



The Credibility Gap – and the Need to Bridge it

Increasing the pace of forestry reform

1. RECOMMENDATIONS

The Royal Government of Cambodia should use the opportunity that the June 2001 Consultative Group Meeting (CG) in Tokyo provides to restate its commitment to forestry reform in Cambodia. Demonstrable progress in the areas highlighted in these recommendations could be used as a measure of this commitment, and of the rate of reform.

The Royal Government of Cambodia should:

- Ensure that politicians and government officials declare all financial/familial links to the forestry industry, if any.
- Encourage transparency in relevant government departments and ministries.
- Increase the involvement of the Ministry of the Environment (MoE) in forestry reform.
- Ensure that officials within the Ministry of Agriculture Forestry and Fisheries (MAFF) and the MoE efficiently detect, investigate and suppress illegal logging and forestry related activities, in particular those of concessionaires and corrupt officials.
- Ensure that perpetrators of forest crime are prosecuted to the full extent of the law. Officials found guilty of forest crimes should not be allowed to return to their posts.
- Ensure that the draft Forestry Law is consistent with all current legislation and incorporates the results of public consultation where appropriate.
- Develop a nationwide strategy to record and dispose of old logs in a way that does not encourage renewed cutting. Destruction may be the only viable option.
- Ensure that sustainably harvested timber is made available for domestic use at an affordable price.
- Prioritise for demobilisation any Royal Cambodian Armed Forces (RCAF) soldiers currently employed by concession companies.
- Ensure that land concessions for agro-industry are not granted in forested areas.
- Recognise the role of resin production in forest resource preservation and poverty alleviation.
- Consider preserving the Prey Long as a World Heritage Site.
- Clarify the status of the development of CITES legislation and the implications it has for the development of laws concerning wildlife.

In relation to concessionaires the RGC should:

- Place a moratorium on logging until the new concession contracts are signed and the new management plans are in place.
- Suspend all concession related activities for the duration of investigations when significant illegal activities or irregularities by concessionaires are discovered.
- Cancel the contracts of those concessionaires that continue to log outside their coupes, illegally inside their coupes and transport or process illegal timber.
- Ensure that the new concession agreements include a clause allowing the RGC to cancel the contract if the concessionaire is in serious breach of contract.

- Inform all concessionaires that they will be held responsible for the actions of all their employees, and those of their sub contractors and sub contractors' employees. This should include not only include actions related directly to concession operations but also conduct during discussions with local people.
- Penalise concessionaires that refuse to give the Department of Forestry and Wildlife (DFW) and/or the Independent Monitor immediate access to concessions, log rest areas and processing facilities to carry out inspections.
- Ensure that the new concession agreements recognise the right of the DFW and the Independent Monitor to have immediate access to concessions, log rest areas and processing facilities to carry out unannounced inspections. This should include penalties for non-compliance.
- Notify all concessionaires of the customary right of local people to collect resin and prohibit the further cutting of resin trees by concessionaires.

The Department of Forestry and Wildlife (DFW) should:

- Set out in detail the current procedure(s) for the granting of concessions, cutting permits, log transportation permits and sawmill licences. This should include a list of those people who are authorised/required to sign documents at each stage in the process.
- Maintain a list of all legal concessionaires and sawmills currently operating. The list, together with maps showing concession boundaries and sawmill locations, should be made available to the public.
- Prioritise the maintenance of the Case Tracking System (CTS).
- Ensure that Global Witness' crime reports are distributed to all relevant parties, including both the DFW and the Department of Inspection (DI) and that the information contained in the crime reports is entered on the CTS.
- Set out in detail the current procedure(s) for the collection and disposal/sale of illegally harvested logs. This should include a list of those people who are authorised/required to sign documents at each stage in the process.
- Impound any logs found to be incorrectly or unclearly labelled or stamped and fine the company as appropriate. If a log cannot be identified in the log list for whatever reason it should be deemed illegal.
- Replace the current log tracking procedures with a system that works, is not open to abuse and ensures complete chain of custody from the forest to the mill.
- Replace hammer stamping, as a means of log marking, with a more reliable system.

The international community should:

- Maintain the link between non-humanitarian aid disbursements and demonstrable progress in forestry reform and reduction in forest crime.
- Continue to work with the RGC, providing both financial and technical assistance in achieving these reforms.

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2. INTRODUCTION

THIS IS THE FIRST major report that Global Witness has published since *Chainsaws speak louder than words* in May 2000. As such it gives an overview of the major forest related issues in Cambodia and details incidents of illegal logging throughout the country, over the past year. It also examines the role of the Royal Government of Cambodia (RGC) in the reform process—in some respects the driving force behind it but in others a seemingly reluctant participant. Lack of progress in key areas reflects badly on the government's overall commitment to reform: this is 'The Credibility Gap'.

The government has made significant progress in forestry reform in recent years, most notably ridding the country of the worst excesses of anarchic logging. The formation of FCMU, the commitment to passing a new forest law and to establishing new concession agreements and management plans should also be applauded. If handled correctly, these elements, together with initiatives such as the preservation of the Cardamoms, should ensure that in future the forests are preserved and managed sustainably for all. The prospect of sustainable forest management in Cambodia would have been unthinkable two years ago. Now it is a distinct possibility, but there are several issues that need to be addressed if the 'normalisation' of the industry is to continue.

The first year and a half of the 'crackdown' saw a dramatic decrease in illegal logging, but the 2000/2001 cutting season has seen levels rise again. Large quantities of logs have crossed into both Thailand and Vietnam in recent months and concession companies such as Everbright and Pheapimex have continued to cut illegally. The military still control much of the illegal logging throughout the country, either on behalf of the concessionaires or as a private venture. At the same time it is the military that is charged with the task of bringing illegal logging under control.

The basic premise of 'The Untouchables', Global Witness' December 1999 report detailing the activities and impunity of the major concessionaires, remains true. Whilst there is reason to believe that some of the concession companies are interested in meaningful reform, it is the activities of legal concessionaires that represent the majority of illegal logging in Cambodia. The fact that these companies still log illegally without fear of meaningful intervention remains the greatest threat to Cambodia's forests, and demonstrates that the political will of the RGC has yet to be fully matched by the actions of relevant authorities.

This report highlights certain areas where the government could make a significant impact on forest reform with minimal resources other than political will. It is essential that the government reconfirms its commitment to forestry reform at the forthcoming Consultative Group (CG) Meeting in Tokyo, and that the international community supports it in its effort to drive the process forward.

The Credibility Gap



3. SUMMARY

The Credibility Gap

The government's stance on forestry reform lacks consistency. On the one hand initiatives such as the FCMU, the commitment to a new forest law, better forest management and the preservation of the Cardamoms suggest that the RGC is really serious about reform. On the other hand the relative failure to deal with corruption in forestry, the secretive nature of MAFF/DFW and the impunity enjoyed by certain concession companies makes the government's stated commitment to reform less credible.

Corruption and conflict of interests

Corruption is still a feature of the logging business in Cambodia from the forester in the field to the high level official. Corruption undermines all aspects of the reform process and the many honest individuals working in forestry are tainted by association. The government appears reluctant to accept that this is a problem and until it does, corruption will persist. The government could take concrete anticorruption measures, for instance by incorporating a clause into the new concession agreements making it an offence for a logging company to pay a government official. The discretionary powers of officials should be reduced and officials and politicians involved in forestry reform should declare any financial or familial links that they have to the industry.

The Forest Crime Monitoring Unit (FCMU) and DFW

The success of the FCMU and the concept of independent monitoring is being looked at worldwide as a model for forest reform. There is a need to build on the success of the past year by increasing cooperation and trust between the three integral elements of the FCMU. In particular the reluctance on behalf of DFW to share information with both the Independent Monitor and the Department of Inspection is restricting progress. The Case Tracking System (CTS) is not simply a database of recorded forest crimes and subsequent actions, it should be used as a tool to prioritise action and act to increase transparency and accountability. As such it is integral to the entire project and should be allocated the appropriate resources particularly in terms of manpower.

DFW practice and procedure

The rules and regulations concerning the granting of concessions, cutting licences, sawmill licences, and transportation licences are not freely available. It is not clear if they simply do not exist or if DFW is reluctant to make these procedures open and transparent. As a result DFW/MAFF are less accountable, there is confusion and monitoring is made more difficult.

The current process of log tracking does not work and the hammer stamping system is so open to abuse as to be worthless. Illegal logging by concession companies will not be stamped out until there is a mechanism in place that ensures complete chain of custody from the forest to the mill.

Policy issues

The government has still not addressed the issues of domestic timber supply and old logs.

Local people cannot afford timber under the current concession-based system. They are therefore forced to obtain timber from an illegal source. This can bring local people into conflict with logging companies, it diverts resources away from tackling more serious forest crimes and risks losing public support for the reform process.

There are thousands of genuinely old logs in Cambodia but no inventory has been compiled and how to dispose of them in a manner that does not encourage renewed cutting has not been

determined. Disposal of old logs takes place on an ad hoc basis; reclassifying them as 'confiscated logs' and thereby avoiding the restrictions imposed on the movement and sale of old logs does not solve the problem.

