank eventually reported<sup>14</sup> that as of April 2013, two months before the anticipated closing date of the project, that LASED objectives of registering 10,000 hectares for SLCs as well as the selection of 3,000 families had been surpassed and that 69% of the planned infrastructure and support services had been provided. Furthermore, the resettlement process in seven of the eight SLC sites was reportedly underway at that point, involving 2,748 land recipient families.

At the time, the World Bank anticipated that the



Satellite image of SLC residential area at Dar commune, with an overlay showing 108 structures on residential plots identified by LICADHO. Nearly 300 families received residential land on this site. Satellite image as of December 2013.

<sup>10</sup> Project Appraisal Document 2008, page 18.

<sup>11</sup> See Project Appraisal Document 2008, page 52.

<sup>12</sup> World Bank LASED Status Report released January 2012, page 4, available at <http://documents.worldbank.org/curated/en/2012/01/15589815/cambodia-land-allocation-social-economic-development-p084787-implementation-status-results-report-sequence-04>

<sup>13</sup> See Project Appraisal Document 2008 page 52 and 64; and World Bank LASED Status Report released December 2012, page 6, available at <http://documents.worldbank.org/curated/en/2012/12/17078699/cambodia-land-allocation-social-economic-development-p084787-implementation-status-results-report-sequence-05>

<sup>14</sup> See World Bank LASED Status Report released May 2013, available at <http://documents.worldbank.org/curated/en/2013/05/17763887/cambodia-land-allocation-social-economic-development-p084787-implementation-status-results-report-sequence-06>

## Case Study – Dar commune

Along National Road 7 in Chet Borie district, Kratie province, a huge signboard depicting hard-working farmers planting rice and children playing in a school yard informs passersby about a Social Land Concession (SLC) for 402 families, established by the Cambodian government with support from the World Bank and the German development agency GIZ in the framework of the LASED project. The land was registered for the SLC in Dar commune in 2010<sup>15</sup> and the first families began to settle in late 2012. A LICADHO team visited the site in February 2015, one month before the end of the LASED project, to hear from villagers about the impacts of the SLC project on their lives.

A woman in her mid-30s named Davi\* (not her real name) told LICADHO that while she is happy to have a plot of residential land for herself now, her situation in terms of livelihood and food security has hardly changed since she moved to the new village in late 2012. Davi and her husband still struggle to get enough food on the table for their five children at the end of the day. The agricultural land that was allocated to her family in the context of the SLC scheme is rocky and the soil is not fertile, according to Davi. Most of the agricultural plot is still covered with forest and the family lacks the tools to till and prepare the plot for farming. Initially, Davi and her husband tried planting cassava but the yield turned out to be meager.

As the family could not make a living off the farm land they have stopped farming altogether. The family still has a small vegetable garden on their homestead, which Davi set up following training she received as part of the LASED project. The family's main source of income, however, derives from daily or seasonal labour. Davi told LICADHO that she had just returned a few days prior to the interview from working on a cashew nut farm in Ratanakiri. Her husband is also working as a casual laborer on a farm nearby.

A few houses down the village road Sopheak\* (not her real name) sits and nurses her baby. Sopheak and her husband moved to the SLC site in 2012 after receiving a small plot of land for residential purposes and one hectare of farmland. Yet when the family arrived at the site, the farmland was already occupied and under cultivation by an 'outsider'. Her family repeatedly informed village authorities about the conflict but no solution could be found. Sopheak, her husband and their three children survive on the meager salary that Sopheak's husband earns as a soldier. Sopheak says life is not much different from before, except that she has her own small house now and no longer has to stay at the military barracks with her husband.

A local village leader told LICADHO that Davi's and Sopheak's experience regarding the inability to properly farm the allocated agricultural land is not the exception but the rule in the SLC site. According to the village leader, only 97 families have settled in the village as of February 2015. Among these, only around 20 families are able to live off the allocated farmland. The main problem facing the land recipients is that some parts of the agricultural land are not fertile, while other parts are still forested and the villagers lack the tools for tilling and land preparation. Another problem is that farmland at the edge of the SLC is often encroached by outsiders (non-SLC recipients). As such, food insecurity is a huge problem in the community.

The vast majority of villagers depend on daily labor with many traveling to Ratanakiri to work on cashew farms. These precarious livelihoods also cause a high dropout rate at the local primary school constructed by the World Bank, according to a teacher interviewed by LICADHO. The teacher said around 100 pupils register at the beginning of the school year but nearly 50 percent of the students drop out in the course of the year as many children have to help their families to make a living. Some of the children have to cut wood in the surrounding forests or do casual work on farms nearby. Occasionally brokers come to the village to take groups of children to work on farms in other provinces.

