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## BEHIND THE BRANDS - LAND GRABS AND SUGAR CAMBODIA CASE STUDY



*The KSL sugar plant in Sre Ambel District, Cambodia. Photo: Oxfam*

The World Bank has found that the main link between countries with the highest number of large-scale land deals is poor protection of rural land rights. According to publically available data Cambodia has experienced the largest number of large-scale land acquisitions in recent years with 104 concluded since 2000.

On 19<sup>th</sup> May 2006 land clearance began in the Sre Ambel District for a sugar plantation of 18,057.32 hectares. The land of 456 families in the Chi Kha, Trapaing Kandaol and Chouk villages of Chi Kha Leu Commune was seized to make way for the plantation. When the community mounted protests against the land deal, which they claim took place without consultation or consent, they were threatened and their movement was restricted.

The sugar plantation comprises two economic land concessions granted to Koh Khong Sugar Industry Ltd, and the Koh Khong Sugar Plantation Ltd. The Thai Sugar giant, Khon Kaen Sugar Co Ltd (KSL) owns a 70 per cent share in both companies, which - by the company's own admission - are effectively shell companies. A Taiwanese company currently owns the other 30 per cent stake.

It has been reported that KSL has a five-year contract with London-based Tate & Lyle Sugars to supply all of its output from Cambodia. Tate & Lyle Sugars say there is no such contract, that they have only received sugar from KSL on two occasions in 2011 and 2012, and that they have no current plans to do so again in the future. Tate & Lyle Sugars is owned by the US sugar giant American Sugar Holdings. Sugar purchased by Tate & Lyle Sugars is purchased by franchisees, which manufacture and bottle products for Coca-Cola and PepsiCo.

The evicted families claim that they had lived on the land since at least 1999 – and many as far back as 1979. They do not have official title to the land – a situation common in Cambodian rural areas - however they do have documented evidence, which shows they have lived and farmed in the area prior to 1999. Community members also referred to the fact that they had invested in the clearance of forest



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land. This makes them eligible for claiming official ownership over the land under the 2001 Cambodian Land Law.

The communities say their lives and livelihoods have been devastated because of the loss of the land and the income they derived from growing crops such as rice, watermelon, corn, cashew nuts and jackfruit, or rearing cows, buffalo and pigs.

Some families used to earn up to \$2000/year from harvesting their crop, but now they have to rely on odd job and irregular labour in the surrounding area to make ends meet. They don't always make enough money to cover basic costs and put food on the table. Many families can no longer afford to send their children to school and many children also have to work to help support the family.

Some community members have migrated to towns and cities to seek work elsewhere, often leaving their children in Sre Ambel with grandparents, and some work on the plantation during the harvest season but the work is tiring and poorly paid and limited to just 3 months of the year.

Many of the farming families previously reared as many as 15 – 20 cows and buffalo but they no longer have anywhere to graze their animals. Numerous community members talked about the early days after the land was cleared when livestock strayed onto the plantation land and were either confiscated by company authorities and released only for a fee, or were shot. Some families received compensation for buffalo shot by company security guards - but far below market rates.

The loss of income and land means many families have been forced to take out loans to cover their basic needs – without the means or the assets to pay the loans back the families are getting deeper and deeper into debt.

Today, more than seven years after their land was taken, 200 families continue to fight call for the return of their land - which they claim amounts to 1365 hectares. Their journey has taken them from the Cambodian Courts to the Thai International Human Rights Commission, and most recently, the UK High Court where they have filed a case against both Tate & Lyle Industries, a subsidiary of British multinational corporation Tate & Lyle plc and Tate & Lyle Sugars in April 2013 claiming that the firm has profited from illegally seized land. The communities have also sought dialogue with KSL.

The communities want their land to be returned to them. Financial compensation would be a 'second best' option but only if they received the true market value of the land, reflecting the potential income derived from the land and the assets that they have lost.

KSL claims that compensation has been given to 580 affected families and that only 13 cases are outstanding. It says it has '*no authority to give the land back, as we lease the land from the government*' and that they would need to be compensated if the title to the land is transferred to the community. KSL claims that it has bought multiple benefits to the area – employing around 400 permanent staff and many more during the harvest season and denies it uses child labour. The company says it have built three schools in the local area, has reconditioned roads to local temples and conservation areas and makes its medical room and ambulance available to the local community in emergency situations.

The government of Cambodia states that the Economic Land Concessions were granted in accordance with the legal framework and that only 13 families have not been compensated due to inability to provide documentation or legal papers to prove they owned the land.