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A Study on Resettlement Schemes
of Large Scale Land Lease to Chinese Investment in Cambodia:
Case Study of Union Development Group, Co., Ltd

SAO Vichheka



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Development Group, Co., Ltd**

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SAO Vichheka is a student of the Masters of Arts in Development Studies at the Faculty of Development Studies at the Royal University of Phnom Penh (RUPP), Cambodia.

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List of Abbreviations

ADB	:	Asian Development Bank
CDC	:	Council for Development of Cambodia
CDRI	:	Cambodia Development Resource Institute
EIA	:	Environmental Impact Assessment
ELC	:	Economic Land Concession
FGD	:	Focus Group Discussion
IDI	:	In-depth Interview
KII	:	Key Informant Interview
MINZAS	:	Mekong Institute New Zealand Ambassador's Scholarship
MoE	:	Ministry of Environment
NGO	:	Non-governmental Organization
PiN	:	People in Need
RFA	:	Radio Free Asia
RGC	:	Royal Government of Cambodia
UDG	:	Union Development Group Co., Ltd

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Abstract

The country of Cambodia attracts foreign investment in land, and China ranks at the top of the investors. China is the largest foreign investor in Cambodia and is one of the leading investors in natural resources, energy, infrastructure, construction, agriculture, tourism, and telecommunications. One of the biggest impacts of China's investment projects is resettlement schemes which remain highly controversial. Based on the literature, five key determinants: 1) public participation, 2) pre-planning, 3) resettlement policy, 4) adequate compensation, and 5) legislation, have been identified that determine the success of the preparation and operation of resettlement schemes.

The aim of this study is to uncover whether the resettlement schemes for the large-scale land leases to the Union Development Group Co., Ltd (UDG) have been successful and to identify the underlying causes. Specifically, the study examined the five determinants contributing to the success of resettlement schemes and provided policy implications. In-depth interviews, focus group discussions, and case study were conducted with the communities affected by resettlement; key informant interviews were conducted with local authorities at the village, commune, and district levels, government ministries, and concerned local and international non-governmental organizations (NGOs).

The results of the study show that there was no public consultation prior to relocation, and the affected households had very limited information about the UDG's investment project in their communities. While information about the project was shared a number of times through dissemination meetings in the communities, the families who lived in the leased areas were not fully informed and did not give free prior and informed consent. They were also excluded from the development of the resettlement schemes, including in the pre-planning and displacement processes. Since Cambodia does not have a national policy and legal framework covering resettlement and compensation, there is no national standard. Resettlement and compensation of UDG is based on decisions taken by the government and the company involved.

The practice of compensation of UDG in Cambodia is inconsistent and irregular. The five determinants of resettlement did not fully function in terms of the formulation and execution

of the resettlement schemes for the UDG project. As a consequence, the resettlement schemes for this project were unsuccessful. Hence, national policy on resettlement and compensation should consider establishing and the participation of local communities and concerned stakeholders should be involved appropriately.

1. Introduction

1.1. Background

Prior to 1993 when the first election which was held, Cambodia was a closed economy country which restricted foreign direct investment (Hem, 2012). However, it began the transformation from a command economy into a free market economy in the 1980s (CDRI, 2014). Since then, the Royal Government of Cambodia (RGC) has offered numerous incentives and has tried to improve its political and legal framework in order to increase the confidence of investors in the country (Net, 2011; Üllenberg, 2009).

Cambodia made a commitment to decrease the number of people living under the national poverty line to 19.5 percent by 2015 through the Millennium Development Goals (CDRI, 2014), and attracting investment into Cambodia can contribute to poverty alleviation. Increasing investment through large-scale land lease and land concessions tends to increase macro benefits, including gross domestic product (GDP) growth and government revenues, as well as influencing economic development and improvement of rural livelihoods (Cotula *et al.*, 2009).

While investment was widespread, rapid economic growth since early 1990s increased the value of land in rural areas and attracted private investment in the land sector (Sekiguchi & Hatsukano, 2013). Seeing this opportunity, the RGC approved large tracts of land for investment by privately owned businesses in plantations and large-scale agriculture (Leuprecht, 2004). Subsequently, Cambodia has become one of the leading countries to attract investment in land (Schutter, 2009). China ranks on the top (Üllenberg, 2009) as the largest investor in land in Cambodia, investing approximately USD 9.6 billion between 1994 and 2013 (China Daily, 2014). Similarly, there has also been Chinese investment in natural resources, energy, infrastructure, construction, agriculture, tourism, and telecommunications (Heng, 2012).

Many stakeholders have debated about the positive and negative impacts of investment companies on socio-economic indicators, food security, and the environment (Saing, 2012). Country inhabitants complain that there is little or practically zero compensation for displacement when the government grants land to privately owned businesses, while some of

the land concessions have unfavorably affected the human rights and livelihoods of rural communities (RFA, n.d). For instance, private companies have offered compensation far below the market rate and inadequate for the relocated people. In some cases of land exchange, the affected people were moved to areas which lack basic infrastructure and are unable to access employment and income sources (As cited in Mgbako, Gao, Joynes, & Cave, 2010).

1.2. Research Rationale

The UDG was in total granted 45,100 hectares (ha) of land along the coast; 36,000 ha in 2008 (RGC, 2008a) and an additional 9,100 ha in 2011 (RGC, 2011) from the RGC for 99 years. The total amount of land granted is considered to be large-scale land lease. Additionally, a massive number of households were affected by the project - around 1,412 households (People in Need & Unicef, 2014). More than 1,000 families have already been displaced, while the remaining families are being threatening by UDG's investment project to relocate their settlement (Subedi, 2012).

Moving beyond the high number of affected households, concerns have been raised by many actors about the lack of public assessment on the impact of the concessions on local communities' rights and livelihoods, the environment, and other human and economic costs, together with a general lack of transparency surrounding concession activity (Subedi, 2012). There are four critical issues identified in Cambodia's national policy approach to resettlement: 1) no comprehensive national resettlement policy, 2) no permanent institutional structure for all levels, 3) inadequate human resources, and 4) lack of access to and dissemination of information (CDC, n.d).

Many reports from different individuals and NGOs have focused on the impact of resettlement on local livelihoods and the environment. However, there has been no technical analysis or report undertaken to uncover the major causes of failure of resettlement schemes in Cambodia, particularly the UDG case. "A Study on Resettlement Schemes of Large Scale Land Lease to Chinese Investment in Cambodia—Case Study of Union Development Group, Co., Ltd" aims to explore the performance of resettlement schemes and policy implications of these key issues, including the large amount of land granted, high number of affected

households, inadequacies of the resettlement scheme, and the weak policy frame on resettlement.

1.3. Research Objectives

The overall goal of this study is to understand whether or not the resettlement schemes of the large-scale land leases to Union Development Group Co., Ltd (UDG) have been successful and the underlying causes.

Specific Objectives

- To assess the performance of the resettlement schemes of the Union Development Group Co., Ltd (UDG)
- To elicit the policy implications from the process of the formulation and implementation of resettlement schemes of the Union Development Group Co., Ltd (UDG)

1.4. Research Questions

- What explains the performance of the resettlement schemes of UDG?
- What are the policy implications from the formulation and implementation of the resettlement schemes of UDG?

1.5. Scope and Delimitations

This research aims to understand whether or not the resettlement schemes of the Chinese investment company UDG have been successful, and determine the policy implications. It was not focused on resettlement in Cambodia in general and did not address other Chinese investments. Although it is not representative of other cases of large-scale land leases and resettlements, it will give a broader understanding to similar cases or projects. Based on the nature of the research objectives, this research employed a qualitative approach to gathering information for analysis and to be of use for the development of future policy.

It should be noted that the attempt to interview certain actors, namely representatives from the UDG Company and the Council for the Development of Cambodia (CDC), failed due to a lack of response or willingness to participate in the research, despite numerous attempts to

follow-up. Hence, this is a limitation on the results of the study, as the information has not been triangulated with these actors.

1.6. Conceptual Framework

The term “Resettlement” has various definitions that have been proposed by different authors. According to Woube (2005),

Resettlement is defined as the process by which individuals or a group of people leave spontaneously or unspontaneously their original settlement sites to resettle in new areas where they can begin new trends of life by adapting themselves to the biophysical, social and administrative systems of the new environment. (p. 19)

Similarly, Sherbinin, Castro, and Gemenne (2010) explained that resettlement is a population movement arranged straightforwardly by government or private investors, where a territory is selected to resettle the affected people.

Cerneia (1988) identified five factors contributing to the overall formulation and performance of resettlement schemes such as: 1) public participation, 2) pre-planning, 3) resettlement policy, 4) adequate compensation, and 5) legislation. These are the key factors influencing the successful preparation and operation of resettlement projects (As cited in Viratkapan & Perera, 2006). To make these five factors clearer, an explanation of each component follows:

1) Public participation refers to the need for the project planner to include the participation of affected people from the initiation of the planning process. People affected by resettlement need to be consulted directly through their formal or informal representatives, and with non-governmental organizations with respect to the social and economic aspects of resettlement. This participation is necessary to fully understand their resources, preferences, needs, and have fully informed decision-making, in order to avoid mistakes in the project design. This stage also involves information sharing about the project, including the future relocation site, rights of resettlers, procedure of compensation, available choices, and so on.

2) Pre-planning is resettlement planning which is undertaken in the preparation stage for a major project that will cause resettlement. For a well-prepared resettlement plan that deals with re-establishment and development, pre-planning usually involves planning, appraising, financing, and supervising the main project. Particularly, when a large number of affected

people are to be moved, a more detailed plan is required. Planning is not just about cash compensation but includes the necessary activities for rehabilitation, and considers the economic and cultural characteristics of the population to be moved and how these will affect their response to relocation and the ability to cope with the new environment.

3) Resettlement policy outlines the responsibility of the government to relocate the people affected by resettlement and to provide future alternative options and assistance both technically and financially to recreate their lives, and their economic, and social network support systems.

4) Adequate compensation addresses the social, technical, economic, and political aspects of resettlement on a wider basis, as well as the need for resettlement policies, country willingness, and capability to handle resettlement effectively.