Uncultivated SLC farmland in Dar commune, Kratie province, February 2015.

<sup>15</sup> See GIZ Paper, page 23.

remaining 400 families would start moving into the last SLC site in Chambak commune, Kratie, by the end of May 2013.<sup>16</sup> The project was extended by nearly two years to the end of March 2015, giving more time for infrastructure investments as well as delivery of livelihood and agricultural support services for the recipients in the new SLCs.

Despite extending the project, the new SLC site in Tipo commune in Kampong Thom and the three new SLC sites in Kratie province were not yet functional when LICADHO conducted field visits in October 2014 and February 2015. At the time of LICADHO's visits few families had settled in these sites: approximately 60 families settled in Tipo 2,<sup>17</sup> 97 families in the SLC in Dar commune, around 30 in Thmey commune and merely seven in Chambak commune.<sup>18</sup> Whilst the World Bank claimed that 80% of all land recipient households that had received residential land had already settled on the sites as of November 2014, LICADHO's investigations point to a much lower average settlement rate of less than 50%.<sup>19</sup>

## The SLC residents still heavily depend on daily labor on nearby farms or seasonal migrant labor in other provinces to earn an income.

Moreover, as reported by villagers in most of the LASED sites, many of the families that have already settled at the SLCs in Dar, Thmey and Chambak commune in Kratie province are not able to properly cultivate the agricultural plots they have received. The SLC residents still heavily depend on daily labor on nearby farms or seasonal migrant labor in other provinces to earn an income. Some families admitted having to rely on logging activities to earn enough income to sustain themselves.

### INABILITY TO USE AGRICULTURAL LAND AND LACK OF FOOD SECURITY

The objective of LASED was explicitly to enable land recipients to use agricultural land by assisting them to "adopt improved soil management and agricultural

production systems." In its latest LASED Status Report, and on its website, the World Bank claims that this goal was achieved with a 100% success rate.<sup>20</sup> By May 2014, GIZ claimed that of the 3,148 LASED land recipient families, "nearly 70% of all households have been classified as food secure," and "more than 80% of the land recipient families don't belong anymore to the group of population classified as poor (IDPoor 1 and 2)."<sup>21</sup>

However, the World Bank noted that as of November 2014 merely 1,762 families (or 57% of those who have received agricultural land) have actually cultivated their land and only 41% of total agricultural land is under cultivation.<sup>22</sup> LICADHO's investigations point to an even lower success rate.

In seven of the eight SLC sites supported under LASED, the majority of SLC residents interviewed told LICADHO that they face difficulties in putting the agricultural land to use and are hence not able to live off the farmland they received. All interviewed families in these seven sites stated that they are grateful for having residential land of their own now, but many further stated that they were not able to improve their livelihoods as they cannot properly farm the agricultural land. As such, food insecurity remains a key problem.

For example, one SLC recipient in Changkrang commune, Kratie, told LICADHO in February 2015 that she is only able to grow enough rice for three months per year due to poor soil quality and an inability to clear the entire land. A street vendor in Tipo commune (Tipo 1) stated that some villagers run out of everything, including rice, and have to get supplies from her on credit to pay back later.

The allocated agricultural plots are sized between one and three-and-a-half hectares,<sup>23</sup> depending on family size. In 2008, the World Food Programme noted that such plot sizes are sufficient to yield enough rice to sustain an average rural family.<sup>24</sup> However, the interviewed residents at the SLC sites gave three main reasons for not being able to intensively cultivate the land: sandy, rocky, and other poor quality soils and lack of water for irrigation; inability to till and prepare the often still forested plots due to lack of manpower and tools; and in some places conflicts with non-SLC recipients over the allocated farmland.

<sup>16</sup> World Bank LASED Status Report released May 2013, page 5-6.

<sup>17</sup> As of October 2014.

<sup>18</sup> As of February 2015.

<sup>19</sup> The two adjacent SLC sites in Sambok and Changkrang commune, Kratie, have moderate occupancy rates. A villager estimated that around 300 families live on both sites (about 50% residential occupancy rate). LICADHO analyzed satellite imagery from February 2014 and could identify 360 structures on residential plots in both sites. The settlement rate at the fourth pilot site in Tipo 1, Kampong Thom, was relatively low when LICADHO visited due to poor soil quality. In contrast the SLC site in Choam Krovien commune, Tboung Khmum province has good soil quality and a high residential settlement rate of about 90%.