Re-designation of forests

In some instances it may be appropriate to take forests out of the concession system. In several provinces there is a thriving resin trade. This non-destructive and therefore sustainable trade supports local economies and encourages forest preservation. The government is making significant progress in its efforts to conserve the Cardamoms and should consider whether other areas such as Prey Long and the dry deciduous forests of Mondulkiri should be protected. An active conservation programme could encourage tourism. Industrial logging never will.

Further reform

The progress of the forest law has been slow but it is more important to ensure that it is a good law than risk pushing it through too quickly. There are a number of key improvements that need to be made, such as reducing the discretionary powers of MAFF. It is also essential that the role that ministries other than MAFF, notably MoE, have to play in managing the forest resource are recognised. Land tenure questions need to be addressed and the rights of local people increased.

The draft model concession agreement is a great improvement on the existing agreements but still favours the concessionaires at the government's expense. The government should be able to cancel the contract for certain named serious breaches. The contract does not guarantee truly sustainable forest management practices and the rights of third parties should be increased.

Wildlife

The demand for wildlife for food and medicinal purposes in neighbouring countries is putting unprecedented pressure on Cambodian wildlife. The cross border trade in threatened and endangered species is thriving and despite numerous crackdowns, wildlife markets in Cambodia do not stay shut for long. The passing of the new wildlife law in the near future should help this situation and the government's recent initiative to reduce biodiversity loss should be applauded.

Illegal logging

The government crackdown on illegal logging has been successful to the extent that the truly anarchic element that was a feature of the trade a few years ago has been much reduced. However over the past year the incidence of illegal logging has been on the increase. This is particularly noticeable in the operations of the concession companies that were relatively quiet immediately after the 'crackdown' and during the ADB concession review. The recent illegal logging by Everbright in Kratie and the failure of the authorities to conduct a successful investigation is a great concern. It may be possible to reform some of the concessionaires but many are beyond redemption. It is these 'untouchables' that enjoy the closest links to high-ranking politicians and officials.

Cross border trade is generally at a low level but the recent highly publicised cases in Koh Kong and Mondulkiri and the planned export of old logs from Pailin in 2000 again suggest that the crackdown is becoming less effective. Neighbouring countries appear to be doing little to help Cambodia in its efforts to stop the small-scale but almost constant export of processed, frequently luxury grade, timber.

The amount of illegal logging by individuals, the military and other groups also appears to be on the increase. Some of this at least could be prevented by addressing the problem of lack of timber for the domestic market.

4. CORRUPTION AND CONFLICT OF INTERESTS

GLOBAL WITNESS BELIEVES that corruption, at both a high and low level, is the biggest obstacle to the significant progress made by the government in eliminating forest crimes being built upon. The issue of corruption was raised by Global Witness in its January 2001 briefing document, and was met by denial and threats to throw the Independent Monitor out of Cambodia^{1,2,3,4}. Before corruption can be tackled the government, and DFW in particular, has to accept that there is a problem. Acceptance should be followed by a clear statement of intent to root out corruption at all levels and to support the reforming elements within the relevant ministries and departments.

The financial, and in some cases familial, links between some senior politicians, civil servants, the concession companies and the people who run them are widely known or suspected but extremely difficult to prove.

Pheapimex has three forest concessions and two agricultural concessions that Global Witness knows of (this excludes the proposed development of a golf course in Kirirom National Park) totalling 1,023,753 ha or just under 6% of Cambodia. The company has perhaps the worst record of illegal logging and bad forest management in Cambodia. In January 2001, it had cutting permits for all three of its concessions—no other concessionaire had been given permission to cut at this time. Such a situation is not acceptable and undermines the government's credibility as an administration interested in forest reform.

At the grass roots level, many DFW and RCAF staff are paid directly by the concessionaires considerably more than they are paid out of the public purse. This is obvious to anyone with any knowledge of the forestry sector in Cambodia. The ADB concession review report for instance recommended that *"all further direct involvement of DFW staff for forest management or other services to concessionaires should be prohibited and, thereafter, any staff receiving such payments should be disciplined."*

Global Witness has information that could lead directly to the dismissal of low ranking officials in both DFW and RCAF, but has chosen not to submit it to the FCMU. Although corruption should never be condoned, Global Witness believes that the benefits of singling out individuals are outweighed by the danger that doing so could put those individuals in from those who have an interest in preserving the current system of patronage.

There are certain, more effective, measures that the RGC could take to address the problem of corruption or perceived conflicts of interest. For instance, all politicians and civil servants with a financial interest in, or familial link to a concession company should make this information public. At a procedural level the opportunities for corruption should be removed. This could be achieved by making relevant legislation, rules, regulations and procedures as simple as possible and removing discretionary powers.

The payment of foresters by concession companies should be stopped and these unofficial payments factored in



The face of forestry reform? Security at Mieng Ly Heng; January 2001

to the current discussions on the level at which to set the royalty rate. Any increase in the royalty rate could then be directly reflected in increased salaries for foresters, with the result that they would no longer owe their allegiance to the concession companies but to the department. The removal of such, unofficial, payments would also be welcomed by the progressive concession companies that are tired of being beholden to individual foresters.

It is also common practice for security within the concessions and processing facilities to be provided by serving members of the RCAF. Given the government's current demobilisation programme, it would be appropriate for military personnel working for concessionaires to be prioritised for demobilisation as they are already in paid employment.

DFW suffers from a lack of capacity and a lack of resources, but Global Witness believes that these problems, particularly the lack of capacity, have been overstated and that it is corruption that is the major cause of the authorities' relative lack of success in tackling the illegal activities of the concession companies and high-ranking officials.

5. THE FOREST CRIME MONITORING UNIT AND DFW

THE SUCCESSFUL ESTABLISHMENT of the Forest Crime Monitoring Unit (FCMU) is a testament to the political will of the RGC to implement a crackdown on forest crimes. At the April 2nd-3rd Pre-Ministerial Meeting on Forest Law Enforcement and Governance, in Jakarta, the success of the government/independent monitor model used in Cambodia was widely praised. The project is the first of its kind in the world and its success is stimulating interest in applying the model in other countries, for example Cameroon.

The UK Department for International Development (DFID) recently confirmed that it would commit a further £600,000 to finance the FCMU for the remaining two years of operation. This is obviously good news for the project, but there are certain changes in the way the unit operates and the way it cooperates with DFW that need to be implemented to justify such an investment.

The FCMU is made up of three parts: the Forest Crimes Monitoring Office (FCMO) in the DFW, the Department of Inspection (DI) in the MoE and the Independent Monitor. Each element has a distinct role: monitoring forest crimes in production forests; monitoring forest crimes in protected areas; and monitoring government action against forest crimes, respectively. There is currently little cooperation between the three elements. This must change if the project is going to build on the successes of its first year of operation.

Information sharing

There is a general reluctance on the part of the DFW to share information with both the DI and the Independent Monitor—for example, maps and procedural details. This information is crucial to the work of both Global Witness and the DI and could be made available without any effort on the part of DFW. By making such information freely available—not just to the partners in the FCMU, but also other agencies and the public at large—the DFW could make a significant contribution to increasing the overall efficacy of the project, and through this, and the wider dissemination of information, play a significant part in reducing forest crime.

It is not clear if DFW's reluctance to share information with DI and the Independent Monitor is simply because it mistrusts the project partners or if—in some cases at least—the information does not exist. For instance, Global Witness requested the procedure for log hammer stamping (see *Hammer Stamping and Log Tracking*, p. 6) only to be told that the procedure had not yet been written down as it was still being tested. Global Witness has also asked for information relating to the procedure for granting concessions, cutting permits, transportation licenses, and sawmill permits but without success. It is essential that these procedures are committed to paper and made publicly available. If this is not done one would have to question the department's commitment to increased transparency and further reform of the forest sector.

Crime reports and case tracking

Global Witness has not been informed of the findings of DFW's investigations into the allegations made in Global Witness' crime reports. Without this feedback it is impossible for the Independent Monitor to know whether or not DFW is taking any action and therefore evaluate the seriousness with which the department treats these incidents of forest crimes. DFW does not routinely acknowledge receipt of the crime reports and there has only been one written response to the 18 crime reports submitted by Global Witness since December 1999.

None of Global Witness' crime reports were originally entered onto the Case Tracking System (CTS) and none were passed on by DFW to the DI. Global Witness was told recently that 112 cases originating from these crime reports have since been entered but has been unable to confirm this. The original omission has been explained by the inability of the data-inputters to read English. However, many people in the department are fluent in English and DFW could demonstrate its commitment to the FCMU project by ensuring that the appropriate human resources are allocated to it. This is not the only instance where the department has attributed the limited success of an aspect of forest reform to a lack of staff capacity when other explanations would be more credible.

Although in many instances DFW has acted on the information in the crime reports, the CTS is central to the success of the entire project and the fact that information provided by Global Witness was not being entered on to the CTS is of great concern. The CTS is not just a database of forest crime, it is an important tool for prioritising action and increasing both the transparency and the accountability of all agencies involved.

Relations between DI and Global Witness are good. Cooperation between Global Witness and DFW improved markedly in January 2001, prior to the dispute with the RGC. It is hoped that discussions between Global Witness and the government will ensure that there is closer cooperation for the remainder of the project.