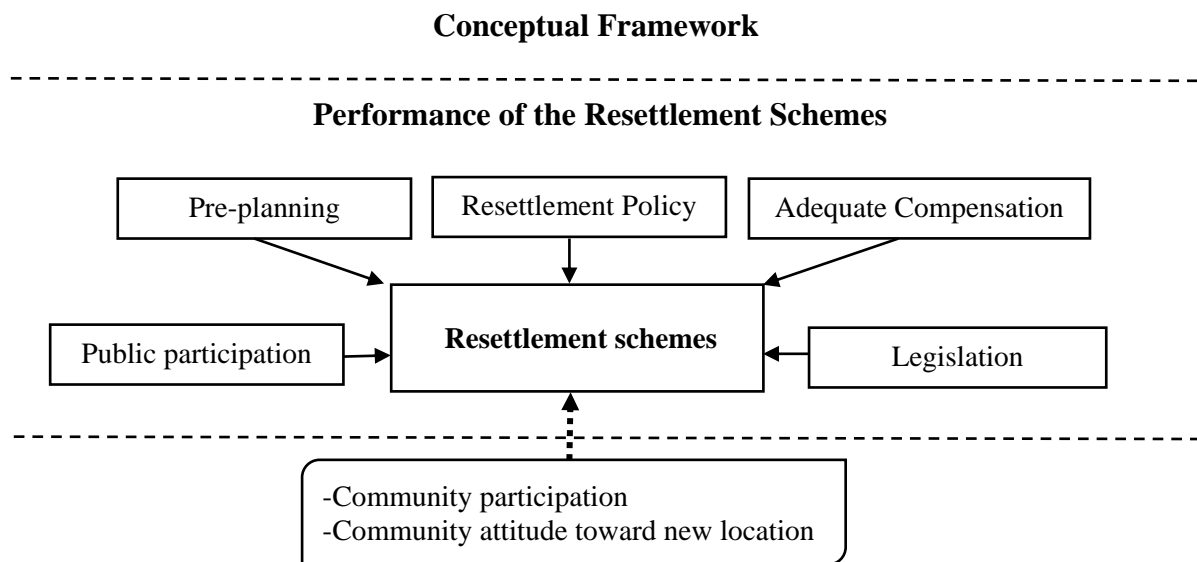
5) Legislation refers to the encouragement to improve or design government policies and legal regulations related to the rights of the displaced and their resettlement (Cernea, 1988).

Furthermore, the planning and implementation of relocation is very important to the overall success of the project. The main elements which contribute to successful relocation are: participation of community members, physical development of the resettlement area, the award of compensation, social development, and consolidation of livelihoods (As cited in Viratkapan & Perera, 2006). The Asian Development Bank (ADB) (1998) also emphasizes that when resettlement is necessary, it should take into account three main things: 1) to protect the lives and welfare of those displaced by the projects; 2) to reduce and redress the loss of economic potential incurred by the affected people, and the local and regional economies; and 3) to assist in developing the economic, social, and cultural potential of the people and the communities affected (ADB, 1998). These are external principles which protect affected people, however, the people themselves also have an internal contribution to the success of resettlement, for example, they need to participate in the process and have a positive view towards life at new locations (Viratkapan & Perera, 2006).

In order to measure whether or not the resettlement scheme is successful, this study adopted the five direct determinants as stated in Cernea (1988) and indirect determinants as stated in Viratkapan & Perera (2006), as explained above. These five direct determinants (public

participation, pre-planning, resettlement policy, adequate compensation, and legislation) are very useful when seeking to understand the real practice of a project in terms of the performance and implementation of resettlement schemes. While the five indicators are useful, the indirect determinants are also important to understand, in terms of the internal willingness of the affected people - especially their participation in the project and their optimism about life at new locations.

Based on Cernea (1988) and Viratkapan & Perera (2006), this research combined the ideas of these authors together and conceptualized and framed the flow of ideas in the following conceptual framework.



Source: Combined Concepts from Cernea (1988) and Viratkapan & Perera (2006)

2. Literature Review

2.1. Overview of Chinese Relations and Investments in Land in Cambodia

Cambodia and China have a long historical linkage, with shared traditions and a profound friendship. This close relationship began in July 1958, when the efforts of Prince Norodom Sihanouk helped break China's isolation in the 1960s (Jeldres, 2003). The political relationship of these two countries has been enhanced and grown stronger since 1998, after China committed in promoting development in Cambodia through bilateral assistance when Cambodia faced financial shortage (Long, 2009).

There are three main interests that Cambodia has in its relationship with China: 1) China can promote peace and national reconciliation for Cambodia's war-torn society, 2) China is a regional power that can offer legitimacy at the international level, and 3) China is beneficial to the economy of Cambodia (Long, 2009). These three interests may be considered as 'benefits' to friendship with China, and the geopolitical and cultural connections from the past strengthen their relationship. However, China also gains benefits from this relationship through political support from Cambodia. For instance, Cambodia supported for China as chair in 2012 ASEAN, and continued to support Beijing after the hot discussion in ASEAN ministerial meeting. China also sees the availability of the natural resources in Cambodia as investment opportunity for development (Ciorciari, 2013), as well as other hidden political benefits.

China is currently an emerging donor and the key investor in Cambodia though their aid is excluded from particular conditions for transparency or good governance (Long, 2009). This country has been the largest investor in Cambodia amongst the other countries, investing approximately USD 9.6 billion between 1994 and 2013 (China Daily, 2014). As indicated by Üllenberg (2009), of all the countries that have invested in the land sector in Cambodia, China ranks the top share (23.97 percent) in Foreign Direct Investment (FDI) approved in recent years in the rubber and tourism sectors.

Through this history of engagement and relationship building, there has been a rapid development in trade relations between Cambodia and China, and their cooperation has developed extensively and succeeded in improving results. China received a large-scale land grant in 2008 to develop the Mega Seashore Resort, and this is a sign that the relationship has strong foundations for joint development (UDG, 2014). This does not just indicate the good relationship and business development between these two countries, but also reveals insight on geopolitical power in Asia.

2.2. Best Practice of Resettlement Schemes

Resettlement is not a single process and it can be both a failure and a success. The negative outcome seems to be influenced by poor governance on local resettled communities. Poor governance together with few job opportunities and weak infrastructure causes people to move again to look for places that have better conditions (Montvilaite, 2014). Furthermore,

the lack of participation, consultation, relevant information, flawed compensation and inadequate budget for rehabilitation has led to human rights violations and difficulties for affected households (Tyskerud & Lindstrom, 2013). Major problems have arisen such as long-term hardship, impoverishment, and decimation of the affected communities; unpleasant effects on the host populations; and severe environmental damage when there is an absence of appropriate development measures for compensation (ADB, 1998).

Resettlement planning and implementation can successfully occur when there are adequate funds and personnel, together with the effective participation of affected people during the planning and implementation process of resettlement schemes (Ogaboh, Akpanudoedehe & Ushie, 2010). In addition, when planning the resettlement, there is a need to take into account the specific basic needs and vulnerabilities of particular individuals or groups such as persons with disabilities, persons living with HIV/AIDS, and women or children (OHCHR, 2012). Through proper resettlement planning, resettlement can enhance the development impact of a project and improve affected peoples' livelihoods (English & Brusberg, 2002).

Resettlement schemes should, at the very least, ensure people the same living standard as they had prior to relocation. Replacement costs should be given at the market price plus transaction costs, only in case of having reliable information about prices and available alternatives to the loss of assets. Moreover, resettlement should also include a statement of objectives, policies, and strategies, as well as cover the following necessary elements: 1) organizational responsibilities; 2) community participation and integration; 3) socioeconomic survey; 4) legal framework; 5) identification of alternative sites and selection; 6) valuation of and compensation for lost assets; 7) landownership, tenure, acquisition, and transfer; 8) access to training, employment, and credit; 9) shelter, infrastructure, and social services; 10) environmental protection and management; and 11) implementation schedule, monitoring, and evaluation (ADB, 1998).

Many documents describe best practices for compensation from other context, and all have similar ideas regarding the participation of the community in the process of planning and implementation. Best practices can ensure community buy-in and their general cooperation (Baird, 2009). As cited in Ogaboh *et al.* (2010), resettlement schemes should take into account short and long-term income strategies for affected people. Long-term income strategies refer to both physical and non-physical economic activities that could support

sustainable livelihoods over a long period of time, while the short-term income strategies refer to compensation for assets and assistance for all livelihood activities. Furthermore, it is important to take into consideration the monitoring and evaluation of the resettlement process since it helps identify what needs to be adjusted for better performance and successful resettlement, and it measures the outcomes according to set goals in the resettlement master plan (Ogaboh *et al.*, 2010).

2.3. Information about UDG Investment Project

Union Development Group Co., Ltd (UDG) (under the full name of Tianjin Union Development Group Co., Ltd), was founded in 1999 together with a registered capital of 530 million RMB¹. The size of the investments of the company total more than 10 million square meters. This strong real estate enterprise shifted to tourism and the real estate primary market after 2002. The largest investment of the company is in Koh Kong Province, Cambodia, with 360 square kilometers. UDG has a project called ‘Dara Sakor Seashore Resort’ and the master plan is a long-term vision for tourism and related economic development in Koh Kong Province. This resort was designed to fit the ecological features of the landscape and has been arranged to provide a sequential experience for those visiting the region with unique natural features (UDG, 2011).

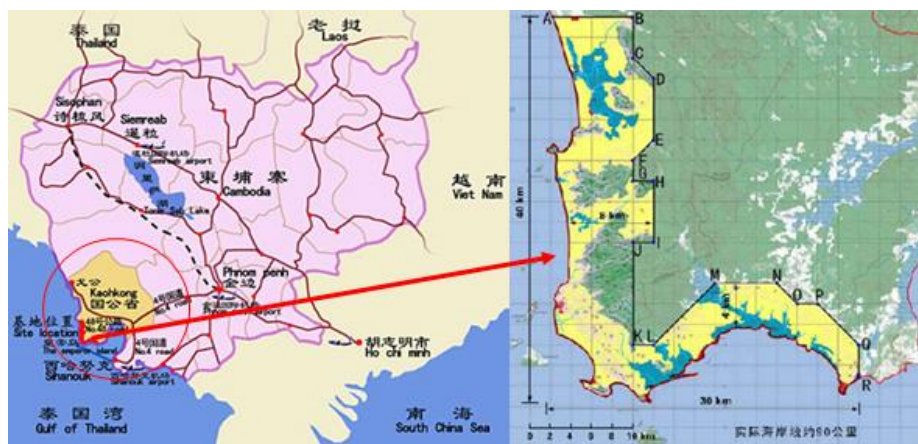


Figure 1: Map of Coastline of UDG's Property is Approximately 90 Km

Source: Cambodia Dara Sakor Seashore Resort. Retrieved from: <http://sunnyunion.com>

¹RMB=Renminbi means people's currency and it is the official name of the currency introduced by the Communist People's Republic of China at the time of its foundation in 1949. (Retrieved from: <http://www.bbc.com/news/10413076>)

The plan of this mega project includes a high-end tropical resort, five-star hotel group, landscape luxury villa, 54-hole golf course, beach club, jungle spa club, large water entertainment center, coast restaurant, island park, tropical farm, fishing village and ancient town. Additionally, basic facilities will be constructed such as 4E international airport, 10 thousand tons of international terminal, 25 million cubic meters of reservoir, power plants, water treatment, sewage plants, roads, communication, and so on. It is composed of five major parts: 1) tourism sector; 2) cultural sector; 3) exhibition sector; 4) planting plate; 5) trade sector (UDG, 2014).