<sup>20</sup> See World Bank Status Report released December 2014, page 4, Project Development Indicator "At least 60% of land recipients adopt improved soil management and agricultural production systems". See furthermore <http://www.worldbank.org/projects/P084787/land-allocation-social-economic-development?lang=en>

<sup>21</sup> GIZ LASED Factsheet.

<sup>22</sup> World Bank Status Report, December 2014.

<sup>23</sup> GIZ LASED Factsheet.

<sup>24</sup> See World Food Programme report, "Cambodia - Comprehensive Food Security and Vulnerability Analysis," December 2008, page 12 available at <http://www.wfp.org/content/cambodia-comprehensive-food-security-and-vulnerability-analysis-2008>



Sandy soil at SLC farmland in Tippo 1, Tippo commune, Kampong Thom province, October 2014.

### Poor soil quality

Numerous villagers at almost all sites complained about poor soil quality, raising significant doubts about the effectiveness of the land identification process, including the assessment of the suitability of the agricultural land.<sup>25</sup> Soil quality at the SLC sites in Tippo commune, Kampong Thom province, was among the worst with a sizable part of

the allocated farmland characterized by dry, gravelly and sandy soil and a lack of water for irrigation. Villagers at the SLCs spoke of very meager yields, even for a typically more drought-resistant crop like cassava. According to the residents interviewed by LICADHO at these two sites, only a minority of land recipients in Tippo commune can properly cultivate the farmland. Many land recipients rely on other sources of income, particularly casual labor on nearby farms.



SLC recipients trying to grow cassava in sandy soil in Tippo 1, Tippo commune, Kampong Thom province, October 2014.

In the SLC sites in Kratie province many villagers also reported that at least part of the allocated agricultural land is rocky and not very fertile. Such reports are not surprising considering research conducted on the LASED SLCs in Sambok and Changkrang between 2008 and 2012 which noted that, "according to an agro-ecosystem analysis conducted in 2006 by a team of international consultants and local government officials, around 70% of the SLC area was covered with poor sandy to silty Acrisols with very shallow soil depth and limited suitability for agriculture."<sup>26</sup>

<sup>25</sup> See World Bank Project Appraisal Document 2008, page 20: "Land quality screening is explicit part of early land identification process"

<sup>26</sup> Andreas Neef et al., "The Politics and Ethics of Land Concessions in Rural Cambodia," *Journal of Agricultural and Environmental Ethics* December 2013, Volume 26, Issue 6, page 1096, available at <http://link.springer.com/article/10.1007%2Fs10806-013-9446-y>

## Case Study - Thmey commune

Dozens of unfinished houses and piles of unused construction materials lie scattered across the barren area of the SLC site in Thmey commune, Chet Borie district, Kratie province. The remote site, 23 kilometers off the main road, was supposed to be settled by more than 300 families. However, when LICADHO visited in February 2015, the site was home to only 33 families.

The new school – a fancy concrete building bearing signboards suggesting that construction began back in 2012 – stands empty. According to the residents, no teacher has ever shown up and the school remains closed. Those families that have settled at the site are thus forced to either keep their children out of school or leave them behind in their native villages. One family reported that they moved two years ago to the site but their two daughters aged 9 and 13 still stay alone in their old village some four kilometers away to continue with their schooling; another family said their four children stay with their grandmother.

Residents interviewed by LICADHO said that “some” of the families that settled are able to cultivate the land, many are not. Lack of tools to prepare the farmland is a major obstacle as much of the land is still covered with forest. Families that settled at the site heavily depend on rice handouts, bartering, foraging, and some families appear to make a living from transporting wood and logs. One female resident told LICADHO that she did not receive any agricultural training but she was given seedlings to order to grow mango, coconut and lemon. However, the plants were handed out during dry season and all died before the rainy season started due to lack of water for irrigation.

The only exception regarding soil quality and agricultural use of farmland is the SLC site in Choam Kravien commune, Tbong Khmum province (formerly Kampong Cham province). The site, the smallest in terms of land recipients, is located in an area characterized by high agricultural activity with decent soil and adjacent streams. After the project ensured clearance of unexploded ordinances (UXOs) at the allocated farmland, the land was easy to cultivate and the villagers reported good yields of cassava. Many land recipients told LICADHO that they were able to improve their food security situation and most residents appear to derive their main source of income from farming. Not surprisingly, the site has the highest settlement rate of the eight LASED sites, with around 220-230 families (around 90% of the total land recipients) still living on the land.