6. DOMESTIC TIMBER SUPPLY

THE CURRENT SYSTEM, whereby concessionaires are required to provide 10-20% of their harvest for domestic use, does not work. The price of timber provided for domestic use includes tax and royalties, making it unaffordable to locals. People, therefore, have no choice but to cut timber themselves. This is illegal. Also, in most instances the only local source of timber is a forest under concession, bringing local people in to conflict with concession companies. The companies have frequently dealt with this 'illegal logging' in an extremely heavy-handed manner, resulting in the confiscation of villagers' ox carts (see *GAT International*, p. 36 and *Mieng Ly Heng*, p. 37).

The current state of affairs risks alienating the Cambodian public and losing its support for the forestry reform process by making criminals out of otherwise law abiding people. Also, the prevention and suppression of 'forest crimes' perpetrated by local people out of necessity ties up resources and manpower and therefore reduces the authorities' ability to tackle more serious forest crimes.

The RGC has made little progress in this area to date, despite having its attention drawn to the problem on numerous occasions in recent years. Finding a solution should be high on the government's list of priorities.

Confiscated ox carts, Mieng Ly Heng; January 2001



7. HAMMER STAMPING AND LOG TRACKING

CAMBODIA'S SYSTEM OF LOG LABELLING and hammer stamping is woefully inadequate for the effective tracking of logs and is widely abused.

Log Labelling

Log labelling in Cambodia takes place prior to felling when, if procedures are followed, two plastic or metal plaques are nailed to the tree. Both plaques should contain identical information peculiar to that tree: the concession; the coupe number; the block number and the tree number. When the tree is felled, the cut should be made between the two plaques, leaving one on the stump and one on the log. If the log is cut into pieces, each piece should be labelled—A, B, C etc.—and have a duplicate plaque attached to it. Each piece should be scaled and the information recorded in a log list.

The log list is a record of all timber legally felled in a concession. The information in the list includes the species and the dimensions of the log. Each log has a unique log number, and if any given log is not on the list it is not legal.

It should be possible to look at the plaque on a particular log and look up the corresponding information in the log list. In theory, this means that it should be possible to track a log from the forest to the mill and at all stages in between, but the reality is somewhat different. The main problem is simple: the tags fall off. Even if the tags don't fall off, DFW's checking is far from adequate. In particular, checks are not made at the processing facilities⁵. This is an astonishing oversight.

System abuse

Global Witness has seen logs that: do not have plaques; do not appear in the log list; have more than one plaque; appear in the log list but with measurements that do not coincide with those recorded in the log list. In each of these instances, the log should be considered illegal unless the concessionaire can prove otherwise. This is not currently the case and DFW does not appear to be picking up on these discrepancies. If DFW does not introduce more reliable means of checking the chain of custody, the government will continue to lose thousands of dollars in the form of laundered logs.

Hammer Stamping

Hammer stamping is the process by which a circle, containing a number and text, is embossed on to the end of a log by a forester, with a hammer specifically designed for the purpose. The head of the Forest Management Office told Global Witness that the procedure for hammer stamping logs has not yet been written down because it is still being tested. Consequently, no one – including the Independent Monitor—has a clear idea of what the system actually is. Monitoring and enforcement are thus almost impossible.

One stamp indicates that a log has been scaled and three additional stamps that the royalties on it have been paid. However, when exactly each stamp should be applied—in the block, the coupe, the concession area, or in the rest area—is unclear. Indeed, different officials seem to have different ideas on the correct protocol.

System abuse

Logs at the company mills should have four stamps. However, inspections of processing facilities by Global Witness, in January 2001, revealed large quantities of both unstamped logs and logs with fewer or more than the requisite

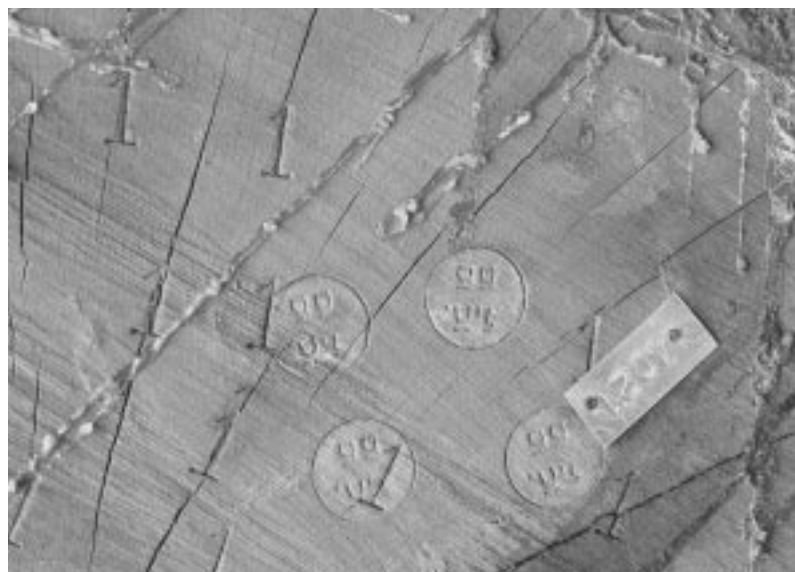
four stamps. There were also instances where the stamps could not have been applied in the manner that the foresters described. When this was pointed out the story was changed to fit the information. Stamps were also frequently so faint that only part of the outer embossed circle could be seen. This is obviously very easy to fake, but was not something that the foresters that Global Witness accompanied on the investigations considered to be a problem. If a log does not have the requisite number of stamps, or if the stamps are unclear, the log should be deemed to be illegal, unless the concessionaire can prove otherwise.

In addition, Global Witness has evidence that logs are being stamped illegally at plywood factories around Phnom Penh. It is unclear whether the companies involved are paying foresters for the use of the official hammers or if the hammers have been forged illegally.

The way forward

No government seriously interested in reducing the amount of illegal logs in the legal log trade or maximising revenue capture from this trade would use the hammer stamping system: it is worse than useless. In the short term, the current procedure for log labelling and hammer stamping should be committed to paper to eliminate the existing ambiguities and resulting confusion. In the short to medium term, DFW should look at alternative methods of log identification and tracking that are less open to abuse and that ensure complete chain of custody from the forest to the mill.

Four clear hammer stamps, Kingwood factory; January 2001



Not clear but still acceptable, Everbright factory; January 2001



8. RESIN TREES

MONITORING OF FOREST crimes in Cambodia has focused almost exclusively on the physical acts of illegal logging and timber processing and marketing. The communities who are directly impacted by these acts have remained, for the most part, invisible.

The impacts of legal and illegal logging activities on local communities are enormous. One such impact, which has come to light particularly in recent months, involves the loss of an important livelihood for people living in and near forest areas, namely the collection of liquid resin (*chor toek*).

Liquid resin is collected from several dipterocarp species, most commonly the *Dipterocarpus alatus*, which dominates Cambodia's evergreen and semi-evergreen forest areas and is one of the most common trees to be logged. Holes are cut in the bases of the trees and the resin, which accumulates in the holes, is scooped out every three to seven days. The holes are burned out following each collection to increase the flow of resin. Hundreds of thousands of trees with blackened holes in their bases can be found all over Cambodia—including around the Angkor Wat temple complex.

Resin is an economically valuable commodity both in Cambodia and abroad. Its most important use is waterproofing and protecting the wooden boats used by fishermen and traders in Cambodia and other parts of Southeast Asia. Resin produced in Cambodia feeds the regional boat building industry and large quantities are exported, primarily to Vietnam from where some is reportedly re-exported to China and other countries.

Recent research conducted by the NGO Forum estimates that families living in forested areas earn at least 150,000 to 200,000 riel (\$38-50) per month from the collection of resin⁷. This is a substantial source of income for families that have few other means of deriving cash income. In general, indebtedness and other symptoms of financial insecurity are less common in resin collecting villages than in villages without this constant source of income. Resin trees themselves are also often used as collateral in small-scale loans of rice and money made to villagers by local traders.

In addition to being profitable, resin production is environmentally sustainable and actually helps preserve

forests. There is no evidence that resin production kills trees. Indeed, some of the largest trees around the Angkor Wat temple complex are trees from which resin was traditionally extracted. Villagers recognise private ownership of resin trees in clearly delineated patches of forest. Collectors of resin are meticulous in their management of forest areas and protect their trees against anyone trying to cut them down. Patches of forest with resin trees are considered off limits to clearing for farming.

Over time, the number of resin trees has rapidly decreased due to loggers who come, primarily, from outside local communities. This continues to be the case, both with anarchic loggers and legally recognised concessionaires. The legal framework is clear. Item (g) Article 17 of the 1988 Forestry Law, which is still in force, states that it “*shall be forbidden... to fell trees that people have tapped for resin*”. It also states that “*the species in section c, g, and i shall be specifically identified by Prakas issued by the Ministry of Agriculture*”. However, the relevant Prakas states that trees bigger than 1.2 m in diameter can be cut without negotiation with villagers and that those less than 1.2 m in diameter can be cut providing that compensation is agreed. This Prakas is inconsistent with the law and Article 17 (which requires only that species of resin tree be defined) and might be viewed as an attempt, retrospectively, to open up areas of forest to commercial logging that would otherwise be protected under the 1988 law.

Villagers are often coerced into selling resin trees, being told that the trees will be cut whether they sell them or not. In 1997, a guard working for Colexim shot and killed a person in Ronthas village, Sandan district, Kompong Thom, who was protesting against the cutting of resin trees.