3. Research Methodology

The study relied on both primary and secondary data. The focus was on primary research which was divided into two main data collection stages—1) initial field visit conducted on 18-20 June 2015, primarily to explore the issues and locations and 2) field level data collection conducted on 6-15 July, 2015 using key informant interviews (KIIs), household in-depth interviews (IDI), focus group discussions (FGDs), and case studies. A range of target groups were selected to participate in the study, comprising of communities, local authorities, district, and government level, as well as local and international NGOs. Secondary data was collected from relevant literature and the existing legal framework through desk research, in order to support the research design and methodology and to provide additional information for the study.

Since the study was centered on processes, procedures, opinions, and activities in the resettlement schemes, the study employed a qualitative approach, as it is hard to convey this information quantitatively. Furthermore, the research used the triangulation technique through gathering information from different perspectives and angles for the analysis.

3.1. Selection of Sample Size and Study Area

The research was conducted with 25 household IDIs (14 females and 11 Males), three FGDs, and three case studies with relocated communities, through purposive sampling technique. Additionally, KIIs were conducted at ground level with one district governor, two commune chiefs, five village chiefs, and one local NGO working in the target area. One local and one international NGO as well as the Ministry of Environment (MoE) in Phnom Penh also participated in the interviews. Four villages at new resettlement areas were selected randomly

through a ‘lucky draw’ from each commune of Botum Sakor and Kiri Sakor Districts, Koh Kong Province. (See the Table 1 for details)

Table 1: Study Area and Target Respondents

District	Commune	Village	HHs (IDIs)	FGDs	Case Studies	Key Informant Interview (KII)				
						Village Chiefs	Commune Chiefs	District governor	MoE	NGO
Kiri Sakor	Koh Sdach	Peam Kay			1	1		1	1	3
		Prey Smach	n=6	1	1	1				
	Pnhhy Meas	Kein Kralanh	n=6			1	1			
		Tani								
		Pnhhy Meas								
	Thmor Sar	Chamlorng Kor	n=7	1		1				
Botum Sakor	Tanoun	Tanoun	n=6	1	1	1	1			
		Bak Ronash								
		Toul Por								
		Prek Kjong								
Total (43)			n=25	3	3	5	2	1	1	3

3.2. Data Analysis

There were three main stages of data analysis for this study. The first stage was data entry and storage: data from interviews, FGDs, observational notes, and records were transcribed and typed into word processing documents. The second stage consisted of coding and developing systems for categorization: the transcribed data was read line-by-line, and divided into meaningful analytical units. The third stage utilized computer programs to assist with the storage system: the categorized information was analyzed manually and put into a filing system and software (Microsoft Word and Excel). The analysis was based on the conceptual framework and research questions, together with the triangulation of information collected from the diverse sources. All steps in data analysis were prudently triangulate and reflect to audit and validate the information. To make the information fascinating, some interesting information or meaningful responses were placed in the analysis as quotes.

This research attempts to synthesize the formulation and performance of the UDG resettlement schemes through the five determinants and a focus on how legal and regulatory

instruments concerning displacement and involuntary resettlement in Cambodia, particularly by UDG, have performed in safeguarding the rights of affected people.

4. Results and Discussion

This chapter presents both direct and indirect determinants of the resettlement schemes under the conceptual framework of study. Data was analyzed and presented from different sources and triangulated whenever possible. The findings are structured into two main sections. Section 1 gives an overview of the insight of the research results related to direct and indirect determinants which contribute to the success of the resettlement schemes, while section 2 provides a discussion of the findings, key literatures, and relevant legal instruments.

4.1. Direct Determinants of Resettlement Schemes

There are five direct determinants indicated in the conceptual framework, which are: public participation, pre-planning, resettlement policy, adequate compensation, and legislation identified as having influence on the success of resettlement schemes.

4.1.1. Public Participation

Based on the information gathered through field level data collection, there was no official consultation held in the communities before the resettlement process started. However, all target respondents, including local authorities—village and commune chiefs, district governor, and government ministries, as well as affected communities revealed that there were dissemination meetings held in the communities to share information about the UDG project “There were no consultation meetings in the communities because our village is located in a remote area where there is no easy road access and people lived far and separately from each other and we have only walking paths” (village chief, KII).

Despite the fact that there were meetings held in the communities, only some people understood the messages in the meetings; while the others did not understand, and a few somewhat understood. It should be noted that there was no mechanism nor any attempt made to monitor whether or not the affected people understood the messages from each meeting, attended the meetings, or agreed with the decisions taken in the meeting.

We conducted an uncounted number of meetings in the communities to disseminate the information, but we do not know to what extent they [people] understood [messages in the meeting] because we do not have time and go to visit every household and ask them whether or not they understood the meeting. It is very simple and participants in the meeting are just like students in the class, some can learn quickly and some cannot understand depending on their capacity (ministry official, KII).

This indicates that the meetings just aimed to disseminate the project information, but were not intended to consult or make sure people understood the information.

To differentiate, the meetings held by project planners for the purpose of disseminating project planning, resettlement schemes, and compensation in the communities are not considered a consultation meeting. A consultation meeting is kind of process to convey information about project to affected people in their own language. It ensures that local affected people or their community representatives fully understand the information and have enough time to discuss the project with their community leader or outsiders who can help them understand and make fully informed decisions.

Rather than just inform, the project planner needs to consult and seek agreement from local people as to whether or not they accept the project planned in their areas before the project activity starts. In practice, no attempt was made to seek any form of free, prior and informed consent from the communities regarding the lease of their land. Almost all households in the study expressed that no one had tried to gain consent from them, they were given no choice as to whether or not they wanted to move or accept the resettlement scheme and compensation. Remarkably, the decision to relocate people was determined without any involvement from the community or even the local authorities and civil society groups. Hence, it is straightforward to conclude that public participation was not achieved for the UDG resettlement schemes.

Case study 1

My life here is worse than where I lived before

A 53 year old woman living in Peam Kay village, Koh Sdach commune, Kirisakor district

angrily explained that she did not know anything about Union Development Group, Co., Ltd. project prior to her families' displacement. Angry with her local authorities and not afraid of anything, this woman likewise added that she was really disappointed with this kind of displacement, resettlement, and compensation which did not care anything about local villager welfare "They [local authorities] do everything for their family and relatives only, they never think about my family and other villagers... they never visited my family and asked how I can live in the new location".

Discussing participation in the project and the consultation meeting, she shared that there was only one meeting held in Poy Lumthean school that the other villagers and her family attended, but she did not remember the year. The meeting was attended by many high-ranking officials, the previous district governor, parliamentarians, and some others, but she could not remember all of the attendees. The meeting was announced to the villagers that the 'leopard skin policy'² will be applied to those who lived in the affected areas and that each family will receive compensation of their Chamkar land at USD 8,000 for one ha. The meeting announced the information about resettlement and some information about compensation, but it was not a consultation since no one asked the people whether or not they could understand the information, or whether or not they agreed to resettle with the compensation.

It is interesting that she mentioned the leopard skin policy in the meeting before resettlement took place, and to highlight the different ideas from the key informant interviews for this study:

I think leopard skin policy is good for some development in other areas of Cambodia, but not in this project. You know why I said so; it is because the project plans to develop a mega-tourism zone where the building and some other infrastructures will be amazing. Do you think it is possible to leave some local households there in a very modern zone? I think it is difficult to apply this policy (district governor, KII).

However, one local NGO in Phnom Penh that was also involved in this case had ideas:

It is very normal for the poor to sell their land to rich people. If someone needs the land of the poor, they can buy it at an acceptable price that agreed by both parties, or

² Leopard skin policy: The policy that allow the communities living in the granted areas to live side by side with the concessions.

if it requires people to be displaced, I think people would not protest if they receive a better condition for their livelihood compared to their existing lives. If they [the company] want to make their area amazing without the poor living there, why don't they compensate with a fair and acceptable resolution to people? (Local NGO, KII).

She likewise did not know what project would operate in her area, but she knew that her community and family needed to be relocated for the development project granted by the Cambodian government. Taking into account public participation and consultation, she expressed rapidly that there was no consultation in her previous village and no one asked her family to attend a meeting regarding the displacement or resettlement plan. However, the village chief was informed individually in the village to be well prepared for the land measurement for each household land parcel.

Basically, the informant described that each household with a small plot of land in the old location was happy with the compensation provided, whereas the holders of bigger plots of land were dissatisfied with the compensation. For her case, her family had 14 ha of farmland, but the compensation provided was worth only 2 ha of replacement cost and 2 ha of forestland was given as land for cultivation. This dissatisfaction with the level of compensation caused her to express much anger while telling the story during the interview.

Conflict of interest and the breaking of solidarity among villagers and local authorities also occurred due to unfair compensation, land distribution, and corruption activities, since different land-holders received different compensation. It is hard to believe that big landholders could receive a small plot of land and compensation in comparison to their old property without becoming angry. As observed, her family was unhappy with their local authority because of unfair compensation and corruption.

She enjoyed describing her life at the old location, where her family was very comfortable and engagement in fishing and frog hunting activities usually generated a daily income of around Riel 100,000 (~USD 25). At the new location, there is no proper job or employment activity for her family since the location for fishing is very far away, so her husband generally goes to the forest at midnight to hunt wild animals for income generation. She said that "When we are here at the new location it is hard to generate income, so we have nothing to eat". She once again expressed that her village chief is very

corrupt and gained much benefit from villagers while many of the lands were not compensated.

Finally, she suggested that the promise by the authorities and the company to assist people with livelihoods at the new location for five years should be respected and the 14 ha of her farmland should be compensated (5ha x USD 8,000). She further stated that she has been living in this new location for about five years but she has never received any documents indicating land ownership, so she wants to make sure her land will not be taken freely once again in the future.

Note: This case study solely represents only one household in the study, not other cases.

4.1.2. Pre-planning

The project planner for the UDG project included the participation of affected communities at the community level dissemination meetings, but the involvement was very limited, and not in every stage of the project. The involvement of the community as well as local authorities at every stage from pre-planning was not a finding from this study.

The project planner did not include the participation of community people in their process as a whole; the plan and compensation policy were designed with the participation of company and government bodies, and without local involvement. The lack of consideration for the participation of local authorities is another question for the pre-planning stage, since local authorities should have played a significant role in giving information to the community, but they were absent. Thus, to what extent the rights and choices of affected people were considered is another question.

Cambodia has no specific policy or regulation clearly identifying the process and procedures of resettlement formulation and implementation, as well as participation; the process is dependent entirely on the decisions made between the resettlement committee (government) and the company. The government ministry indicated that resettlement is designed carefully and the benefit of the people is at the core issue of discussions. However, even if the benefit of the people in the community was considered carefully, it cannot be estimated to what extent the community members themselves were excluded from the planning process.

All respondents at the household level indicated difficulty in accessing information about the project and compensation. This shows that there is a high likelihood that the project planning, resettlement, and compensation information was shared in a very limited manner or it is simply not fully shared at all levels. The community members and village and commune chiefs were not provided with detailed information about the UDG project planning “I am at the community level, so I did not know much about the plan and I just followed what the high ranking officials told me to do and they also did not give me any documents” (village chief, KII).