### Inability to prepare land for cultivation

Many SLC recipients in Kratie further told LICADHO that they are not able to make use of the entire farmland they received because much of it is still covered with degraded forest and land recipients lack the means to clear it. Nearly all villagers interviewed at the five sites in Kratie province reported that the project only helped with the labor-intensive clearing and land preparation of 0.5 hectares per agricultural plot, regardless of the total size of the plot. Clearing and tilling of the remaining area was left to the land recipients, which they are often unable to do.<sup>27</sup>

Consequently, instead of 1-3.5 hectares many land recipient families have de facto only 0.5 hectares available for agricultural use, which is considered insufficient for feeding an average rural family in Cambodia.<sup>28</sup> A village leader at the SLC in Sambok commune, Kratie province, told LICADHO that villagers are blamed for being too lazy to clear and cultivate the farmland properly – an allegation which he considered unfair given that the allocated farmland is partly rocky and infertile and the impoverished villagers lack the means for tilling and land preparation.

### Disputes over allocated land

In May 2009, 130 families were relocated, some through forceful evictions, to make way for the SLCs in Sambok and Changkrang communes, Kratie province. At the time, reports surfaced that some of the families who were required to move had been living on the land since 2001.<sup>29</sup>

Conflicting claims over the allocated farmland were stated as an important reason for limited ability to use agricultural land in two other SLC sites in Kratie province.



SLC residential land in Thmey commune, Kratie province, February 2015.

<sup>27</sup> A villager in the SLC in Tipo commune told LICADHO that also in Tipo the project cleared only 0.5 hectares of the farmland but that they could rent a hand-tractor to till the remaining land. The rental tractor is available to all in the communities and the money paid to rent the tractor goes into a community fund.

<sup>28</sup> See WFP 2008 above. See also GTZ, “Foreign Direct Investment (FDI) in Land in Cambodia,” 2009, page 11, available at <http://www2.gtz.de/dokumente/bib-2010/gtz2010-0061en-foreign-direct-investment-cambodia.pdf>

<sup>29</sup> Neou Vannarin, “Kratie Officials Start Removal Of Homes on Land Concession,” The Cambodia Daily, 11 May 2009, available at <https://www.cambodiadaily.com/archives/kratie-officials-start-removal-of-homes-on-land-concession-64880/>



Remote SLC site in Chambak commune, Kratie province, where logging and land conflicts are rampant, February 2015.

In February 2015, a woman interviewed in Dar commune, Kratie province, said that her family moved to the site in 2012. However, to date they have not been able to farm the already cleared 0.5 hectares of agricultural land because non-SLC recipients have occupied the farmland since their arrival at the site. The woman said that she repeatedly requested village authorities to help her but no solution could be found. A village leader at the site in Dar commune confirmed that conflicts over farmland are common, affecting many families with agricultural plots at the border of the SLC.

**...conflicts over farmland are common, affecting many families with agricultural plots at the border of the SLC.**

At the 2012 Annual World Bank Conference on Land and Poverty, the GIZ presented a paper on LASED noting that encroachment of allocated land from different actors, including military officials and state institutions, was indeed a challenge faced since the start of the project. The paper concludes:

“The only effective protection against encroachment turned out to be the actual use of the land. Once the land is registered and thus ready for distribution it must be immediately allocated to the individual households. The households must take their land parcels into possession without delay and must visibly start farm works to show

that it is possessed already.”<sup>30</sup>

In the remote SLC in Chambak commune, Kratie province, conflicts over the agricultural land appear to be one of the reasons why so few families have settled (in addition to the lack of a school and inability to clear the agricultural plots). LICADHO interviewed two of the seven families that have settled in Chambak as of February 2015 and both reported that they were not yet able to farm the allocated plot due to unresolved conflicts with local residents. At the site, LICADHO also spoke to one family that is in conflict with the SLC recipients over farmland. The family stated that they bought about three hectares of land from an individual who claimed it was not state land three to four years ago. In 2013, about half of their farmland was taken away by authorities and allocated to SLC recipients. The loss of farmland has caused a considerable threat to food security for the family.

#### **TENURE SECURITY NOT YET GUARANTEED**

The latest World Bank LASED Status Report claims that “security of land tenure is considered the biggest benefit derived from the project.”<sup>31</sup> In Cambodia, Sub-Decree 19 on Social Land Concessions stipulates that SLC recipients are entitled to apply for land titles five years after they are awarded concession land. However, in February 2015, a village leader and several SLC recipients in Sambok commune, Kratie province, reported to LICADHO that they still had not received land titles despite occupying the land for over six years. Repeated requests by Sambok villagers for Cambodian authorities to implement the law

<sup>30</sup> GIZ Paper, page 5.