Resin tappers have become more and more vocal in their challenges to concessionaires to defend their resin trees. The standard practices of, virtually all, concessionaires and all sub-contractors to concessionaires of cutting resin trees, intimidating villagers into “selling” resin trees and impeding access to villagers engaged in activities associated with resin collection and sale are clearly illegal. All concession contracts were signed after the current 1988 Forest Law came into force and thus companies have no contractual rights to harvest trees from which villagers extract resin.

As the policies of the Cambodian government shift to poverty alleviation and the drafting of poverty reduction strategies, it is important to recognise that the maintenance of community-based rights to extract resin can make a significant contribution to reducing poverty in rural areas. Resin extraction is an occupation for which forest dwelling communities have no income-earning substitute. The cutting of resin trees, or the loss of access to resin trees, makes communities significantly and irreversibly poorer. Protecting the basic legal rights of resin producers contributes to the aims of sustainable forest management, poverty alleviation and generating foreign exchange. Protecting these rights would also help to preserve both Cambodia's forests and an occupation that is a valuable component of Cambodia's cultural heritage.

Resin tree labelled for cutting, Colexim concession, Kompong Thom





Old logs, Krek Chas, Kompong Thom; August 2000

9. OLD LOGS

THROUGHOUT 2000, Global Witness obtained permits, signed by senior officials, allowing the transportation and sale of ‘old’ or ‘confiscated’ logs in direct contravention of Samdech Hun Sen’s Declaration No.1. For instance, in May 2000, Superwood Pty. Ltd claimed to be in possession of a permit to collect old logs⁶. This was apparently justified on the basis that the concessionaire had no money to invest in concession operations.

In Kompong Thom the court process was used to change the status of over 5,500 m³ of old, and therefore illegal, logs to ‘confiscated’ logs (see *Nam San Import Export Company—A Case Study*, p. 39). In itself, this represents a regressive step—an apparent new loophole—rather than a solution to a problem which, in 1998, the World Bank stated was the cause of 95% of illegal logging in Cambodia.

It is possible that the Kompong Thom deal was an honest attempt to deal with the problem of old logs in that particular province. But the question remains as to why the RGC continues to address the serious problem of old logs on an ad hoc basis rather than coming up with a comprehensive policy to deal with the totality of old logs remaining in Cambodia. A complete inventory of old logs throughout the country is a necessary first step. This should be followed by a period of public consultation on the best way to dispose of the timber while not encouraging illegal logging. Destruction may be the only viable method.

10. FOREST LAW UPDATE

THE CAMBODIAN GOVERNMENT’S stated goal of developing a forest law that promotes the sustainable management of Cambodia’s forests is the necessary cornerstone of forest reform. However, the August 2000 draft law, despite the welcome opportunities for public consultation, contains many of the serious flaws highlighted in previous drafts. The first draft was originally prepared in 1999 by the DFW with ADB technical assistance, but more than a year and a half on it is still to be finalised.

From the outside, the root cause of this delay appears to be MAFF’s reluctance to accept the more reforming aspects of the law as it stands and the suggested improvements that have been made by stakeholders outside the ministry. This perception may of course be wrong. But, if the new draft, due out shortly, is not an improvement on the August 2000 version, the government should question those involved in

the drafting process closely. The government should insist that the law reflects its aims of promoting the sustainable use of forest resources and alleviating poverty thereby benefiting the Cambodian people as a whole, rather than further entrenching the vested interests of any particular ministry.

The process of revision of the draft law started again in April 2001, with technical assistance funded by the World Bank. It is hoped that the concerns with the August 2000 draft raised below will be adequately addressed in the new draft.

Inter-ministerial coordination

Many areas of the draft law overlap with, or contradict, other laws and the mandates of ministries other than MAFF—notably the mandates of the MoE and the Ministry of Land Management, Urban Planning and Construction – frequently to the detriment of those ministries.

Provisions in the draft law concerning the applicability of the forest law to *all* forest areas conflict with the MoE’s assumed responsibility to manage Cambodia’s national parks and protected areas. This conflict stems from the lack of consensus, amongst either analysts or Cambodian government officials, as to whether “Protected Areas”—such as National Parks—fall into the category of “Protected Forests”, these forming part of the Permanent Forest Estate. It is also unclear whether it is the MoE or the DFW that has enforcement powers over forestry and wildlife offences committed in “Protected Areas”.

The Ministry of Land Management’s role is also ambiguous in the draft law. The most intractable issue relates to the designation of land as “forestland”—thus bringing it under the jurisdiction of the forest law. MAFF claims the right to decide what constitutes “forestland” based upon the criterion that any land that either has, or historically had, forest cover can be classified as “forestland”. However, the Ministry of Land Management or an Inter-Ministerial body such as the Council on Land Policy seem to have a stronger claim to coordinate the delineation of all types of land (including forestland) based upon the intent of the Immovable Properties Bill and the clear need for coordinating land management in Cambodia.

The roles and responsibilities of institutions with existing mandates related to forests should be clarified and the basis for consultation and coordination between various ministries clearly indicated, with a system of checks and balances enshrined in the legal framework.

Rights of local communities

The draft law does not recognise local communities' customary tenure over forestland or forest resources, granting them only vaguely worded "user rights" to certain forest products under a limited range of circumstances. Disenfranchisement in other countries under similar circumstances has resulted in serious conflict between local people and their governments, notably in Indonesia.

The failure to resolve land tenure issues, or at least to have a mechanism in place for resolving potential disputes, has also proven to be a serious barrier to forest reform. For instance, in a letter to the Forest Stewardship Council (FSC), dated 21st April 2001, 144 Indonesian NGOs and peoples organisations requested a halt to all further forest certification until land tenure disputes in concessions had been settled. The stance of the Indonesian NGOs was strongly supported in a letter to the FSC signed by all the major NGOs working on forestry, at the 25th April meeting of the Forest Movement Europe (FME). The Indonesian government faces the prospect of having no FSC certified forests until the issue has been resolved. This could seriously discredit the government and undermine its efforts, and those of forest concessionaires, towards truly sustainable forest management.

In general, the draft law places little trust in community-based management, instead further centralising power in the hands of DFW at the national level. Local communities should be given rights and responsibilities over forest resources that both protect their livelihoods and provide them with the necessary incentives to practice sustainable management of forest resources. These rights must not be framed as discretionary privileges that can be granted or removed by MAFF, or any other authority.

Discretionary power of MAFF

The draft law gives wide ranging discretionary powers to MAFF concerning virtually all activities associated with forests. Whilst it may be necessary to have some degree of flexibility, greater discretion also means greater opportunity for corruption. The August draft rarely codifies MAFF's responsibilities or obligations. There are few checks on MAFF's powers, few provisions ensuring its transparency or accountability and no rights to appeal any of its decisions. Also, the draft law grants MAFF the power to issue permits for almost all forest related activities (including the hunting of animals on the Protected Wildlife Species List): a power which, in the past, it has used as an autonomous revenue-raising tool.

Many of these issues could be resolved through a consultative redrafting of the forest law, with particular attention paid to the use of Sub-decrees and Prakas (of which there are 25 in the August draft).

The ongoing problem of interpretation and implementation

Beyond reviewing the draft law, steps must be taken to improve the transparency with which forestry laws in Cambodia are interpreted and implemented. Without such steps, even the most satisfactory and unambiguous law will fail to improve the utilisation and management of Cambodia's forests. Currently, through instructions on implementation—which are not subject to parliamentary scrutiny—Ministries have the power to "interpret", even seemingly unambiguous, provisions in a way that subverts the littoral intent of the legislation. An example of this problem is the current "interpretation" of Article 17 of the 1988 Forest Law which forbids the cutting down of trees that villagers tap for resin (*see Resin Trees*, p. 7).

11. MODEL CONCESSION AGREEMENT UPDATE

THE PROCESS BY WHICH the new model concession agreement is being determined is in marked contrast to the secrecy surrounding the drafting of the original concession agreements; agreements which strongly favoured the concession companies. It is to be hoped that the new agreements, scheduled to be signed in September 2001, between the government and the concessionaires will be more equitable. However, there remain serious concerns about certain sections of the 16th January 2001 Model Agreement, as detailed below. These should be addressed in the open and transparent manner that has characterised the process thus far.

Contractual obligations of the RGC and concessionaires

The Concession Agreement requires that the RGC compensate a concessionaire for any assets that it confiscates (article 17.1). While the need for compensation may be appropriate under certain circumstances, the RGC should not have to compensate a concessionaire for assets confiscated due to wrong doing on the part of the concessionaire.

The RGC can cancel a concession only when a concessionaire fails to undertake harvesting operations for two consecutive years (article 26.1) or in the "Event of Force Majeure" (article 18.6). It is essential that the RGC has the right to cancel a concession for any serious breach of contract on the part of the concessionaire. Other penalties for contract violations need to be spelt out in detail, and should be large enough so as to be an effective deterrent.

The Model Concession Agreement makes no mention of reparations for any damage caused by unsustainable, wasteful or illegal harvesting practices. There is no mention of paying for timber cut but not removed from the forest because of damage sustained during the extraction process, or of compensating villagers for any impact on their interests in relation to trees, resin or other forest products.

It is also essential that the Model Agreement explicitly states that concessionaires cannot employ, compensate or provide any other direct or indirect gift to DFW staff.