From the interviews with households, FGDs, local authorities, NGOs, and government ministries, it was found that there was no rehabilitation plan for the relocated people to enable them to restore their livelihoods at the new locations. Through this information, the researcher observed that there was little or no consideration given to the economic and cultural characteristics of the relocated people. People were moved from a coastal area to an inland area, a very different context than what they were adapted to. The majority of households had been engaged in fishing activities, and they needed to change their livelihood activities upon relocation. Also, planning for this UDG case is just about the cash compensation but not include the necessary activities for rehabilitation, which brings affected people difficult to cope with the new environment.

The triangulation of information indicates that the pre-planning stage did not take all the necessary needs and concerns of the affected people into consideration, as none of them were included in pre-planning or other stages of the project. In particular, local people and local authorities were excluded from the formulation of compensation, concerns raised in the dissemination meetings were not considered, and challenges that were raised in regards to resettlement and compensation were ignored. Pre-planning is a crucial initial stage to consider the rights of community members to make decisions over any potential projects in their area, to receive full information about the planning and development of any projects, to gain assistance from an outsider/external expert whom they trust, and to make choices about resettlement and the provision of compensation free from any violence, coercion or force.

4.1.3. Resettlement Policy

Prior to the compensation policy being put into practice the inter-ministries committee, chaired by the MoE, and the company met multiple times to discuss and determine the conditions and the policy to guide compensation (MoE, 2009b). These meetings were closed, with no participation of local authorities and affected communities, and the information that was shared kept confidential. The findings from household IDIs and FGDs and KIIs with local authorities and NGOs indicate that all were excluded from the formulation of resettlement and compensation policies. The voices and concerns of the affected communities were not heard and nor considered during the project design stage.

No separate policies for resettlement and compensation were found by this research. A resettlement policy for the UDG case was found, however the resettlement document mainly addresses compensation rather than resettlement in general. And there was still no attempt to seek any consultation on resettlement policy with the community members.

Since Cambodia does not have a national resettlement policy or law on resettlement and compensation, there is no national standard to measure. This makes it challenging to judge if the formulation of compensation and resettlement for a project is up to standard in Cambodia context. To date, resettlement and compensation policies have been formulated on a case-by-case basis and are dependent upon the type of investment project. A major oversight in the design of the compensation policy by UDG was the failure to include a rehabilitation program to restore the livelihood of affected people after resettlement. As indicated in the pre-planning section above, a rehabilitation or income restoration program is a crucial component of a resettlement policy and cash compensation alone is not considered enough to support the move.

In the contract signed in 2008 between the RGC and UDG, the government is the party in charge of the administration of compensation for the resettlement of people living in the leased areas. However, the company needs to work closely with government during the preparation of a resolution policy for the people in affected areas. Furthermore it is the company that is in charge of all expenses for the compensation for community members or 'legal land occupancy' that have agreed to resettle from the leasing area (RGC, 2008). As previously mentioned in the literature review, compensation should be well prepared, and not

only address cash compensation, house and land replacement (as in the case of the UDG policy), but also focus on social responsibilities, basic human rights, lost opportunities, and environmental, economic and cultural characteristics to ensure the livelihoods will not be negatively impacted.

Though the company is in charge of all financial disbursement, it is the main responsibility of the government to relocate the affected people and provide future alternatives option and assistance to recreate their lives, economic, and social network. In real practice the government confirmed of paying attention to the benefits of local people, but it was likely in a very limited manner as being complained by local communities, authorities, and NGOs in the study.

Table 2: Compensation Policy

Type of Land Occupancy	Land Occupancy Status	Compensation Policy	Standard Policy
Type 1	Case 1: - Has a land title deed prior to 01 November 1993 - Has occupied and used land for home or farmland - Is local person or an outsider	1- Inter-ministries committee issued a compensation policy and the compensation is divided into two parts: -Standard A: Rice crop lands given cash compensation -Standard B: Home residence has to be implemented as case number five. 2- Those over the limit for the land size in the land title will not be compensated, in special cases the resettlement committee will issue an appropriate policy	Standard A: Maximum USD 8,000 for one hectare
Type 1	Case 2: - Has a land title deed prior to 01 November 1993 - Has not used land at all - Is local person or an outsider	1- Inter-ministries committee issued a policy giving 25 percent of standard A in case 1 2- No compensation for land over the limited size in the land title	USD 2,000 for one hectare
Type 2	Case 3: - Has a land title deed after 01 November 1993 - Has occupied and used land for home or farmland - Is a local person or an outsider	1- Inter-ministries committee issued compensation policy and the compensation is divided into two parts: Standard C: Rice crop lands have two types of compensation. Compensation of 75 percent of the standard in case one for local people and 50 percent for outsider. Standard D: Home residence has to be implemented the same as case number five. 2- Those over the size limitation in the land	Standard C: Maximum USD 6,000 for one hectare

Type of Land Occupancy	Land Occupancy Status	Compensation Policy	Standard Policy
Type 2	Case 4: - Has a land title deed after 01 November 1993 - Has not used land at all - Is a local person or an outsider	title will follow case one. 1- Inter-ministries committee issued compensation policy for 25 percent of standard A in case one. 2- No compensation for those over the limitation of the size in the land title	USD 2,000 for one hectare
Type 3	Case 5: - Does not have a land title deed - Has a home and stays in the village - Is a local person	1- Company must prepare a place in the leasing area when a home needs to be removed for construction purposes and obtain agreement from the people 2- Company to give proper compensation or rebuild a home that is not lower than the previous standard. 3- The new location must have appropriate infrastructure	
Type 3	Case 6: - Has no land title deed - Occupied land as rice or crop land - Is a local person	Inter-ministries committee issued compensation policy (must have legal occupation letter) The land occupied by one household should not exceed five ha. In case of excess, the committee issues a resolution policy.	Maximum USD 1,000 for one hectare
Type 4	Case 7: - Has a land title deed - Occupied land through buy-sale	Land institution has to certify legitimacy and effectiveness as well as clearly define those who should eligible to receive compensation Compensation made following case one to four as described above.	
Type 4	Case 8: - Has no land title deed - Land has a title certified by the village commune chiefs after 30 August 2001 - Outsider - Covered by small crops for the purpose of land protection	No compensation In case there is motion to gain compensation, inter-ministries will conduct a field assessment at the location.	

Source: Ministry of Environment, 2009

Case Study 2

We thought that there was no transparency and justice at all for the compensation provided to us³

With its sensitive topic, the study was very challenging in getting into the study areas and mobilizing participants to participate, but it brought such a great amount of experience to learn. Having had many negative experiences of being cheated from outsiders during the resettlement period, it has never been easy for participants to trust outsiders for just minutes. Thus, the research team needed very much explanation and time to build trust with participants before they consented to be participating in the study. Nevertheless, a special group of 7 men told a number of stories they faced about resettlement plan and compensation in their areas. The groups of men were all in a similar situation to each other, in terms of the level of knowledge on the resettlement plan and compensation received. All of them had heard about the UDG project since 2009, at the time of the appearance of a land measurement group in their village. However, no one knew what the company was going to do. They likewise expressed that there was no consultation in their community prior to the start of resettlement. Though there was dissemination meeting, people were not able to voice concerns and questions during the meeting in the village to address their concerns about the development project in their area. People had a very limited role in speaking or decision making over whether or not to accept the compensation.

Although there were meetings held to disseminate information about the project, they indicated that

We did not exactly know about the plan for resettlement and compensation prior to arrival at the new location because information seemed to be hidden from us by the local authorities and the dispute resolution committee, this led us to have difficulty in finding detailed information... We thought that there was no transparency and justice at all for the compensation provided to us. We all have been suffering here and their practice of compensation is far beyond what they told us in the meeting.

³This case study was gathered from one FGD of seven males aged between 44 to 58 years old. Ideally, each FGD in this study aimed to have both male and female participation in the discussion, however in this specific group none of the females participated. The researcher selected this group to be a case study as the information from these men was very relevant.

They showed strong emotions when telling of their livelihoods before relocation; they longed to be who they were and where they lived before. They added that their livelihood before and after relocation cannot be compared, they are staying in a worse situation and it is difficult to make a living now.

While there is good road access, the development of infrastructure as a whole, including schools, water supply, irrigation, health centers, etc., was not well prepared before resettlement. Some infrastructure was developed after people resettled and has been built in gradually, while many things still need to be completed.

Today we need to spend a lot of money to get water for household consumption since the water available from the tube well in the village is not good enough quality to use... For the village health post, we think it is only a name but it doesn't work, and when we have a serious sickness we need to go far from the village such as to Koh Kong Town which requires spending more... We received only a house without kitchen and latrine which is far less than their promise in the meeting.

The group of seven men got angrier when they were asked about their livelihood at the new location and simply responded that the areas where they live are:

Not for human lives, it is the forest for animals, we have changed our lives from the sea to inland where it is not fitting for our skills, and we need to force ourselves to go to the forest to hunt wild animals or find timber forest products for our livelihood now. The farmland we received is mountainous and forest areas where it is not appropriate for growing.

In summary they expressed that resettlement schemes did not increase their community livelihoods, it gave them more trouble than before.

There was no income restoration program nor any training provided to the community for livelihood improvement, despite needing training to develop skills to fit the new environment and increase livelihoods. They suggested that they would benefit from having training in agricultural and animal husbandry techniques, and to help them develop community organization for agricultural products, so they can gain market access for the products they produce.

When questioned about the way forward, the people explained that they have no more plans for advocacy or for protesting compensation issues because they have engaged in this

many times before, and yet they have no results and no one can help them. Nevertheless, they wish to get the title for their land and to live legally and peacefully on their land, secure from land grabbing. They also wish not move again in the future for any reason as they felt they really suffered enough through this resettlement case.

4.1.4. Adequate Compensation

The plan for compensation told by households in the study seems to vary as they have different information. The majority of them were likely to get unclear information about the exact plan of compensation as they were excluded from the design of compensation. Similar results were confirmed by information from FGDs in three different villages and key informant interviews with local authorities. Village and commune chiefs as well as those at district level had less information about the compensation plan because their roles were limited in the planning process, as it had already been set at the national level “I am just a village chief so I do not know any official compensation, I cannot tell whether or not the compensation is accurate” (village chief, KII). “I was at the ground level so I did not know exactly about the detailed plan of compensation, they [the resettlement committee] just asked me about the statistics of households in the village and asked me and the village chief to join the meeting” (commune chief, KII).

It is correct that full information about compensation was not publicly shared and brought to the awareness of the people to be resettled. The following table shares the understanding that affected people had about the UDG plan for compensation.