<sup>31</sup> World Bank LASED Status Report released December 2014, page 2.

and grant land titles have not been acted upon. Similarly, in neighboring Changkrang commune, Kratie province, villagers interviewed were not aware of any land recipient in the SLC receiving a land title despite reportedly having settled in the site approximately six years earlier.

The process of providing land titles for SLC recipients has reportedly been under way for some time. A World Bank LASED Status Report released at the end of 2013 stated, “As some land recipients have occupied their lands for five years now, the project has started processing titles. Land title certificates should be delivered to them by the end of 2013.”<sup>32</sup> The same claims were made in the next World Bank LASED Status Report released in mid-2014, which indicated that land titles would be issued by the end of 2014.<sup>33</sup> These delays leave the SLC residents at Sambok and Changkrang commune at risk of losing their land.

Furthermore, land recipients in the newer SLCs supported under LASED may not even be eligible to apply

for land titles after five years. Whilst LICADHO has not been able to obtain copies of the contracts signed by the land recipients, several conditions for ownership are publicly displayed at the SLC sites, including requirements that recipients “plant crops on the farmland” and must have “built shelter and must live on the residential land.” Only after occupying the land for five years under the stated conditions can SLC recipients apply for land titles. If land recipients fail to meet these conditions, the state will take the land back. These requirements are in line with regulations outlined in the Sub-decree 19 on SLCs.<sup>34</sup>

With the low settlement rates and limited use of agricultural land observed by LICADHO at the end 2014 and in early 2015, many land recipients risk failing to meet these conditions due to poor implementation of the project. Tenure security is by no means guaranteed for a sizeable part of the more than 3,000 land recipients under LASED.



### Date of Registration and Number of Land Recipient Families of the 8 LASED SLC Sites<sup>35</sup>

LASED SLC site	Date of registration*	Number of land recipients families**
Sambok commune, Chet Borie district, Kratie	10/07/2007	554
Changkrang commune, Chet Borie district, Kratie	10/07/2007	331
Dar commune, Chet Borie district, Kratie	26/12/2010	402
Thmey commune, Chet Borie district, Kratie	10/02/2012	432
Chambak, Preak Prasap district, Kratie	24/10/2012	400
Choam Krovien commune, Memot district, Tboung Khmum	17/08/2007	250
Tipo 1, Tipo commune, Santuk district, Kg.Thom	21/05/2010	479
Tipo 2, Tipo commune, Santuk district, Kg.Thom	19/04/2012	300

\* Registration as state private land as required prior to allocation to SLC recipients.

\*\* Includes recipients of residential and/or agricultural land. Under LASED 74 families received residential land, 658 families received agriculture land and 2,416 families received both agricultural and residential land.

<sup>32</sup> World Bank LASED Status Report released December 2013, page 7, available at <http://documents.worldbank.org/curated/en/2013/12/18622843/cambodia-land-allocation-social-economic-development-p084787-implementation-status-results-report-sequence-07>

<sup>33</sup> World Bank LASED Status Report released June 2014, page 7, available at <http://documents.worldbank.org/curated/en/2014/06/19743598/cambodia-land-allocation-social-economic-development-p084787-implementation-status-results-report-sequence-08>

<sup>34</sup> Article 26 of the Sub Decree On Social Land Concessions, No. 19 ANK/BK/ March 19, 2003, available at [http://www.cambodiainvestment.gov.kh/sub-decree-19-on-social-land-concessions\\_030319.html](http://www.cambodiainvestment.gov.kh/sub-decree-19-on-social-land-concessions_030319.html)

<sup>35</sup> Data taken from World Bank LASED Status Report, released December 2014, page 6; and National Committee for Sub-National Democratic Development Secretariat (NCDDS), Land Allocation for Social and Economic Development (LASED) Project, Terms of Reference (TOR), End of Project Evaluation, available at [http://www.ncdd.gov.kh/images/job/2014/Aug/LASED%20-%20TOR%20re%20End-Project%20Evaluation%20%28v%20Bank%20inputs%20120814%29\\_Final.pdf](http://www.ncdd.gov.kh/images/job/2014/Aug/LASED%20-%20TOR%20re%20End-Project%20Evaluation%20%28v%20Bank%20inputs%20120814%29_Final.pdf)



Logs lining the main road through residential land in Tipo 1 SLC site, Tipo commune, Kampong Thom province, October 2014.

## Case Study - Tipo commune

Sandwiched between Economic Land Concessions in Tipo commune, Santuk district, Kampong Thom province are two adjacent SLC sites, which LICADHO visited in October 2014. At the first site ('Tipo 1'), LICADHO interviewed a female resident named Lina\* (not her real name), amongst others, who operates a small store along the village main road. Lina moved to Tipo SLC site over 4 years ago. Apart from a residential plot sized 40x30m she has received a two-and-a-half hectare farm plot.