Sustainable forest management

The Concession Management Planning Process, as described in the Draft Model Forest Concession Agreement, is vague and relies on the Forest Concession Management Planning Manual and the Cambodian Forestry Code of Practice for its definitions of the principles and details of sustainable forest management. The legal status of these documents is unclear and their content is subject to revision and reinterpretation without independent scrutiny.

Truly sustainable forestry practices would be better served by ensuring the management plans are compatible with the Principles and Criteria of the Forest Stewardship Council. Such a move is unlikely to be supported by many (if any) of the concessionaires, but would indicate, perhaps more than anything else, the government's commitment to sustainable forest management.

Also, the mutual obligations of the RGC and concessionaires in respect of the Concession Management Planning Process should be clarified and provisions inserted for drawing up new Concession Management Plans when old ones expire.

The rights of third parties

The Model Agreement does not take sufficient account of the rights of people living inside or in the vicinity of concession areas, or of other people, excepting RGC officials, wishing to visit concession operations or access information about concession activities including the Independent Monitor. The information resulting from the independent financial audit should be made public.

The Concession Agreement seeks, or implies, a restriction on the rights of local communities to access and use forestlands and forest resources in a way that weakens the intent of the current forest law (*Kret Chhbab*, No. 35, 1988), the February 2000 Sub-Decree on Forest Concession Management and the “user rights” provisions of the draft Forest Law. Locals should have the right to extract timber and non-timber forest products for their own, and their families’ use. Concessionaires should also be obliged to make all documentation relating to its concession available to local people—e.g. maps showing concession and coupe boundaries, cutting permits, transport permits. This information should be advertised locally.

General issues

Ideally, the Concession Agreement should not be finalised until Cambodia’s Draft Forest Law is enacted. However, if the Forest Law is significantly delayed, the model concession agreement should acknowledge that revised forestry legislation is being drafted and that its provisions would apply to the contractual obligations of concessionaires.

The Concession Agreement does not include any provisions on transparency. Concessionaires are not obliged to consult with local communities, to provide planning information to local communities, or to provide planning information to other interested parties.

Concessionaires should have to pay all debts to the RGC before any management plan is approved. This should include all of the debts outlined by the Asian Development Bank concession review.



Goh away. GAT International mill, Baksnar; January 2001

Outstanding Royalties

The figures below show the amounts of money that were recorded as being owed to the RGC by Cambodia’s concessionaires in the 1999 Asian Development Bank-funded concession review. Note that it is not known whether any of these debts have been cleared. All figures are in US dollars.

Concessionaire	Deposits in advance ¹	Royalties 2nd year ²	Royalties 3rd year ³	Royalties 4th year ⁴	Royalties other years	Total
Cambodia Timber Product	50,000	50,000	-	-	-	100,000
Casotim	-	-	-	-	-	-
Cherndar Plywood	-	-	-	-	250,000 ⁵	250,000
Colexim	-	-	-	-	40,000 ⁶	40,000
Everbright	50,000	50,000	100,000	-	-	200,000
GAT International	50,000	-	-	-	100,000 ⁷	150,000
Hero Taiwan	50,000	50,000	-	-	-	100,000
Kingwood Industry	50,000	50,000	100,000	100,000	-	300,000
Lang Song International	50,000	50,000	100,000	-	-	200,000
Long Day Machinery	50,000	50,000	100,000	100,000	-	300,000
Mieng Ly Heng	50,000	50,000	100,000	-	-	200,000
Pheapimex-Fuchan	50,000	50,000	100,000	-	-	200,000
Sam Rong Wood	50,000	50,000	100,000	-	-	200,000
Silveroad	50,000	50,000	-	-	-	100,000
Samling International	-	-	-	-	-	-
Superwood	50,000	50,000	100,000	100,000	-	300,000
Timas	50,000	50,000	100,000	-	-	200,000
TPP Cambodia Timber Product	50,000	50,000	-	-	-	100,000
Voot Tee Peanich	50,000	50,000	-	-	-	100,000
You Ry Saco	50,000	50,000	-	-	-	100,000

1 – Concessionaire failed to pay deposits in advance fixed at \$50,000

2 – Concessionaire failed to pay minimum annual royalties of \$50,000 for the second year of cutting

3 – Concessionaire failed to pay minimum annual royalties of \$100,000 for the third year of cutting

4 – Concessionaire failed to pay minimum annual royalties of \$100,000 for the fourth year of cutting

5 – Concessionaire failed to pay minimum annual royalties for years 1997-1999

6 – Concessionaire failed to pay minimum annual royalties for years 1996-1997

7 – Concessionaire failed to pay minimum annual royalties before 31st December 1999

12. WILDLIFE

INTERNATIONAL CONSERVATION organisations recently identified the lower Mekong region as a priority area for wildlife conservation and have called for immediate action against the ongoing depletion of the region's flora and fauna⁸. The decline in many plants and animals can be attributed to their over-harvesting for food and medicine. Notably, the commercial extinction of many species in surrounding countries is increasing pressure on Cambodia's ecosystems to the extent that Cambodia is now a major exporter of wildlife.

It is essential that the Cambodian authorities, in cooperation with major consuming countries such as Thailand, Vietnam and China, take decisive action to combat this destructive trade in order to preserve the large mammals, orchids and certain reptile and fish species that are particularly at risk.

A new, and very welcome, campaign for the protection of natural resources was announced at an inter-ministerial meeting in March 2001⁹. Samdech Hun Sen's public commitment to reduce the loss of biodiversity and to combat wildlife crime should be applauded. Hopefully, it will result in the strengthening of inter-agency cooperation in the field of wildlife conservation.

Policy on wildlife

The fragmented nature of government policy on wildlife, in the form of numerous regulations, declarations and decrees, has hampered the reform process. This problem has been recognised by the government and is being addressed in the form of a new wildlife law. This law, if it is approved by the RGC, should provide the necessary legal background to enhance the protection of wildlife in the country.

Action on wildlife crimes

The government's performance in enforcing existing wildlife regulations has improved since Samdech Hun Sen's Declaration No.1, but successful cases are still isolated events. There has thus been relatively little impact on the extent of the trade in wild-caught animals.

Crackdowns on market stalls and the occasional seizure of small to medium-size shipments of wildlife, although important, have been ineffective in discouraging the trade. The wildlife markets in Phnom Penh are still thriving, with the notable exception of the live animal trade, which is now more covert¹⁰.



Tiger caught in Stung Treng, on sale in Phnom Penh; October 2000



Fresh skin of young sun bear, Sre Klong wildlife market; March 2001



Turtles in Phnom Penh restaurant; 2000

Sre Klong wildlife market along route 4, which is run and supplied by members of the RCAF, is a major supplier of bush meat for Phnom Penh restaurants¹¹. The government has taken action against this market and other markets on the borders, but they soon reopen and Global Witness investigators have consistently found protected species on sale at the same locations within days of a crackdown¹². Stakeholder agencies like the police, customs and border police lack awareness and suitable training and have not been given enough guidance by the responsible agencies in MAFF and MoE, which appear reluctant to cooperate, on how to share information and develop joint strategies.

Cross border trade

Cambodia joined the Convention on International Trade in Endangered Species (CITES) in 1997 but the implementation of its regulations along the country's borders is lacking.

The all-pervasive nature of the wildlife trade was demonstrated in October 2000 when investigators from the FCMU and WildAid discovered seven live tigers for sale from different sources in just one week. The tigers were either caught in Cambodia's forests or smuggled into the country from illegal tiger farms in Thailand¹³. FCMU officers confiscated three tigers and two sun bears in a Phnom Penh house on 22nd October. One suspect, Ly Huot, was arrested but released the same day¹⁴. In a separate case, military police working with the FCMU confiscated four tigers on sale in Phnom Penh on 19th October¹⁴. Two suspected traffickers were arrested, Nhean Von and Hak Sophea. In an interview with the Phnom Penh Post, the suspects alleged that National Assembly member and private zoo owner, Nhim Vanda, bought two of the tigers and a lion from Thai dealers for approximately \$7,000. They said that his bodyguard, Nguon Sophal, transported the animals to Phnom Penh, through several police and DFW checkpoints. Nhim Vanda's truck was impounded by the authorities. Chea Sam Ang, Deputy Director of DFW, is quoted as saying that "In this case only Vanda's driver and bodyguard are involved, therefore we cannot accuse Nhim Vanda"¹⁴. Nguon Sophal was not held for questioning.

In April 2000, MAFF approved the export of 360 wild-caught monkeys to breeding facilities in Vietnam, apparently in contravention of internal government regulations¹⁵. The credibility gap, between words and action, is further illustrated by the failure to stop the trade in freshwater turtles and tortoises. At the 2000 CITES conference Cambodia joined the group of countries pushing for better protection and trade restrictions and succeeded in achieving Appendix II listing. This means that trade should be regulated by import and export permits. However, in Phnom Penh, restaurants and markets still offer endangered turtles for sale and the RGC has no systematic, national regulatory measures in place to curb the trade.

Hunting

Hunting is illegal in Cambodia. A high proportion of the poaching is organised and carried out by RCAF or ex-Khmer Rouge soldiers, which makes suppression by forestry officials and National Park rangers very difficult. Even in Kirirom National Park, only one hour's drive from Phnom Penh, illegal hunting by military personnel is still a problem¹⁶.