Table 3: Compensation Plan as Shared by Community Members and Local Authorities

No	Compensation Plan, according to the information shared by community members	Remarks
1	The same standard house (6 x 7 meters)	Every affected household received the same.
2	Residential land (50 x 100 meters)	Every affected household received land, dependent on the lucky draw.
3	Farmland/Chamkar land (1.50-2.00 ha)	Every affected household received land, dependent on where their new house is located—on the main road, the small road, or far from the main road. Also dependent on the number of

No	Compensation Plan, according to the information shared by community members	Remarks
4	Cash compensation on farmland/Chamkar ⁴ land at the old location (compensation is up to USD 8,000)	family members. Only affected households that had farmland/Chamkar land in the previous location receive cash compensation, the maximum to be compensated was 5 ha. Cash compensation for farmland is varied and dependent on the number of crops in the farm. Yet people did not really know how the cash compensation was planned.
5	No compensation for fruit tree on residential land	Every affected household was not compensated.
6	No transfer fee	A few mentioned they received a transfer fee but could not remember the amount, while the majority got nothing.
7	Provision of rice for household consumption for five years at new location.	Every affected household mentioned this but only some have received, and not regularly.
8	Building latrine and tube well for every household.	Every affected household should get these facilities, but actually did not.
9	Development of new infrastructure at new locations.	Every affected household should access the necessary infrastructure upon first arrival, but not all did.
10	Connection to the electricity grid.	Every affected household can access the grid when it is ready.

All of the household respondents received the same standard home and residential land size, just in different locations dependent on a lucky draw⁵ they organized for themselves. Although home and residential land were replaced, fruit trees on residential land were not compensated and the type and size of house⁶ built at the old location was not considered. Without regard to the type and size of home that was occupied at the old location, a standard home of the same size and quality was given in replacement for every affected household, together with the same size of residential land at the new location.

Rather than home and residential land, every household received farmland/Chamkar land without regard if they had it at the old location. The farmland/Chamkar land provided was

⁴ Chamkar is the Khmer term which refers to the plot of land for growing crops.

⁵ Lucky draw in this study means that the affected household needs to organize a lottery to obtain the home number and location at new environment before they moved. In principle, they were allotted the location or home by chance not by choice.

⁶ Standard home means every household received the same size and quality of home, regardless of how big (or small) and what style their home was at the old location.

between one and a half to two ha depending on where the new residential land is; for instance, those who received residential land near a main road received only one and a half ha of farmland/Chamkar land, while the ones who received residential land far from a main road received two ha of farmland/Chamkar land. They also reported that the size of farmland offered depended on the number of family members in each household. For example, households with up to five members received two ha of farmland, those with six members or more received three ha. However, this information was not included in the resettlement and compensation policy. Through the in depth discussions with village chiefs, commune chiefs, and district governor, it was determined that no details and official compensation policy was shared by these groups, as some thought that they were excluded from the determination of compensation, and others had only assumed these roles after relocation.

Although home, residential, and farmland/Chamkar was replaced, the quality of homes was a major complaint by the majority of respondents and many also complained about the quality of farmland/Chamkar land as they stated that the land is not appropriate for growing. For example, the land that was given as farmland is mountainous, forested, and degraded. “They told us that we will receive farmland that can grow rice, but actually it cannot be grown there because that land is forested and sandy” (villager, IDI).

While many received cash compensation for the loss of their farmland/Chamkar land, some did not. For those who received cash compensation, the price varied between USD 400 to USD 8,000 per ha. Some community members did not receive any cash compensation because they had bought their farmland from others or occupied farmland in a different village from where they resided “The land I bought for the price of USD 10,000 was taken by the company for free and they did not compensate any money to me because they told me that there is no policy to compensate for land I bought from others like this. So I lost a lot of money” (villager, IDI). There were many complaints raised over the issue of farmland that was not compensated for when the owner of the land lived in an area separate from their farmland. The community members cannot accept this rationale, they feel that no matter where they live, the land belongs to them and they should be properly compensated for it.

Similar information was generated from FGDs in the three different villages. All groups revealed that the compensation offered was lower than their expectation and the property loss, caused them to feel dissatisfied and pressured. They all expressed that the compensation

was dispersed differently than was announced in the dissemination meetings at the villages, and that it was not fair or just, there was no transparency, and compensation was inadequate. And other promises to make adaptation and livelihood improvements at the new locations were not offered or considered.

In general, people explained that the compensation plan and the dispersal of actual compensation was different, inconsistent and irregular. Most households voiced unhappiness and dissatisfaction towards the compensation they were offered for the properties lost to the UDG investment project as they thought it was not adequate for a new livelihood. The government ministry that participated in this study indicated that the plan for compensation was to bring at least the same standard as before people moved or even better, however the representative also confessed that one set standard never fits all and this would cause some errors.

It is hard to make one standard fit for all because the ones who had a small size of house and residential land will of course be happy to relocate as they receive better conditions compared to their previous situation; however, those who had a large size of land and house before were not happy because they felt like the compensation was too little (ministry official, KII).

Even if there is currently no national standard to define the minimum compensation package, it can be based on human rights and best practices from other compensation experiences. Monitoring and appraising the resettlement schemes regularly with the involvement of all stakeholders can be constructive and contribute to a fully informed decision-making process with the communities affected by displacement, ensuring their livelihood capabilities at the new location.

Case Study 3

I still need to claim compensation for the land that I lost

A 56 year old man who the head of a household with five family members used to actively protest to claim his right to adequate compensation. This man, who is living in Tanoun village, Tanoun commune in Botumsakor district, has only attained primary level

education. He became a land broker (Kouk Che Dei) after his journey to live in the new location. His family members have diverse careers including working for UDG company, finding non-timber forest products (NTFP) in the forest, running a small grocery store from their home, and harvesting natural food such as crabs and snails around the village.

His family's careers and income level changed after the displacement. He expressed loudly that he is not happy with life at the new location because his family's income has decreased in comparison to the old location, where his family could engage in fishing and farming. He added that, with the lives here, his family and community has debt because they find it hard to adapt to new jobs. For example, the NTFP are not readily available and can be difficult to find. Hence, his daily living expenses needed to be supplemented by obtaining a loan from a microfinance institution "You may see many of us [villagers] have motorbikes, but some are put in debt to obtain them. We received money [loan] from microfinance". Before, villagers were fishing, so they needed only fishing equipment and not a motorbike, but now all the fishing equipment has been sold since it is not useable at the new location, and they need to buy a motorbike to travel on land.

He did not know much about UDG's work, but he had just heard the company would build a hotel and have a place for growing crops. He first heard about UDG in 2008 when a Chinese representative came to his village. During discussions about the resettlement scheme prior to displacement, he expressed that no consultation took place in his community and no NGOs took part since there was no road to access and it was very difficult to reach his village in the past. He further complained that the local authorities did not disseminate any information about the resettlement plan; they just went around and told people to prepare for land measurement in the village.

When the inter-ministries team in charge of compensation came to the village they said that the farmland would be compensated at one ha for USD 8,000, but in practice the compensation was varied and not transparent. For example, he had more than 22 ha of farmland but he did not received a proper compensation for all of his land, as it was said that he was not living there and the compensation is only for those who have residential and farmland at the same village "I was offered USD 500 for my farmland, then I said 'If you offer me 500 USD, please just take my land for free, I don't need this small amount of money from you because it is far less than the real price". Later on, the district governor

went back to measure his land and he was offered another price of USD 3,400, and left with no choice but to take this amount or get nothing. He was received the amount and continued to protest for compensation for the remaining land that they had not measured “Compensation was made without justice, and transparency, so I still continue to protest”.

He added that, moving here was not his family’s intention, but it was forced and they were left without choice. He further added that many households had not received compensation for their land even though they have started new lives at the resettlement sites. Hence, he would like to suggest that the government reconsider the improvement of people’s livelihoods at new locations and facilitate compensation for the remaining land lost. Moreover, civil society groups should assist people more by having public forum so that people can express their concerns freely. There should be no more displacement anywhere else in Cambodia and the government should apply a win-win solution, so everyone is happy with the development project.

4.1.5. Legislation

The laws in Cambodia that apply to the UDG case are Protected Area Law (2008), Land Law (2001), Concession Law (2007), Constitution (1993), and in addition sub-decrees and regulations, as well as Leasing Contract 2008. However, to what extent these laws were applied remain questionable.

A. Protected Area Law 2008

The Protected Areas Law (2008) has been followed in terms of land conversion. According to Royal Decree number 0408/392 signed by the King in 2008, Article 1 indicates that 36,000 ha of land has excised from Botum Sakor National Park land and Article 2 indicates that this excised land has been converted from state public property to state private property. Additionally, through Sub-decree number 178 signed by the Prime Minister in 2011, Article 1 specifies that 9,100 ha of land from the conservation zone of Botum Sakor National Park has been modified to a sustainable use zone for the purpose of granting it to UDG for their investment in reservoir and hydropower development. This indicates that the land was legally converted or modified in advance, prior to the land being granted to UDG.

In accordance with Article 4 of the Protected Areas Law, the management of protected areas has to guarantee the rights of the local communities, indigenous ethnic minorities and the public, to participate in decision-making on sustainable management and conservation of biodiversity. Also, Article 21 of this law mentions the encouragement of local communities, public and civil society to participate in the provision of access to information about protected area management, conservation, and development. However, there is no clear information as to whether these articles have been fully implemented since the people who used to live in the target areas utilize NTFPs, and nothing was mentioned about their participation in the process.

Pursuant to Article 44 “to minimize the adverse impact on environment and ensure that management objectives of protected area are satisfied, an environmental and social impact assessment shall be required on all proposals and investment for development within protected area boundary by MoE with the collaboration from relevant ministries and institutions”. This is also mentioned in the sub-decree on the Environmental Impact Assessment (EIA) process (1999) and the Law on Environmental Protection and Natural Resource Management (1997); every project and activity, private or public, it is required to conduct an EIA and submit it for review by MoE prior to being submitted to the RGC for a decision (RGC, 2008b).

However, an EIA for the UDG project was not found by this study, and Vong (2014) confirmed that no EIA was conducted for this project. Vong revealed that a couple of EIA reports were produced for specific projects such as road construction number 48 and an international seaport in the area, but no other EIAs were found for all of the other UDG projects (*ibid.*). The researcher received information verbally from one of the government ministries that the entire UDG project has an EIA, yet the researcher was not able to access the document, and confirmed that the EIA for the project is an internal document which was not aimed to be shared publicly.

B. Law on Land 2001

According to the Land Law 2001—Article 5 and the 1993 Constitution—Article 44, there is a clear indication that deprivation of individual ownership can be made only if it is in the public interest. This means that for every project which needs to use private land for their

operations and is for the public interest as identified by government, the deprivation of ownership shall be implemented based on the forms and procedures provided by law and regulations and it can be made only after the payment of “fair and just compensation” prior to the start of resettlement.

Although the term “fair and just compensation” is mentioned in the Land Law and the Constitution, there is no clear explanation or standard defined either in policy or the law of Cambodia. As the specific meaning, procedure, and practice is not defined, there is no national standard for any measurement of “fair and just compensation”. Moreover, legal restrictions also prevent an extensive number of affected people from receiving any compensation. It was also noted that the absence of legal definition or guiding rules on the term fair and just compensation contributes to the determination of the compensation. As there is a lack of practical definition of fair and just compensation, it has further increased the imbalance of power in the government’s favor (ADB, 2007).

