

9th Meeting of the Government-Donor Coordination Committee (GDCC) on 12 Feb.2007
Joint donor statement on “Economic and Social Land Concessions”
by H.E. Pius Fischer, Ambassador of Germany

DRAFT. 26.01.2007

Your Excellency Chairman Senior Minister, Excellencies, Colleagues. On behalf of development partners, allow me the following remarks:

In 2006 there was a three-fold increase in the number of economic land concessions (ELCs) granted by Ministry for Agriculture, Forestry and Fisheries (MAFF) compared to 2005, apparently none of which were processed strictly in accordance with the ELCs sub decree. As reported by MAFF to the TWG Forestry & Environment, in 2006 alone 26 new ELCs were granted, compared to 9 in 2005. MAFF also reported that as of 31 December 2006 there were 57 ELC agreements in effect, and that over the years altogether 30 had been cancelled.

However, the information on the MAFF website has not been updated since August 2006, and additional information regarding the location, nature and scope of investments has not yet been disclosed as provided in the respective Joint Monitoring Indicator. Provincial governors are authorized to grant ELCs for areas less than 1,000 hectares and it seems that they are doing so on large scale, but there is no consolidated information on these ELCs. We therefore reiterate the request for publicly available information on the numbers and location of ELCs granted, including those under 1,000 hectares, and proposals under consideration.

Many large-scale ELCs were seen in 2006, apparently including concessions granted in forest areas. The Ambassador of Japan, while referring to companies which reportedly received ELCs in forest areas of Kompong Thom, pointed out at the GDCC in October 2006, information on such concessions, if they had been granted, should have been put on the MAFF homepage. While we appreciate the presentation by MAFF on the current status of ELCs at the TWG on Forestry & Environment in December, explanations on these special cases were not provided.

In general it appears that public consultations, competitive bidding, environmental and social impact assessments and the registration of the land have not been done prior to concessions being granted. Development partners note that without processing these concessions according to the existing regulations, these ELCs are leading to land conflicts and furthering the accumulation of wealth by private interests. Due to deficient implementation of existing regulations ELCs in many cases are not promoting pro poor growth and poverty reduction as envisaged in the Rectangular Strategy and the NSDP. Both documents clearly ask for improving land management but regulations on ELCs are not enforced adequately.

As it has been mentioned in the joint statement on the Land sector already, development partners are especially concerned about ELCs being granted over indigenous land for the reasons explained by H.E. the Ambassador of Canada. We are aware of 8 ELCs on indigenous lands in Mondulkiri, Ratanakiri, Kompong Thom, Kratie, and Stung Treng causing massive conflicts about land. In general we note alarming trends with regard to ELCs.

According to the Joint Monitoring Indicators, during the last year 500 eligible households should have been settled on social land concessions (SLCs) with livelihood support and at least 10,000 hectares of suitable land should have been confirmed as available for social land concessions. No households were settled on SLCs because so far no land has been made definitively available for SLCs, meaning no land identified for SLCs has been registered as state private land. We would like to know: Why is land available for ELCs on a large scale—the average size of ELC granted by MAFF in 2006 was 8,400 hectares—but not even 10,000 hectares for SLCs, even though donor funding to implement land allocation programs is available?