Poaching and wildlife trade is organised by a network of middlemen and traders, who can deliver certain high-value species on demand¹⁷. For example, in an incident widely covered in the press at the time, at least six elephants from the Cardamom Mountains were killed in late 2000. The deal to sell the trunks to buyers in Thailand was organised by a wildlife trader in Sre Ambel¹⁸. Although the agency in charge—the Wildlife Protection Office—took measures to prevent further killings, the general lack of transparency during the investigation was not helpful for formulating and enforcing a clear strategy for combating wildlife crime.

More recently, it was reported in the March 2-15 2001 edition of the Phnom Penh Post that a donor official involved in providing funds to the FCMU had been on a hunting trip to Ratanakiri. Not only is this illegal, it is precisely the sort of activity that the FCMU was established to prevent. Global Witness is currently trying to ascertain the validity of this article and will, if appropriate, pass on any details to the relevant authorities.

Farms and zoos

At the very least, clear guidelines are needed to regulate the establishment of private zoos and captive-breeding facilities, although banning them might be more appropriate. Currently, their legality is questionable. The recent setting-up of new, privately owned zoos is likely to increase the demand for animals caught in the wild, especially as the annual mortality rate in some of these facilities can be as high as 75%¹⁹.

Pileated gibbon, GAT International logging road, poached in the central Cardamoms



© Jeany Daltry/WWF



© Jenny Daltry/FFI

From top: Dwarf evergreen hill forest; green vine snake (*Ahaetulla prasina*); rafflesia, Mount Samkos Wildlife Sanctuary; Cardamom banded gecko (*Cyrtodactylus intermedius*)



© Jenny Daltry/FFI



© Jenny Daltry/FFI



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13. CARDAMOMS UPDATE

THE CARDAMOM MOUNTAIN RANGE in the southwest of Cambodia is one of the last forest wilderness areas in mainland south-east Asia²¹. Phnom Samkos and Phnom Aural wildlife sanctuaries at either end of the range are linked by a central region currently divided into five contiguous logging concessions, belonging to Samling International, GAT International, Superwood, Silveroad and TPP.

The first major, biological surveys of the area were carried out in 1999 and 2000 by Fauna and Flora International (FFI), in partnership with the MoE and the Wildlife Protection Office. The surveys revealed the presence of many rare and endemic species—such as tigers and rhinos—and species previously thought to be extinct—such as the Siamese crocodile—as well as numerous invertebrates, many of which were new to science. Such is the region's biodiversity that it is now considered, along with Madagascar, the Amazon and the Malaysian forests, as one of the world's most important regions of biodiversity.

MAFF has agreed to a Memorandum of Understanding between the government and Conservation International (CI) to provide for a Protected Forest area in the centre of the Cardamoms, where all forms of commercial logging have been suspended pending further scientific research. If gazetted, this area would link the Phnom Samkos and Phnom Aural reserves to form the largest protected area in Cambodia.

This tentative declaration of the central Cardamoms as a protected forest by the RGC is an extremely important initiative. According to the timeframe outlined in the memorandum, a sub-decree to define the protected area will be issued by March 2002.

A group of trained rangers should be established in the area in June 2001. In the meantime, a group of 12 military police, two DFW officials and one CI technical assistant will be stationed in the area and a small logistical and administrative support base will be established in Thma Bang.

14. THE MINISTRY OF ENVIRONMENT AND ITS ROLE IN FORESTRY REFORM

THE MOE, officially created in November 1993, was given a broad mandate to protect Cambodia's natural resources and to prevent environmental degradation. By Royal Decree, the ministry was given the specific responsibility of supervising and managing the National Protected Area System²⁰. This covers approximately three million ha, divided into 23 areas. New scientific findings show that there is a need to further identify and analyse Cambodia's flora and fauna and amend existing Protected Areas to guarantee that the country's biodiversity hotspots will not be lost²¹. This is especially important for the evergreen forest ecosystems, which are underrepresented in the national protected area system (see *Prey Long—The Case for World Heritage Status*, p. 15) but contain valuable timber resources and are therefore attractive to logging companies.

Ministerial rivalry hampers conservation progress

During 1999/2000, the MoE improved its management capacity of Cambodia's National Parks and Wildlife Sanctuaries and increased the number of its provincial ranger staff. However, limited financial means, unclear responsibilities and limited enforcement powers are hampering progress in many areas.

A major obstacle to improvements in Cambodia's protected area management and nature conservation is the ongoing "turf war" between the agencies in charge of forests—MoE and MAFF/DFW. Apparently, MAFF does not acknowledge MoE's official role and responsibilities and has adopted a policy of blocking any guidelines, management regulations and laws developed by MoE agencies—for example, the Guidelines on Community Fisheries and the Sub-Decree on Protected Area Management. Perhaps the clearest example of MAFF's antipathy towards MoE is the new draft forestry law, which all but ignores the role of the MoE in managing the country's forests. This rivalry might explain why MAFF opposed the listing of the Cardamom Mountains as a Cambodian World Heritage Site in October 2000²², a designation that is important for getting the necessary international recognition and support for conservation programmes in the mountain range.

To reduce institutional tensions between the competing government agencies, the RGC should adopt pending legislation, such as the Sub-Decree on Protected Area management, concerning clarification of the agencies' responsibilities as soon as possible. The government should also continue the process of developing a law on protected areas.

Environmental Impact Assessments

Cambodian law requires the completion of an environmental and social impact assessment (ESIA) for all public and private sector projects prior to government approval being granted. The agency in charge of examination and evaluation of ESIA's is located in the MoE. In the forestry sector, ESIA's are required for logging concession operations and processing facilities. All but one company, Samling International, have failed to conduct an ESIA and have failed to contact the MoE to formally establish Terms of Reference for an assessment. The company that submitted

an ESIA to the MoE failed to comply with the ESIA requirements and thus has caused high-level environmental damage in its concession forest²³. In this case, warnings had been issued against the concessionaire on several occasions in the past by the Department of EIA in the MoE.

The MoE is empowered to impose administrative fines for damages done to human beings, public and private properties and to natural resources. In case no warnings have been issued or a concession contract predates the passage of the environmental law, concession related projects are still subject to the law's requirements. It appears that MAFF/DFW can also be held liable for any damage done to private/public property and natural resources as all concessionaires breach environmental law and these agencies approve road constructions and cutting permits without the legally required and approved ESIA²³.

Terms of Reference for the ESIA produced by the Cambodian Timber Association (CTIA) in April 2001 named MAFF and DFW as the principal auditors and approving authorities of the entire ESIA process. This set-up is also clearly visible in the version of the Forest Concession Planning Guidelines revised by DFW. According to these revised guidelines, the forest concessionaire is responsible for undertaking the ESIA and presenting the results to DFW for approval. The original ADB version of the Forest Concession Planning Guidelines explicitly named the MoE and also the Cambodian Development Council as agencies responsible for review and approval.

The apparent policy line of ignoring Cambodian legislation and international expertise is a reason for concern, especially in the light of the forestry reform, which is already falling behind expectations in several aspects. The reluctance to accept independent oversight, share information or enter discussions with various stakeholders on an equal basis by DFW/MAFF, seriously jeopardises the reform process. It could be seen as an attempt to avoid scrutiny and transparency in the sector and will make the detection and elimination of illegal forestry activities even more difficult.

The fact that the MoE has the right and obligation to monitor the project's compliance with the environmental and social management plan during construction, operation and closure of the project provides the ministry with a potentially powerful tool to evaluate, supervise and report on the concessionaires' and subcontractors' compliance with the forestry law and their commitments to the forestry reform. The international donor community should take appropriate measures to increase the capacity of the EIA department and to strengthen the influence of the MoE as an independent agency outside the regular forestry institutions to increase objectivity and transparency in the forestry sector.

Land encroachment, You Ry Sako road, Cardamoms; December 2000



15. PREY LONG— THE CASE FOR WORLD HERITAGE STATUS

THE VAST FORESTED LOWLANDS

west of the Mekong (including the Stung Porong and Stung Chinit watersheds), known as Prey Long, are probably the largest dry evergreen forest formation remaining within the Indo-Chinese province of the Indo-Malayan Realm. This remote lowland forest contains major wildlife populations and is one of the last forest formations of its kind in the region²⁴. Recent surveys revealed the presence of a number of highly endangered species in this area, including elephants²⁵. Being largely on flat terrain, this area is particularly vulnerable to rapid encroachment.

Although its conservation value is widely acknowledged, logging interests have prevailed in the past and the forest has no protection status. Entirely allocated to logging concessions, its undisturbed core zone is being reduced each year. The remoteness of the area, which includes Phnom Chi, and the presence of RCAF units and other armed groups with ties to the concessionaires and subcontractors, and its valuable timber resources makes it a hot-spot for illegal logging operations.

Supervision and control of this area by DFW/MAFF personnel is, at best, sporadic and weak. The recent investigation of illegal logging in Everbright's concession illustrates dramatically the limitations of the government agencies charged with overseeing legal operations and detecting forest crime in this area (see *Everbright—The Case for Cancellation*, p. 26). Even now, several months after the first inspection team was sent out to investigate the damage caused by illegal loggers, no comprehensive assessment of the logging operations has been made, not even in the legal coupe.

Other concessionaires in the Prey Long forest include Pheapimex, Mieng Ly Heng, Colexim and GAT International. All these companies share a record of poor forest management practices and destruction of local people's livelihoods²⁶. Prey Long is at the heart of the resin collecting area (see *Resin Trees*, p. 7). Constant conflicts with local communities about the cutting of resin trees by the companies have resulted in the concession security forces adopting intimidatory tactics and severely restricting access to the forest.