These are some of the weaknesses of the laws and regulations in Cambodia, and they need to be improved because many resettlement projects happen in Cambodia and refer to different standards. There are no tools to monitor whether or not a project fails to comply and to award fair and just compensation. As observed, different projects cause forced displacement, and resettlement is applied under different policies and with varying treatments. For example, resettlement projects under a concessional loan or grant from ADB or World Bank have to follow a standard of compensation according to their institutional policies, whereas a project without this kind of funding source is settled differently, and without any standard policy, the compensation is made on a case-by-case basis.

C. Law on Concession 2007

Based on CDC (2016), land concession is divided into three types—social concession, economic concession, and use, development or exploitation concession. Use, development or exploitation concession covers mining concessions, port concessions, airport concessions, industrial development concession, fishing concessions, but these concessions are not regulated by Land Law 2001—Article 49 and 50. Hence, this UDG land concession falls under Law on concession 2007. The granted land through contract follows Article 2 and the type of concession shall follow Article 5 and 6 of this law, which clearly mentions the type of

project to be covered and the UDG concession is one of the types referred to in the articles. Article 8 of the same law designates the Council for Development of Cambodia (CDC) as a one-stop service entity for obtaining the authorizations required to implement an Investment Project in accordance with the Law on Investment. Article 10 mentions the clear role of this institution and involvement all stakeholders and this was confirmed during an interview with one of the representatives at the government ministry. However, the researcher was unable to obtain data on the exact value of the investment and other information on the UDG from CDC.

Interestingly, Article 31 of the Law on Concession details that the contracting institution shall survey and inspect the concession project activities in order to ensure that the project is constructed, operated and maintained in accordance with the Cambodian Law on Concession, regulations and the provisions of the Concession Contract. Moreover, the contracting institution shall be given reasonable access to the infrastructure facility as well as to design, reports and other data, which are necessary to perform a survey and inspection in accordance with the provisions of the concession contract. However, there were no clear documents on this survey and inspection to update the decision-making of the contracting institution. This is because the resettlement committee in the case of UDG has its own mechanism to monitor project implementation, however the procedure was not strong enough to strictly control the quality; for instance, infrastructure development at the new settlement sites has not been finished.

The Law on Concession 2007 did not mention the maximum land size to be granted, however it designates that the concession period shall not exceed 30 years from the date of the signing of the Concession Contract. Article 37 of this law states that if deemed necessary because of the nature of the infrastructure project, the RGC may approve a longer Concession Period. Nonetheless, it is unclear how the government made the decision to add the additional years to the contract under the Law on Concession. A period of 99 years was contracted to UDG and it looks like the period of the land concession (ELC) in Article 61 of Land Law 2001. In addition, no information was obtained as to why a concession was granted of a size greater than 10,000 ha. It should have clearly specified the maximum size of land that can be granted, for example, Land Law 2001, Article 59, indicates that ELC areas shall not be more than 10,000 ha. On the other hand, the Law on Concession 2007 does not specify the maximum land size to be granted

D. Contract for Land Lease to UDG, 2008

In the contract signed in 2008, the RGC was represented by the Minister of MoE, and the Union Development Group, Co., Ltd was represented by Mr. Li Zhi Xuan, Chair of Board of Directors. The RGC leased 36,000 ha of land in Botum Sakor and Kiri Sakor Districts, Koh Kong Province through the leasing contract (RGC, 2008) and additional 9,100 ha was granted through a sub-decree for dam construction (RGC, 2011). With a total land size of 45,100 ha, questions regarding how this massive size of land was granted and why the leasing contract was made for 99 years remain.

The leasing contract for the agreement between the company and government agency refers to many laws and regulations of Cambodia and is found to be a good foundation for both parties to stay focused on the correct procedures and provisions. In order to analyze the legal meaning of the contract, a few of the twenty-five articles in the contract were picked up to review for this study.

Article 2 in the contract mentions that the leasing period is 99 years and this period can be extended when possible and agreed by both parties. However, according to the Law on Concession 2007, Article 37 “The Concession Contract shall specify the Concession Period, which shall not exceed 30 (thirty) years from the date of signing of the Concession Contract pursuant to Article 13 of this law. If deemed necessary because of the nature of the Infrastructure Project, the Royal Government of Cambodia (RGC) may approve a longer Concession Period”. This has provoked discussion as to why the concession period in the contract contradicted the period in the Law on Concession; if it was necessary to extend it, the exact reason should be shared with the public. The period of 99 years is seen as too long, as it is more than one generation. If the host country has a less strong commitment to oversee a project’s performance through a monitoring mechanism, this can have negative consequences for Cambodians; in particular it affects the livelihoods of the local communities and lack of infrastructure development.

Article 3 of the contract states that the concessionaire has the right to develop the investment location granted in accordance with the master plan and agreement with the government party. This is to clarify that the investment company has right to develop the concession area, but they have no right at all based on Cambodian law to forcibly evict and move people or violate their rights. By law, only the RGC has authorization to deal with people, based on the

law and regulations. For instance, Land Law, Article 5 and the Constitution, Article 44, state that no one can be displaced forcibly without respecting their will and displacement can only be made after compensation is provided.

Article 4 of the contract shapes the conditions to be completed prior to the start date of the leasing period, and clearly states in point 4.1 that the government party will take responsibility for administrative work with affected people to ensure those people will move to a new location based on the law and legal provisions. Furthermore, point 4.2 specifies that the company will be responsible for the provision of the budget for compensation to those who agree to resettle to new locations.

Article 5 of the contract designates the government party to take the role of pushing the company party to construct the necessary infrastructure indicated in the master plan and development program. However, the company also needs to resolve compensation with those who have not agreed within three years, and if there is no solution within this time period, the area will be excluded from the project. Hence, it was observed that compensation was not implemented according to the contract, as the preparation of infrastructure which is part of compensation failed to be executed on time. It has been more than three years (at the time of writing this report) since the people were displaced, and the infrastructure is still not completed yet. This seems to be an example of the weakness of Cambodian Law, with a lack of policies and regulations, and no clear definition of how resettlement should be designed and what procedure should be followed.

It is the role of the government to act as an intermediary and to address and overcome any resettlement issues by ensuring a balance between the interests of the local communities affected by the development project and the investor. Nevertheless, if the position placed with less serious reason weighing; it would become unfair thought. To contribute to the development of the country, the government needs to encourage investment and at the same time find the best way to ensure that it is done with respect and without undermining the rights of and benefits for affected people.

Remarkably, none of the articles in the leasing contract mentioned public participation, particularly by the local people affected by development. Strategies and plans can be developed, however in order to ensure that the response is appropriate and addresses the

needs of the communities affected by development, it is crucial it involves them in the process. Beyond the lack of public participation, there was also no dispute mechanism offered in the contract, which is necessary for people to submit complaints if they are unhappy with any aspect of the compensation that is being offered, or if there is an injustice.

E. Constitution 1993 and Human Rights

There are several issues to be explored including human rights, governance and accountability, participation and self-determination in development, the complexities of resettlement goals, options and strategies, and relevant legal and policy instruments involved in displacement and resettlement issues. There are three things considered to be good practices in resettlement: an emphasis on the means of livelihoods rather than on assets, consideration of an inclusive relationship between people and assets, and disclosure of a negotiated definition of just compensation. There is opportunity for a compensation package which is negotiated with affected people and other stakeholders to bring better outcomes for the resettlement process (Bartolome, Wet, Mander, & Nagraj, 2000).

The state has a fundamental commitment and responsibility to ensure a successful resettlement process. The provision of a one-time compensation payment or facilitated relocation does not yield positive results for the rights and customs of the affected people. Legal ownership and individual claims are the basis of compensation, the general practice is to pay compensation for the loss in fixed assets at an average sales price and the value of exchange rather than value of replacement (Bartolome *et al.*, 2000). It is challenging to determine the amount of compensation at replacement cost, but it is worse if the resettlement and compensation plan fail to consider the livelihood outcome and wellbeing of affected households in the long-term.

The Constitution (1993) highlights the human rights and the need to give consideration to the impact on affected people before implementation of a project by the government and the company. National law in Cambodia is also in alignment with and recognizes international human rights laws and treaties. For instance, Article 31 of the Constitution of Cambodia mentions that “The Kingdom of Cambodia recognizes and respects human rights as enshrined in the United Nations Charter, the Universal Declaration of Human Rights and all the treaties and conventions related to human rights, women’s rights and children’s rights”. Furthermore,

in Article 35 “Khmer citizens of either sex shall be given the right to participate actively in the political, economic, social, and cultural life of the nation”.

The need to respect human rights in accordance with the United Nations Charter, Universal Declaration, and International Covenants and Conventions is one of the clearest provisions in Cambodian law. Notably, Article 35 of the Constitution can be clearly applied to the case of the UDG project, as it states that people have a legal right to participate in the decisions about their social, economic, and cultural life and all these rights should be protected legally.

4.2. Indirect Determinant of Resettlement Schemes

Community participation and attitude are indirect determinants of resettlement schemes. Participation in this context refers to the willingness of the community members themselves to take part in all the stages and processes of the project in regards to the resettlement process, for example, pre-planning, consultation, and meetings, and etc., when invited by the project planner or government. Community attitude refers to the willingness of community members to make the move and whether they have a positive view of life at the new location. In particular, if people are willing to participate, willing to move, and have positive thoughts about the new location, it will contribute to the overall success of the resettlement scheme.

It is interesting to note that all of the households in the study related that they were eager and willing to participate in the meetings held about resettlement and compensation in their communities; they thought that by taking part in the process or attending the meeting they would gain information about the project and the impact on their livelihoods. It appears that the people affected by the project were questioning the potential effect on their livelihoods, especially when they were being displaced. Although many had the opportunity to attend the meetings regarding the resettlement project in their area, a few were not invited or even aware that there were meetings being held in their communities.

Whenever there is a call for a meeting, I always attended because I want to know what they say and what their plans are. I did not dare to express any thoughts or debate in the meeting because I am not good at speaking (villager, IDI).

This information indicates that the community members were happy to be involved and engage in project planning because it is relevant to their decision-making about their

livelihood. Unfortunately, they were not invited to participate at all stages of the project planning, only the meetings that were held to disseminate project information.

All the interviewed households and FGDs have described having no intention or willingness to leave their homes and land where they had been accustomed to living. However, they expressed that they were offered no choice and were forced to move, and without any means to protest the displacement and the resettlement plan for the project. A number of reasons were explored to uncover why people decided to move when they did not want to. The main reason was because people were given no choice; their village and commune chiefs and neighbors had already moved, some of the surrounding homes were already destroyed, and people were afraid of not receiving compensation if they rejected the move “We had no choice because home that we lived in was removed and many of the neighbors had already left, so we cannot resist alone” (villager, IDI). On the other hand, a couple of people explained that they were not forced, and they were happy to move.