However, the farmland allocated to her is sandy and she is unable to grow crops on it. She is a widow and her two sons – 21 and 17 years old – have tried working on the farmland but were unable to produce anything so they both left. One tried to find work in Thailand but was not able to and is now in Poipet.

According to Lina some land recipients in Tipo grow cassava but many others do not work on their farmland. Villagers often go to work as day laborers clearing grass on nearby farms. Some work for the Vietnamese company, which holds a nearby ELC for rubber, while others work for another rubber company nearby. Work is irregular both with the companies and with the small farms. According to Lina, most residents prefer to work on small farms rather than the concessions because the concessions only pay monthly while the small farms pay daily. The daily rate, when work is available, is typically 15,000 riel (\$4.75USD) a day at the small farms.

Lina further said that some villagers run out of everything and have to get supplies from her, including rice, on credit to pay back later. She said that many families have to take out loans from a microfinance institution in order to cover daily expenses.

LICADHO also spoke to two sisters who had lived on the SLC land for four years. The sisters say that the rice stores from their farmland ran out during Khmer New Year, in April 2014, and they have been living day to day since. Sometimes the only way they are able to eat is by borrowing from their neighbors. They are unable to produce enough food on the farmland as there is insufficient water for irrigation.

An older farmer named Sarath\* (not his real name) at the neighboring SLC site ('Tipo 2'), who has been living at the SLC for two years, told LICADHO that he tries to grow cassava on the two hectares farmland allocated to him. However, he said that the yield is not good because the soil is very sandy and the lack of water for irrigation is a major problem.

As Sarath is not able to live off the farmland he received, he is also squatting on three hectares of land nearby where he grows rice, cashew and cassava. He says that he is able to grow rice to eat for seven months on this three hectare plot and must get by day to day after the rice stock is finished.

Sarath claimed that only about 60 families actually live at Tipo 2 site, and only about one third of the families have enough food year round. The others will sometimes have to get food on credit at the local shops or forage wild potato. According to Sarath, many villagers at both SLC sites in Tipo derive an income from cutting wood and charcoal production.

Sarath also said that Tipo 2 has no health post but that residents can collect medicine from the Tipo 1 health post. However, according to Sarath, the Tipo 1 health post only opens one to two days per month in order to distribute medicine to the families.

# Reasons for LASED's failure



The World Bank LASED project documentation fails to explain why the project has been plagued by so many delays and shortcomings. LICADHO's investigations point primarily to a lack of political will which was then exacerbated by the inadequate provision of infrastructure and livelihood support.

## LACK OF POLITICAL WILL

Some light is shed on one of the primary reasons for LASED's failures in the 2012 GIZ paper on LASED which states that the government had not allocated enough land for the SLCs supported under LASED:

"In spite of an intensive campaign led by MLMUPC in 2007 that resulted in requests for SLCs from 44 communes in the three pilot provinces, and after LASED proceeded with SLC planning in 17 communes, there was no land allocated by the government for this additional batch. The quantitative objectives of 10,000 households (GIZ objective) or 10 communes (WB objective) during the long years of piloting (through GIZ from 2005) were underserved with land allocation to only 1614 households in 4 communes [...]. In the commune-based approach of LASED the communes lost in the competition for land against the private investors who were greatly successful during this time."<sup>36</sup>

...whilst Cambodian authorities were not able or willing to identify enough suitable land for SLCs for poor Cambodians, huge tracts of agricultural land were handed over to private businesses...

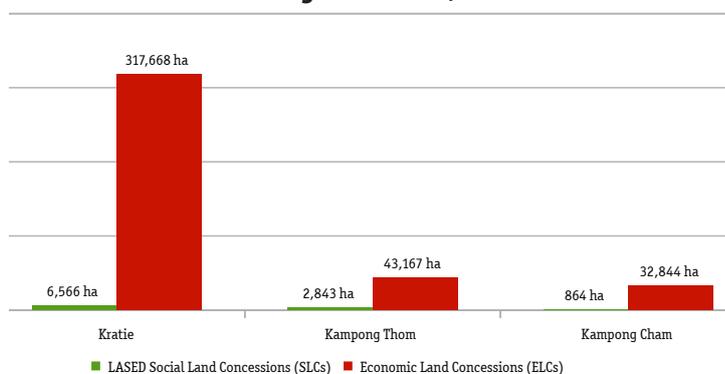
Likewise, the Human Rights Assessment of the German-funded Land Rights Program (LRP) conducted in 2012 concluded that there was a lack in political will on the side of the Cambodian government to allocate sufficient land for LASED SLCs.<sup>37</sup>

In distinct contrast, whilst Cambodian authorities were not able or willing to identify enough suitable land for SLCs for poor Cambodians, huge tracts of agricultural land were handed over to private businesses as economic

land concessions (ELCs) and similar types of concessions for economic development. Often these land concessions were issued in violation of Cambodia's laws regarding size of the concession; prior environmental and social impact assessments; prior informed consent and consultation of affected communities; transparency; and classification of land awarded.