In the latest move to push agro-forestry industry, the RGC/MAFF awarded approximately 8,000 ha of forestland inside the GAT and Colexim concessions to the Chub Rubber plantation company based in Kompong Cham. Villagers were hired to start cutting the forest, which is reportedly dense and not overly degraded.

The future of Colexim

Colexim, a Cambodian/Japanese joint venture, was created in 1991 and has been operating since 1996. Its approximately 150,000 ha concession includes the Stung Porong watershed and encompasses the most remote and pristine areas in this forest formation. The government is a 60% shareholder, and a Japanese firm, the OKADA Company, holds 40%. The ADB review rated Colexim's forest management performance as far under standard and considered their harvest practices as unsustainable. Although logging has degraded the southern coupes, the timber resources in this concession are some of the best in Cambodia.

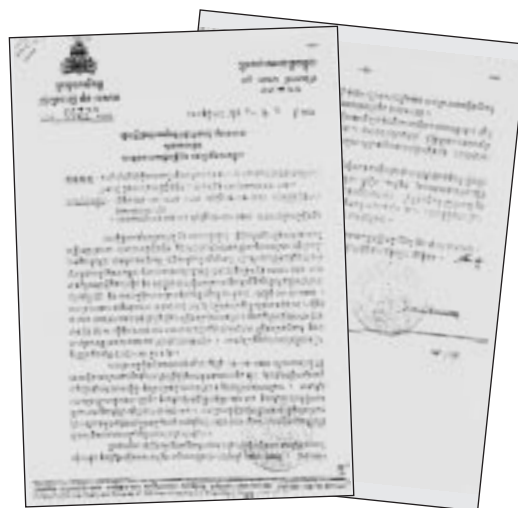
The Chairman of GAT International, Robert Ngo Tung Sieng, wrote to the



Prey Long; December 2000

Minister of MAFF, Chhea Song, on 6th September 2000 requesting to take over the government's share of Colexim. Extending its operations further north would make sense to GAT as its Kompong Thom concession is already exhausted due to over-harvesting.

On 14th September Chhea Song wrote to Samdech Hun Sen recommending that the sale to GAT went ahead²⁷, though on 4th December 2000 Okada wrote to the RGC requesting that it purchases the RGC's shares²⁸. It is clear that neither GAT nor any other logging company currently operating in Cambodia has the capacity to manage this forest sustainably. If it is not taken out of concession it is likely that it will be destroyed in the same way that adjacent forest concessions in Kompong Thom have been.



The closing address of Samdech Hun Sen at the post-CG meeting on the 29th January 2001 was encouraging: "The Ministry of Economy and Finances and the MAFF should ensure a proper and transparent sale of government shares in any joint venture concessionaire and should prevent the sale of government shares to any concessionaire, which had been involved in illegal logging".

The core area of the Prey Long is suitable to be nominated as a World Heritage Site and the intended sale of the government's share of Colexim provides the RGC with an opportunity to give this area, which represents an important part of Cambodia's natural and cultural heritage, the protection status it deserves.



CAMBODIA
MILITARY REGIONS

Scale: 0 100 Kilometers

Neighboring countries: THAILAND, LAOS, VIETNAM

Gulf of THAILAND

Provinces and Towns labeled on the map:

- SIEMREAP-OTDAE MEANCHHEY
- PREAH VIHEAR
- STOENG TRENG
- RATNAKIRI
- BATOUMBANG
- KAMPONG THUM
- KRACHEH
- MONDOL KIRI
- POUTHISAT
- KAMPONG CHHNANG
- KAMPONG CHAM
- PHNUM PENH
- KAMPONG SPOE
- KANDAL
- PREY VENG
- SVAY RIENG
- KAMPOT
- TAKEO
- KACH KONG
- KACH RUNG

Military Regions (MR) labeled on the map:

- MR1
- MR2
- MR3
- MR4
- MR5

SMR (Special Military Region) is also labeled near the center of the map.

being illegally stamped within the factory grounds. Global Witness informed the Director General of DFW about these unconfirmed reports on 12th January 2001. This crime report also contained information regarding similar unconfirmed incidences at the Pheapimex and Everbright mills.

DFW obtained a court order as a precautionary measure, because of the experiences of the Everbright inspection team earlier in January 2001. However it is possible that Kingwood would have cooperated without the need for a court order.

Global Witness and DFW teams visited the factory between the 15th and 19th of January 2001. The first thing that struck Global Witness' staff was the fact that almost without exception shiny new metal identification plaques were nailed to the ends of each log. This contrasted markedly with photographs that Global Witness had received a few days earlier where very few plaques could be seen on the log ends. This suggests that the plaques had been recently nailed to the logs at the factory. This may not be illegal in itself, so long as the correct plaque was being nailed to the correct log, but it is certainly suspicious and may indicate that the company had been forewarned of the inspection.

The vast majority of the logs could be identified from the hammer stamps as having come from the Cherndar Plywood concession in Preah Vihear. By 19th January the DFW inspection team had measured and recorded the identification numbers of 182 of the 2,895 logs in the factory. Global Witness compared this information with the corresponding information in the Cherndar Plywood log list, copies of which were given to Global Witness by DFW. The log list is a record of all timber legally felled in a concession. The information in the list includes the species and the dimensions of the log—each log has a unique log number. If any given log is not on the list it is not legal.

Serious discrepancies were found between the two sources of information. Ten of the 61 logs sampled did not have an entry in the log list, and nine did not have an exact entry. If this proportion was true for all of the logs at the mill, Kingwood would be incapable of accounting for 901 logs which is equivalent to 2,705 m³: \$146,079 in royalties potentially lost to the government.

Of the remaining 42 logs, 18 differed in length from that recorded in the log list by 50 cm or more, 33 differed in length by 20 cm or more and 36 differed in length by 1 cm or more. The Head of the Forestry Management Office told Global Witness that a 10 cm difference between any given measurements of the length of the same log, for instance the record in the log list and subsequent measurement by a DFW inspection team, was tolerable. The Chief Technical Advisor of the Forest Crimes Monitoring Unit said that consecutive measurements of the length of the same log should differ by no more than 1 cm. This disparity in the measurements between the logs at the factory and the records in the log list suggests that either the standard of measuring log lengths is woefully inaccurate or that these are not the same logs and therefore possibly illegal. (For details of what was found at the Everbright Plywood Factory see *Everbright—The Case for Cancellation*, p. 26)

Kompong Chhnang

Small-scale but significant illegal activities have been recorded in Kompong Chhnang. Some of this represents subsistence logging on behalf of local people who are dependent on forest resources for their livelihood. Such people may be required to pay a levy to commune authorities and provincial authorities of Battalion 6.

Investigations during March 2000 revealed problems with the collection of timber for firewood, which has increased significantly, and is not only used for personal consumption. Land clearance is also a problem: government officials told Global Witness that Phnom Aural Wildlife Sanctuary was being logged by soldiers from provincial Battalion 6 and the military of Toek Phos district in Kra Saing Doh Laeung and Cham Kar Moch villages.

A timber trader transporting timber on the railway told Global Witness that payments are made to DFW foresters which were estimated to be 500,000 riel (\$135) per forester per month. The military guard the timber at the train stations. For example, Mr Rein, Commander of provincial Battalion 6 and Mr Mao Oun, his Deputy Commander are involved in protecting timber at Kdol and Pich Chhour stations. The timber at Pich Chhour station is processed in York in the Phnom Aural Wildlife Sanctuary, transported by buffalo or oxcart to the station, then transported by train to Kompong Chhnang town, Boribou and Romeas. Global Witness was told that Mr Rou, the provincial forestry officer responsible for confiscating illegal timber, was in fact purchasing the illegal timber himself but this remains unconfirmed³⁰. Similar information was reported in the press in February 2001, in which it was alleged that officials from the forestry department wait at Bamnak and Kdol train stations to take money from those transporting the timber¹⁰². Villagers and local officials also reported that the owners of illegal sawmills in the area make payments to provincial foresters and ex-Khmer Rouge battalions.

The MoE has employed ten soldiers from provincial Battalion 6 and the military of Toek Phos district to act as rangers in the Phnom Aural Wildlife Sanctuary, for a supplementary salary of 50,000 riel (\$13.50) per month. Government officials informed Global Witness in May 2000 that these soldiers have themselves been involved in small-scale illegal logging and land reclamation in the sanctuary.

In March 2000 Global Witness visited two furniture shops in Kdol village. Each pays 20,000 riel (\$5) per month to the Kraing Commune Police. Coincidentally, Global Witness has been told that each has supplied furniture to the provincial forestry office. Two of the timber depots in Kompong Chhnang town were, in March 2000, owned by Mr Thein, a relative of the Kompong Chhnang Police Commissioner³¹.