In general, households in the interviews as well as in FGDs had negative thoughts regarding the new locations. The majority had concerns about changing their livelihood and environment, which influenced them to feel negatively about the move “For new livelihoods at new location is negatively for my family because this new location is quiet and lack of natural resources as well as unable to do fishing as before, hence my family economic is decreased” (villager, IDI). Through FGDs, people also complained that the livelihoods at new locations were not good as they find it hard to make a living and have not yet adapted a new livelihood strategy. Conversely, a couple of the key informants indicated that there are more livelihood opportunities at the new location because there is increased road access, “unless people are lazy and do not want to do anything (village chief, KII)”.

Community participation and attitude are indirect determinants for resettlement schemes, and the willingness of community members to relocate and to participate is very important. If people have no desire to participate and are unhappy about moving, it is likely to disrupt the project planning. More seriously, when people have negative perceptions towards the resettlement plan or resettlement sites, it can cause the failure of new livelihoods. These kinds of indirect determinants need to be carefully observed and assessed by the project planner, the company making the investment, and with the support of government body in advance.

4.3. Discussion

Key themes identified in the study, including from the interviews, focus group discussions, case studies, literature and legal reviews are presented in this section. This research focuses mainly on the direct determinants of success for resettlement schemes as mentioned in the conceptual framework, they are: 1) public participation, 2) pre-planning, 3) resettlement policy, 4) compensation, and 5) legislation. In addition, indirect determinants were also considered for analysis as important indicators to capture people's willingness and attitude towards the resettlement scheme. An analysis of the formulation and execution of resettlement schemes for the UDG project based on the five determinants follows. Additionally, the key results also bring for reflection the Cambodia context, in order to make the finding adjust and mirror both theory and reality.

First, the UDG project generally failed to involve public participation and conduct consultations with local communities prior to the start of resettlement. No evidence of a participatory consultative process was obtained and insufficient information was shared. Although there were meetings organized in the communities prior to the relocation, there was no effort made to ensure that community members fully understood the content and implications of the meetings. In some cases, families who were affected by the project were not informed or aware of such meetings.

In spite of the fact that Cambodia does not have an administrative structure on public participation in resettlement plan, it is required by law that community consultation must be pointed in the EIA report. With this context, there appears to be no mechanisms in place monitor whether or not the community consultation were properly conducted. The process for community consultation in this case needs substantial improvement. In theory, the project planner needs to involve community members from the beginning of the planning process in order to understand their preferences, needs resources, and decisions in regards to the project. Public participation implies people are well informed about the project, future locations, compensation and available choices.

Most people living in the areas affected by the UDG project had inadequate understanding of their rights under Cambodian law. They did not receive outside support during the transition period, when it was necessary to make the decisions to leave. Efforts were made by NGOs, to

raise peoples' awareness of their human rights, and to support them on issues related to the consultations, however this was after the majority of affected households had already been resettled. While it is positive that many meetings were held in each community to disseminate information, meetings alone are not enough. Public participation without meaningful involvement of all concerned stakeholders does not uphold human rights standards.

Secondly, the findings of this study indicate that there was no involvement of communities or other stakeholders, including local authorities and civil society groups, in the pre-planning period. When the centralisation of much decision making at national level, it creates a burden of distance for communities and UDG company. Rather than not involve in the plan, people were left with limited information or access to information, unaware of their right to participate in the consultative process, and to make their voices and concerns heard. The lack of information about project and the development in their areas completely undermines the capacity of the community to make a decision on whether or not to move to the new location. If communities would have more information about the project in their areas in their language, together with certain and trustable support from outsiders who can help them to understand the information clearly, community would be empowered.

As an essential stage in the development of well-prepared resettlement scheme, pre-planning involves the development of a comprehensive and detailed plan which addresses rehabilitation, and the economic and cultural characteristics of the people being resettled, in addition to monetary compensation. This project gave little consideration to people's concerns, socio-economic characteristics, and strategies for rehabilitation.

At this time there are no regulations or mechanisms in place to monitor resettlement plans. The decision-making power lies with the government and company alone. This leads to poor communication and misunderstanding between the company and communities in resettlement processes. The involvement of affected communities, giving them the opportunity to voice their concerns, needs, and make informed choices, would yield more positive relations between the stakeholders and more sustainable results. For example, "Akphiwat Meanchey" is considered as a good model of a resettlement process in Cambodia since communities and relevant stakeholders were actively engaged in the resettlement process, includes planning and preparation of resettlement schemes. Consequently, community affected is stable and

improve their living and satisfy with their new live after relocation (OHCHR, 2012). Thirdly, the UDG policy designed for resettlement included compensation. The information in the policy focused more on compensation rather than a practical resettlement plan. Key findings indicate that the resettlement and compensation policies were developed through the efforts of a governmental body and the UDG Company, without any other stakeholder involvement. While there is an understanding that the government tried to include benefits for the community under consideration, there was no positive information obtained that the resettlement committee provided future alternative options and both technical and financial assistance to recreate livelihoods for all affected households, including economic and social network support

Ideally, the government is the body responsible for resettlement policy and the provision of alternative options for resettled communities. However, their performance was weak as there was no rehabilitation/income restoration plan in the resettlement policy. A good practice for compensation necessitates careful exploration of many alternative options, with consideration of legal provisions as well as existing best practices from other resettlement schemes, national and international. Furthermore, when eviction is required, it is obligatory that it be undertaken in alignment with the right to adequate housing, as Cambodia is a party to the International Covenant on Economic, Social and Cultural Rights.

Plan resettlement policy in Cambodia appears to be case by case basis dependent on type of project and funding sources. Therefore, the policy designation usually different from one to another and without a national standard for measurement. Remarkably, it was observed that those resettlement policies in Cambodia that used ADB or World Bank loan, these banks required to follow their banks' policy. However, if the project directly invested by China's or other foreign investors, resettlement policy usually determine by government and company.

Fourthly, no positive information was gathered from communities and local authorities as to adequate compensation. Complaints were received regarding transparency, irregularity, and inconsistency, as well as dissatisfaction with the compensation provided. Theoretically, adequate compensation should address social, technical, economic, and political aspects on a wider basis, as well as the need for resettlement policies, country willingness, and capability to handle resettlement effectively. However, resettled people were not properly informed and consulted about compensation. The designation of compensation was made without

considering the actual market prices, and many questions were raised as to why some land owners were left without compensation. As stated previously, resettlement planning is not just about cash compensation, but about addressing the necessary social and economic determinants to ensure the people being resettled will not face decreased livelihood capabilities and opportunities.

Reflecting the actual context in Cambodia, it makes sense that no one wish to move if they will get lower compensation compares to the actual property they have and the situation they live. Economic opportunity and cultural characteristic were concerned when communities are to be moved. That was why the results from the study and theory is matching in the way that resettlement policy should plan to meet at least the same livelihood or condition that people used to have before. In this practical scenario, income restoration and livelihood improvement programme should have planned a head and ensured every resettled households will get used to the new environment and make a living as before moved.

Fifthly, many laws and regulations in Cambodia were applied to the resettlement schemes of UDG. Legal provisions have made the process more respectful of human rights; however the practice of law enforcement is weak in regards to the implementation of resettlement schemes in Cambodia. Cambodia does not have a specific law or national standards to regulate resettlement schemes; instead the schemes usually depend on the type of project and funding sources. Moreover, there is no procedure to guide public participation and no definition of fair and just compensation. On a case-by-case basis, a land concession lease is prepared and the contract signed without any strict procedures. Government policies and regulations should be strengthened to protect the rights of people who are required to be resettled.

By law (Article 40 of the Law on Concession 2007), the contracting institution is responsible for ensuring that a concession agreement is properly enforced, and must establish mechanisms and procedures for monitoring and regulating the implementation and performance of the leased contract. Therefore, a monitoring mechanism is in place for the government, but it is not really powerful in its procedures and implementation. There is no information if the owner of the project has their own mechanism and plan to clearly monitor their work.

Moving beyond the law to practice, the case of UDG represents a negative story of displacement, since human rights' were not respected and protected. The affected communities were excluded from all stages of the project, including pre-planning, public participation, and expression of concerns and giving free, prior and informed consent. People affected by the UDG project should have been properly informed and had the chance to participate in discussions and learn what their options were well before making the decision of whether or not to leave their land.

From the information gathered from different respondents in the study, it is likely that community members failed to receive enough knowledge and information about the project prior to the decision to move. If people have a good idea or a clear picture of what their lives at the new locations look like, they would feel more confident to express whether or not they are happy to move. The government body clearly stated that information was given to the community before the resettlement began, but to what extent people could understand the information is not their responsibility. Hence, the indirect determinant factor negatively impacted the success of the resettlement schemes.

Cases like UDG where resettlement is unavoidable have happened in other locations across the country where large-scale projects are being set up. Regardless of whether it is a large or small-scale project, there should be a critical balance between the benefit and needs of the people and the country, in the design of resettlement schemes that can be implemented properly. This requires resettlement schemes that fully involve and respect the people affected by resettlement, through their meaningful participation coupled with respect for human rights and free, prior and informed consent.

5. Conclusion and Policy Implications

5.1. Conclusion

Since Cambodia is aiming to increase development, attracting investment is one of the key strategies for growth. For instance, granting a large-scale land lease to Union Development Group Co., Ltd to generate benefits for the country to accelerate revenue, increase employment, and develop the rural areas. However, many debates were raised on how the investment project or the responsible persons dealt with the alteration of socio-economic

impacts related to the loss of the income and other livelihood opportunities of resettled people. In order for development to be sustainable, it must be rights based, and underpinned by principles of participation, equality and accountability.

This research used a framework of five key determinants— public participation, pre-planning, resettlement policy, adequate compensation, and legislation, identified as key factors to determine the success of the preparation and operation of resettlement schemes. This study indicates a less than stellar performance by the UDG project towards the formulation and execution of resettlement schemes. Though there was a focus on direct determinants, indirect determinants such as people's willingness to participate in the process and their attitude towards the new location for resettlement were also critical factors, as indirect determinants.

The findings of the study reveal that there was no public participation or consultation with the people affected by resettlement preceding relocation. The person accountable for the dissemination of information confirmed that no public consultation was conducted and no attempt was made to keep communities well informed. Due to this strong restriction on availability of information about the project development, the resettlement policy and compensation, the vast majority of affected households and local authorities had very little awareness or understanding of the agreement for the lease of land in their area. Families in the leased areas could not give informed consent.

The project implementation process excluded the people affected by resettlement, particularly from the pre-planning stage and displacement processes. In this regard, there is an immediate need to bridge the gap between policy and law, and to raise awareness about the rights of people to participate in all stages of the project development and implementation and ensure monitoring of the project performance by the government. Additionally, the resettlement and compensation plan was developed between the government and company without any voice of the community and a lack of concern, about their needs as well as economic and cultural characteristics. Unfortunately, there is no national standard to regulate activities because Cambodia does not have a specific national resettlement policy or law addressing these issues.