In the three target provinces of LASED, a total of 55 land concessions covering nearly 400,000 hectares were granted to private companies for agricultural development since the World Bank approval of the project in May 2008.<sup>38</sup>

Amount of Land Allocated to LASED SLCs Compared to ELCs in Target Provinces, 2008 - 2015



Kratie province is particularly affected by the massive give-away of arable land to private businesses: so far 35% of the total area of the province has been granted to companies as ELCs or similar concessions for agricultural development.

Notably LASED failed to source any SLC land from ELCs, which was one of the project indicators.<sup>39</sup>

## SHORTCOMINGS IN INFRASTRUCTURE AND LIVELIHOOD SUPPORT

LASED was developed on the assumption that the timely provision of support services and infrastructure would ensure sustainability for SLC recipients. Hence the project was:

"designed to ensure that the most critical settling-in services are in place prior to the transfer of the land to the SLC recipients, and then ensure funding for further service delivery through the existing, decentralized rural development structures for a further two years [...]. Based

<sup>36</sup> GIZ Paper, page 6.

<sup>37</sup> German Institute for Human Rights, "Human Rights Assessment of the German-Cambodian Land Rights Program (LRP)," page 9, available at [http://www.institut-fuer-menschenrechte.de/uploads/tx\\_commerce/Study\\_Human\\_Rights\\_Assessment\\_of\\_the\\_German\\_Cambodian\\_Land\\_Rights\\_Program.pdf](http://www.institut-fuer-menschenrechte.de/uploads/tx_commerce/Study_Human_Rights_Assessment_of_the_German_Cambodian_Land_Rights_Program.pdf)

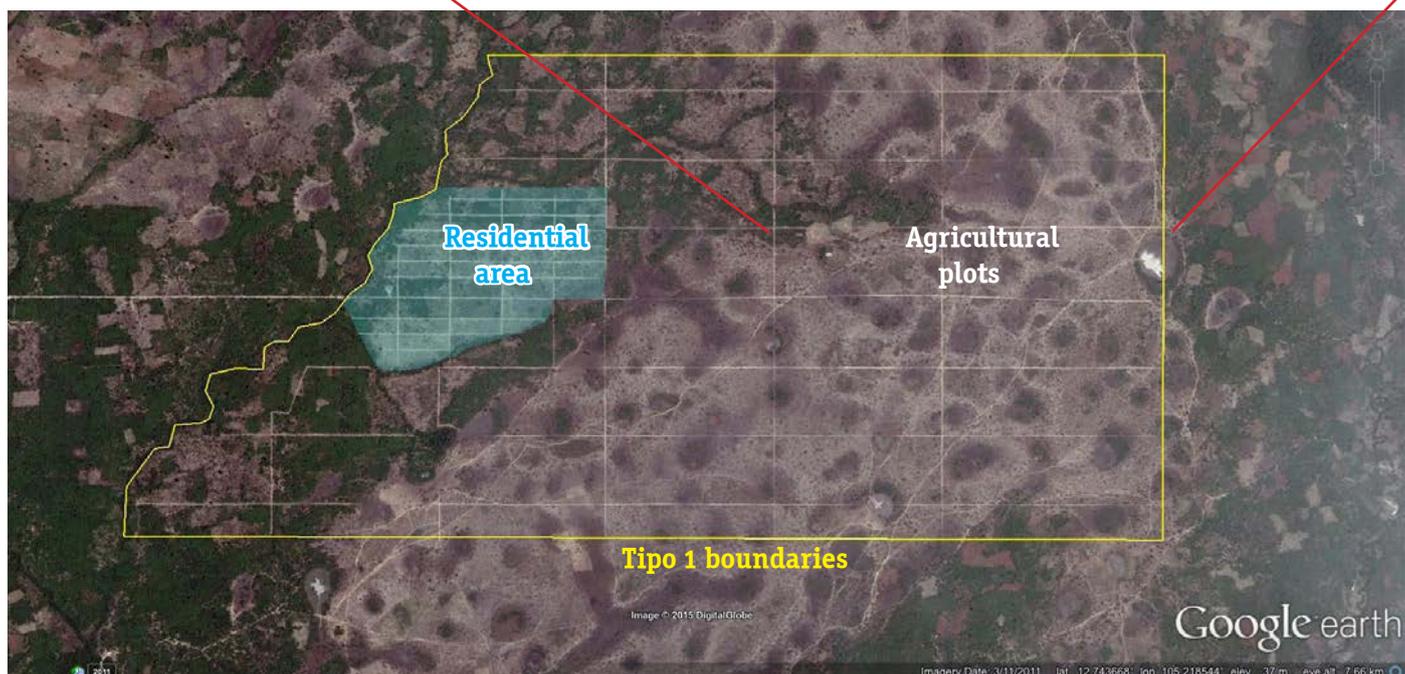
<sup>38</sup> Kratie province: 41 concessions totaling 317,668 ha; Kampong Thom province: 10 concessions totaling 43,167 ha; Kampong Cham province: 4 concessions totaling 32,844 ha.

