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## A SWISS AGRICULTURAL CORPORATION IN CAMBODIA SUPPRESSES TRANSPARENCY IN A SEVERE LAND CONFLICT

The resolution of the severe land conflict between the local Bunong population, a Swiss-Luxembourgish agricultural group and the Cambodian state has not made any progress for years. On the contrary: the company is actively obstructing efforts to find a solution - and the Swiss authorities are standing by.



The part of the population involved in the mediation agrees to the lifting of secrecy

A decade and a half ago, the Cambodian government transferred large areas of land to the agricultural company <u>Socfin</u> by means of land concessions - without consulting or obtaining the consent of the local population. A mediation financed by Switzerland, Luxembourg and Germany between the company and a small section of the affected population attempted to whitewash this colonial process and legitimise it in a questionable manner (see <u>article</u>). After the mediation took place in secrecy, FIAN Switzerland and our partner organisation <u>BIPA</u>, which we support, have been trying for some time to gain insight into the agreements in order to assess them and to support the entire affected population. We last <u>reported on this</u> (only in German) in October 2023.

The client of the mediation, the organisation 'Mekong Region Land Governance' (MRLG), instructed us to obtain the written consent of the mediation parties, i.e. the family representatives and Socfin. At the end of 2023, all family representatives gave their consent to the disclosure of all mediation documents to the donor governments, and to FIAN and BIPA, after extensive discussions with a representative of FIAN and BIPA.

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## No support from the official side

Now, only Socfin's approval was still missing. FIAN Switzerland and BIPA asked the Cambodian office of the UN High Commissioner for Human Rights (OHCHR) and the Swiss State Secretariat for Economic Affairs (SECO) for support in this regard. The SECO had already been involved in the mediation dispute for some time. After initial positive signals, both institutions declined to provide support and the SECO asked the SDC, as the main funder of the mediation, to offer its services. Although the SDC should have been particularly interested in transparency regarding the results achieved, a response was not forthcoming despite repeated requests.

This left no other option than to make a direct enquiry to Socfin. Hopes of approval were raised by Socfin's 2019 statement that the discussions were «confidential at the moment» at the request of the participating population and that «no information may be shared until final agreements are reached», and also by its 2022 statement to a journalist that it was up to the family representatives to share the desired information «if they wish to do so».

## The Group suppresses disclosure

In response to the request from FIAN and BIPA – with the knowledge of OHCHR, MRLG, SECO, among others – Socfin set in motion a game of trickery that continues to this day in an effort to prevent the disclosure of the mediation results and documents by all means. In its first response, Socfin claimed that any disclosure «should be done jointly» by the family representatives and Socfin (contrary to the 'Ground Rules' of the mediation), and that this would require the representatives to be consulted (which FIAN and BIPA had already done). In the second response, Socfin announced that they are reaching out directly to the family representatives to confirm their intentions. BIPA was informed by participants of the respective meeting that they had unanimously confirmed their intention to disclose. However, in the third response, Socfin claimed that the representatives currently opposed the disclosure and enclosed the thumbprinted minutes of the meeting. As a climax, the company had the audacity to accuse FIAN and BIPA of not having properly followed the principle of free, prior and informed consent ('FPIC') and to urge them to respect it in the future. We would just like to remind Socfin that if the company had asked the local population for free, prior and informed consent before establishing the plantations, it would presumably never have received permission to take possession of the land and destroy the territory, and the whole severe land conflict would not even exist.

Analysis of the meeting minutes revealed that there was utter confusion about the documents under discussion and decision. The absurd claim arose that the representatives had not been presented with a declaration of consent to disclose the mediation documents, but to end BIPA's financial support for the mediation. Even Socfin had to clarify that such support had never existed. Furthermore, Socfin's statement that signing the consent form would constitute a breach of previous agreements may have intimidated the participants. In the end, the representatives decided that the documents should only be published after the implementation of the mediation agreements, including the acquisition of communal land titles. Due to the confusion and fear as well as contradictory testimonies, we do not believe that the minutes of the meeting adequately reflect the will of the representatives. Further clarifications are in progress.

Surprisingly, Socfin conducted the entire correspondence via a communications agency. The OHCHR and the SECO remained silent on this point throughout. MRLG did at least state once: «We do support the disclosure of the mediation agreements as agreed by the villager representatives and requested by FIAN.»

An investigation report finds massive violations of the law - and makes weak recommendations

In the meantime, the <u>Earthworm Foundation</u>, which was commissioned and co-financed by Socfin, published its <u>investigation report</u> on the allegations related to Socfin Cambodia. The report clearly confirms the following, among other things:

- The **Bunong's right**s to free, prior and informed consent and to collective land ownership were not respected when their customary land was converted to rubber plantations.
- Land clearing began illegally before the land concessions were granted. Bunong customary areas were not mapped with Bunong communities before land clearing began.
- Land concessions were illegally granted before the environmental and social impact assessments submitted were approved. In addition, these were only preliminary and not final studies.
- The affected population was not consulted in the development of the compensation options. These do not sufficiently cover the losses in forest and land use. The compensation was not agreed in advance, but only after the project started, and was not based on a map of land ownership.

 Deforestation has reduced access to non-timber forest products and protein from hunting. The reduction in grazing land has forced communities to reduce or abandon livestock farming.

One of the report's key recommendations to Socfin is to achieve the lifting of the confidentiality agreements of the mediation. This is exactly what FIAN and BIPA have been advocating for a considerable time, as explained above, but without success so far.

What other conclusions does the report draw from these blatant findings, particularly in its recommendations to Socfin? Unfortunately, the recommendations essentially reduce the serious and unresolved colonial land conflict to minor and, in some cases, self-evident measures: communication, implementation of mediation, future free and prior consent from those affected, conducting a study, working with the authorities, ensuring appropriate working conditions, etc.

The report sweepingly suggests that the mediation successfully addressed and resolved the demands of the «communities», although Earthworm was clearly informed that the mediation only included a fifth of the affected families from five out of the seven affected villages. After the confirmed violation of the rights to collective land ownership, it is strange that the report explicitly does not ascribe any responsibility to Socfin and only vaguely states in its recommendations that it should continue with communication and «put in place specific measures». Socfin had accepted the land concessions (or not returned them) even though the company was aware, according to its own environmental and social impact assessment, that the government had not sought voluntary consent and that the indigenous community had not given such consent.

Socfin has incorporated the recommendations into its <u>action plan</u> and describes most of them as already «ongoing» and only a few as «to start». Once again, for Socfin, the solution of the land conflict has been reduced to marginal measures.

Transparency and review of the mediation with a view to a genuine solution to the land conflict

What remains after Earthworm's report and Socfin's action plan are the shocking matters of course: that the plantations are «allowed» to continue undiminished, that the local population has to accept the loss of their territory and that they are granted only small improvements at best.

We expect Socfin to immediately implement the recommendation of Earthworm and MRLG regarding the cancellation of the confidentiality agreements and thus to comply with its own Responsible Management Policy. We expect SDC to urge Socfin in this regard and to actively support the next steps towards a genuine solution to the land conflict that affects the entire population. FIAN and BIPA will persevere.