The execution of compensation was reported to be inconsistent and irregular. Respondents in the study were mainly dissatisfied with compensation. As a result of inadequate compensation and lack of effective planning, their income is now decreasing due to difficulties in adaptation to a new environment that is inland, compared to their coastal homeland. Furthermore, infrastructure development is not yet completed, even though the communities were resettled several years ago. Critical work is needed to develop law or policy on resettlement and compensation in Cambodia to ensure standard procedures and regulation. This includes a mechanism to facilitate the meaningful participation of people and ensure their free, prior and informed consent on development projects.

In conclusion, the five determinants of resettlement were not fully functioning in the formulation and execution of the resettlement schemes for the UDG project. Additionally, indirect determinants captured in the analysis have contributed as a function of negative attitude and willingness. Consequently, the resettlement schemes of the UDG project were executed in an inappropriate and unsuccessful manner in regards to the livelihood of the relocated communities at new resettlement sites. Though reflecting theory and research results generate unsuccessful performance of UDG resettlement schemes, the result also reflect reality of the resettlement issues in Cambodia context for further consideration.

5.2. Policy Implications

Legal analysis of the related laws in Cambodia and the key findings in the study uncovered significant implications of law and policies which regulate the performance of investment in Cambodia, as well as protecting the rights of the people. Law is constantly evolving, and amendments or modifications are necessary to strengthen outcomes and practice effectively. This study recommends the following policy considerations as lessons learned from the UDG case:

- **Law on resettlement and compensation should be established.**

As indicated in the legal section, Cambodia does not have a specific national law or policy to regulate resettlement and compensation practices. Consequently, there was no national standard to follow and guide the development of resettlement and compensation for the UDG project.

- **Legally define the term “fair and just compensation”.**

The term fair and just compensation can be found both in the Land Law 2011 and the 1993 Constitution, but there is no clear definition of the term, and no guidance on how to deliver fair and just compensation. It is a challenge when terms are interpreted in different ways; for example in the case of UDG, the community members thought they had not received fair and just compensation from the UDG project, but the government ministry said it was satisfactory.

- **Legally define the term “public participation and consultation”.**

In the case of UDG, all target respondents indicated that there were a number of meetings held in the communities to disseminate information, but no public consultation was undertaken. Many were not aware of the need for public consultation prior to relocation; however it is foundational for full and informed prior consent. Moreover, this definition should include public participation; people were excluded from pre-planning and other stages of the process.

- **Provide all full, clear, and easy access to information to the affected communities about the project and plan in its entirety as it relates to them, and ensure communities fully understand the information and have enough time for decision-making.**

The study found that both community members and local authorities had little information about project and could not access information from other sources, only meetings where they did not comprehend the full meaning. Furthermore, many of them had received information by word of mouth, which is not reliable, and they did not have complete or adequate knowledge to base their decision on.

- **Ensure communities are able to give full and informed consent, free from violence, force or coercion.**

Many of the people affected by the UDG development project explained that they were unhappy with resettlement, while others were forced to move with little compensation, and

with no choices. People have the right to freely decide with options and without force or any form of violence.

- **Consider the establishment of a robust monitoring and evaluation mechanism for investment projects and to examine resettlement plans critically and effectively.**

Currently, there is a weak mechanism to monitor the activities of investment companies, which leads to the implementation of poorly planned resettlement and compensation schemes. For example, infrastructure development was neither well prepared nor completed at the time of fieldwork. The government has been pushing the company only slowly to increase the level of their activities, not immediately.

- **Design an income restoration/rehabilitation program and ensure its inclusion in resettlement projects where displacement is unavoidable, such as the case of the UDG project.**

All stakeholders in the study admitted there was no income restoration/rehabilitation programs offered to the resettled people. Insufficient legal protection, coupled with poor adaption to the new environment as a result of a complete change in from a coastal to inland setting, greatly increased the risk of a negative impact on livelihood. An income restoration program is essential to identify the potential challenges and needs of the community members, in order to assist them to retain or increase their livelihood capabilities.

- **Consider the environmental, economic and cultural characteristics of the community before moving people.**

The household livelihoods of the resettled community members were strongly attached to coastal living conditions and culture; the evicted households found it challenging to adapt to the new conditions of living after being relocated to an inland environment. None of the community members had experience living in an inland environment and they received no assistance. A large investment in time and energy was necessary to adapt their lives to the new living conditions, and they had no time to practice their inherited culture and maintain relationships with other people in the village.

- **Define the maximum size of land to be leased and time period for a concession agreement in the Law on Concession.**

The Land Law does contains one article that addresses the maximum size of land and period of time to be granted, however, the Law on Concession, which the case of the UDG falls under, does not. A limitation on the maximum size and timeframe of land leasing increases the control and management over land concession and the impacts on communities.

- **Choices, fair and just compensation, and transparency, are key aspects in the resettlement plan and compensation package that should be offered to people affected by development projects, as well as a negotiated agreement.**

The people that were resettled appeared to have no choices; they were required to move to the new locations. There were many different stories about compensation and how the community members were moved, and which were mainly negative experiences, as can be found in the findings section.

- **Infrastructure development should be undertaken in advance by the resettlement project planner and in consultation with affected households.**

The leasing contract for UDG required infrastructure to be built before moving people; however, at the time of fieldwork, the construction of infrastructure was still in progress. This should have been complete prior to the displacement. Some people had made the decision to move based on the opportunities offered by the development of infrastructure, while in fact, they were disappointed and shocked by the company's treatment of them at the new sites.

- **Establish a dispute mechanism for the UDG case so that community members can easily file complaints and obtain a just and effective resolution.**

This does not mean that complaints filed by affected people have to be won, but that there is a mechanism in place that is able to provide a fair, just and safe space for the people to access. The mechanism would need to address and overcome any issues of contention between project planners and community people regarding resettlement. This requires clear communications and assistance to ensure people know how to access support when they are unhappy with resettlement, compensation or any other issue

▪ **Recommendations for areas of further research:**

- This study put focus on the performance of UDG resettlement schemes, rather than answering if the failed livelihoods of the resettled people were a result of this type of resettlement. Of course, previous studies have examined the impact on livelihoods, but there is a need to conduct a large-scale survey with a proper methodology to determine whether or not, and better understand how, the livelihoods of resettled people changed after moving to new locations.
- This study could not access the EIA of UDG project, so there is no critical analysis on whether the EIA for UDG project as a whole conducted the correct processes and procedures based on legal and regulatory frameworks. Thus an analysis of EIA performance is one of the recommended topics for further study.
- It would also be useful to study the relationships between resettlement and migration, since many households in the study areas had already migrated from other areas.

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MINZAS program is a partnership program of Mekong Institute and New Zealand Embassy in Bangkok. The objective of this program is to enhance research capacity of young GMS researchers by providing a structured learning and field research application program for 36 master's degree students from provincial universities in Cambodia, Lao PDR, Myanmar and Thailand.

Through a comprehensive supports – trainings, roundtable meeting, constructive advices from MI advisors including financial supports – which are to be and have been provided to scholarship grantees, students' research skills and conduction of research deem to be developed. The completed research works will be published in 'MI Working Paper Series' and disseminated to related agents among the GMS.

The MINZAS Program is designed for 3 cycles; each cycle lasts for one year with 4 phases:

- Phase One: Training on Research Methodology
- Phase Two: Implementation of Sub-regional Research in Respective Countries
- Phase Three: Research Roundtable Meeting
- Phase Four: Publication and Dissemination of Students' Works in 'MI Working Paper Series'

The research cycle involves:

- One month training course on GMS Cooperation and ASEAN Integration, research development and methodology. The students will produce their research designs and action plans as training outputs;
- Technical assistance and advisory support to MINZAS scholars by experienced mentors and academicians in the course of the research process;
- The scholars will present their research papers in a round table meeting attended by subject experts and their peers;
- Scholars will revise their research papers and improve as necessary, based on experts and peer review during the roundtable meeting;
- Publication of reports as MI working paper series.

Mekong Institute (MI) is an intergovernmental organization with a residential learning facility located on the campus of Khon Kaen University in the northeastern Thailand. It serves the countries of the Greater Mekong Subregion (GMS), namely, Cambodia, Lao P.D.R., Myanmar, Thailand, Vietnam, Yunnan Province and Guangxi Zhuang Autonomous Region of PR. China.

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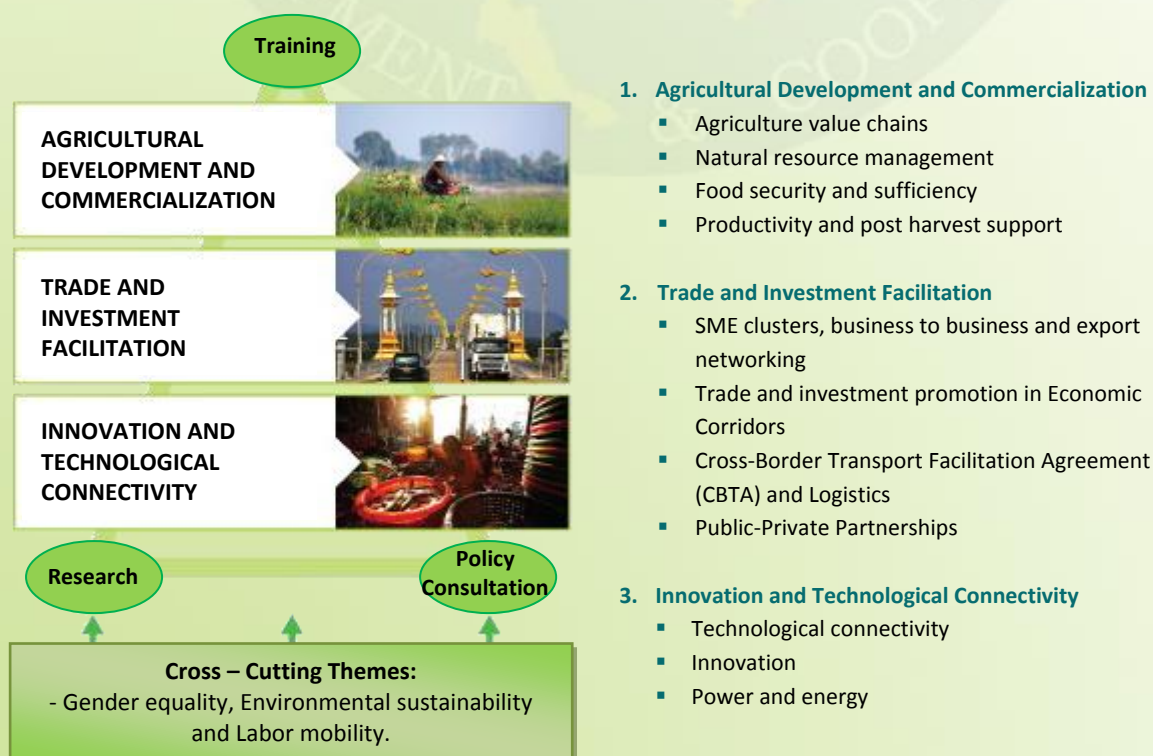
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