<sup>39</sup> See World Bank Status Report December 2014, page 8.

**Right:** Satellite image of a small section of SLC farmland in Tipo 1, as of February 2014, showing that only small parts of the land have been cleared and possibly cultivated. Image © 2015 DigitalGlobe, © 2015 Google, Image © 2015 CNES/Astrium.



**Below:** The satellite imagery showing Tipo 1 site, Tipo commune, Kampong Thom, as of March 2011 at an early stage of development. The image indicates poor soil quality within much of the SLC farmland. Image © DigitalGlobe.



on previous experience in Cambodia, the intensive three years of support, if provided on a timely basis, should be sufficient to bring SLC recipients to a level of food security and social integration sufficient to continue without special, targeted support."<sup>40</sup>

As this report shows, however, the project failed in practice to ensure that the majority of land recipients could put their agricultural land to sustainable use, despite reports that the registration and recipient selection process for these SLCs was finalized in early 2013.

LASED has also failed in some sites to provide adequate infrastructure in a timely manner to ensure that families can remain on the residential land. According to

signboards put up along village roads, schools and wells at the four newest SLC sites, much of the key infrastructure had apparently been in place since 2012-2013. However, the school in Thmey commune, Kratie province had not yet been opened at time of the visit by LICADHO. The site in Chambak commune, Kratie province, lacked any school and the constructed health center had not opened yet.

Families living in Thmey and Chambak SLC sites either do not send their children to school or the children stay behind in their old village, alone or with relatives, to be able to attend school. This situation places yet another heavy strain on families, undermining the project's sustainability even further.

<sup>40</sup> See Project Appraisal Document 2008, page 18.



Unused construction materials and water jars near SLC residential land in Thmey commune, Kratie province, February 2015.



Health post at the SLC in Choam Krovien commune, Tboung Khmum province, March 2015.

## Conclusion



The LASED project has failed to achieve the levels of success required to be considered a replicable model to reduce poverty and increase food security for rural landless and poor Cambodians. Settlement rates remain low as do the number of recipient families who are able to use their agricultural land productively. Tenure security remains illusory as many land recipients are unlikely to meet the requirements to receive land title while others eligible for land titles have not received them.

The LASED project's lack of success comes as little surprise given that the World Bank and GIZ failed to adequately respond to the government's obvious reluctance to prioritize poverty reduction for rural poor Cambodians and to ensure the successful implementation of the project. The government dragged its feet through the land allocation process and in many cases provided land that was not adequate for agricultural purposes. In stark contrast the government was simultaneously leasing arable land in the same areas as large concessions for development by private companies.

Problems with the government's land allocation for SLCs were then exacerbated by insufficient support services in

LASED's implementation as many SLC recipients simply do not have the resources necessary to cultivate the allocated agricultural land. As such, they will continue seeking day labor opportunities elsewhere to try and eke out a subsistence living.

The World Bank and GIZ have celebrated LASED's success and yet they are proposing a large amount of additional funding to support the current SLCs, indicating that they recognize much more is required to achieve a sustainable solution for the affected families. Whilst additional support is necessary to meet the promises of reduced poverty and increased food security for many of the families supported by LASED, the World Bank and GIZ first need to acknowledge that the project is far from a replicable model, and nowhere near a success story by any standards. The World Bank and GIZ have an obligation to support the rural land poor Cambodians who received land under LASED, but such support must be conducted responsibly with genuine efforts to secure an improved livelihood for the recipient families.