Buffalo carts heading for Aural Wildlife Sanctuary, Toek Phos district; May 2000





Military Region 1

Ratanakiri, Stung Treng, Mondul Kiri

Key Players: Ratanakiri: Seng Haq (Hero Company subcontractor); Mr Phoeurng (Hero Company subcontractor); Mr Phal Seng (sawmill owner). Stung Treng: Chhea Sam Kong (Pheapimex subcontractor); Yip Kha (Pheapimex subcontractor); Mr Meng

(Pheapimex subcontractor); Mr Phon (Pheapimex rest area manager); Mrs Nget Nim (sawmill owner); Mr Tra Cheik Veng (businessman). Mondul Kiri: Ta Soeut (provincial Governor); Mr Yu (businessman); Mr In Youleng (Chief of Bu Sra border checkpoint); Reach Sam-nang (provincial police chief); Vong Samey (owner of Khmer Sathapana factory).

Ratanakiri

Illegal logging in Ratanakiri is still significant but under some control. This may have something to do with an apparent change of heart by the provincial governor, Kham Koeurn. In the past he has been involved in illegal logging but in recent months he has been leading the way in promoting community forestry and taking tougher action on forest crimes. However Global Witness has uncovered evidence of more illegal logging by the Hero Taiwan company, encouraged no doubt by the limited punitive action taken against it for past infractions. The continued presence of the Phal Seng sawmill testifies to the limitations of the current crackdown.

Concessionaires

Hero Taiwan Company

Global Witness' investigators visited the Hero Taiwan concession in Ratanakiri between the 3rd and 9th July 2000. At the time Hero had a cutting permit for Compartment 1, coupe 2 (1-2) in which blocks 2 and 3 had been selected for harvest³². Blocks 2 and 3 are operated by Hero sub contractor Seng Haq and Mr Phoeurng, a Vietnamese national.

Minority People's Attitude Towards the Hero Concession Operation

One of the spirit forests respected by Khuon and Ka Chon villagers, Lung Khung Mountain, is situated in the current coupe. Hero promised villagers during a workshop held in Ban Lung that it would not fell any trees inside the spirit forest. However the villagers are concerned about the fate of the trees in this forest because of previous logging of

spirit forests by Hero in its concession despite assurances to the villages that it would not. Hero also promised villagers during the workshop that it would build schools, village offices and good roads in every village located in its current coupe. After collecting logs from the coupes, neither schools nor offices nor roads had been built in Kalai, Ka Chon and Khuon villages by July 2000.

On the 27th October 2000 villagers from Kacho Leu, Kacho Krom, Vay, Vong and Khuon thumb-printed a letter to Global Witness and Mr Bou Thang, the CPP parliamentarian for Ratanakiri, raising concerns about Hero's activities and demanding that the company repair a road damaged by log trucks. This was reported on the 24th November 2000 in Samleng Yuvachun Khmer but Global Witness has, as yet, not received a copy of the letter and therefore does not know the details of the complaint.

139 logs

In October 1999 the DFW, through MAFF, issued a warning letter to Hero relating to 139 logs illegally felled in October 1999. These logs were confiscated and stockpiled in a yard opposite the provincial forestry office in Ban Lung. In November 2000 Global Witness received reliable but unconfirmed reports that the logs were returned to Hero following negotiations with the provincial forestry office and apparently after a \$5,000 fine was imposed by the court. Such lenient penalties, if indeed this is all that the company was required to pay, only serve to encourage illegal logging. In addition, the logs should have been retained by the government and sold on the open market: royalties alone for this number of Grade 2 logs would be in the region of \$22,520.

Obstruction by the concessionaire

In July 2000 Global Witness' staff were prevented from visiting the Hero factory in Ban Lung by security staff even after they were shown the Letter of Introduction given to Global Witness by the Focal Point Coordinator at the Council of Ministers. However, the factory was not operational because of a lack of timber for processing.

Field Inspection

Field inspections in July 2000 also covered the rest areas where a substantial number of logs were discovered by Global Witness in January 2000.

Hero's cutting permit did not indicate the duration of the coupe operation but the company was logging in July 2000 during the rainy season. This is contrary to the Forestry Code of Practice and Hero's existing master plan of concession management. Road as well as bridge construction in the concession area is very poor. Hero uses natural tracks used by minority people as main log roads. Hero has also constructed a road across chamkars, destroying crops in Dey Kraham within Khuon village.

Global Witness found 95 freshly cut logs felled at separate locations on the boundary of coupes 1-2 and 1-5. According to local villagers the logs were cut in June and early July 2000. According to villagers some of

Indigenous peoples' crops destroyed: Hero Taiwan pushes log road through Chamkar, Khuon village, Ratanakiri; June 2000



these logs were cut in coupe 1-5, outside of the legal coupe. Global Witness discovered some stumps in coupe 1-5 but was not able to conduct a detailed survey.

Only one of the 95 logs had a metal identification plaque and none of them had been hammer stamped. These logs are probably illegal and in any event impossible to identify: they represent about \$15,230 in timber royalties. Of the 50 or so stumps that were inspected on the coupe 1-2/1-5 border only 10% had metal identification plaques. The main reason put forward by concessionaires for the absence of identification plaques on logs is that they fall off during transportation. This is clearly not the case for stumps and suggests that 90% of the logs in this area had been cut illegally.

According to loggers at a camp used by Hero workers (UTM 0709760/1545142), four workers were felling trees about two km east of the camp. Villagers reported that they had cut more than 100 trees. Hero planned to move the logs by raft down the O'Ching stream to a rest area in Ka Chon village (0704045/1543635) on the Sesan river.

Twenty logs were found in the commune chief's yard at Ka Chon village (0704045/1543635) and more were found hidden in the grove around the yard. According to villagers they had recently been transported from coupes 1-2 and 1-5. None of the logs had been hammer stamped or had metal identification plaques. A large bulldozer was parked in the log rest area in Ka Chon village which was being used to build a road a few kilometres from the rest area, despite the onset of the rainy season. Logs had been dragged off the road in an apparent attempt to hide them.

Old Logs

Old logs were found in coupes 1-5 and 2-3. The logs in coupe 2-3, a coupe operated by the Malay sub contractor, were originally discovered by Global Witness in January 2000. These logs included sakrom, thnung and beng. Beng



27 newly cut logs, Coupe 1-2/1-5 border Hero concession, Ratanikiri; June 2000

is luxury class timber and as such should not be cut by concessionaires.

65 previously unreported logs, reportedly cut by the Malay subcontractor at the beginning of 2000, were found on the log road within coupe 1-5 (UTM 0706244/1542765 to UTM 0705731/1535825). Although only seven logs were found at UTM 707045/1543880 villagers informed Global Witness that several hundred trees had been felled in this area.

Phal Seng Sawmill

Global Witness' investigators also visited the Phal Seng sawmill in July 2000 (UTM 0711703/1519480). This mill is permitted to process timber provided to it from the Hero concession by the company. Villagers living near the sawmill told Global Witness that the mill has been operating at night to process timber for the domestic market. Four large stockpiles of newly sawn timber were seen in the mill yard in July 2000. According to local government officials in Ban Lung the timber was being supplied by high-ranking provincial military officials illegally rather than by Hero.

Obstruction

Global Witness was prevented from visiting the sawmill by security staff in July 2000 even after they were shown the current permission letter.

COMMUNITY FORESTRY: A MODEL FOR FOREST PROTECTION?

Take care of your forest so that it's there for your children and grandchildren and they—and you—can prosper.

—KONG SOM OL, KING SIHANOUK'S CHIEF OF CABINET

ON THE 29TH DECEMBER 2000 more than 1,000 Kreung villagers met with Ratanakiri Governor Kham Koeurn and King Sihanouk's Chief of Cabinet, Kong Som Ol (Minister of Agriculture in the early 1990s) in O Chum district for the signing of an agreement for a community forest in Ratanakiri. The agreement officially handed over 5,000 ha of semi-evergreen forest to the Ya Poey Community Forestry Association to manage and to protect. What makes the agreement remarkable is the fact that the 5,000 ha community forest lies within the boundaries of the 60,000 ha Hero Taiwan concession³³.

Hang Samoeun, Director of Hero Taiwan, told Global Witness via email on 24th April that he did not 'refuse' the community forestry project. This is not unqualified support but could be the start of greater acceptance by the company of the rights of people living in the area.

The association, an initiative started by villagers from Poey commune in 1996 and launched in 1997, comprises representatives from six villages, and the area under protection covers O Tabearr, Tapean, Yao and Stieng forests. The idea behind the association is to protect these forests from exploitation by commercial logging companies and from hunters from outside the area. To this end the

association established regulations for the use and protection of the forest and undertakes community patrols to ensure the regulations are adhered to. As of January 2001 Hero Taiwan had not logged the area and in one instance in 1998 loggers shown provincially approved documents for the community forest apologised and then left³³.

The regulations prohibit logging, burning trees and the hunting of rare animals. For those animals that are hunted, only traditional methods can be used: the use of guns for instance is not permitted. Non-timber forest products such as bamboo, rattan, medicinal plants and malva nuts can be collected but not on a commercial basis³³.

Concession companies have consistently argued that without their presence Cambodia's forest would be cut down by anarchic loggers and would disappear. DFW has also consistently complained that a lack of resources and capacity within the department has hindered its battle against illegal loggers. Community forests such as Ya Poey clearly represent a viable and more sustainable alternative for forest protection and have the additional benefits of empowering local people and protecting their livelihoods³³.

The Ya Poey project has the support of the provincial governor Kham Koeurn, Tao Seng Hour (in 1998 the Minister of Agriculture) and the King but, in January 2001, still required official recognition by the authorities in Phnom Penh. At the time Chhea Sam Ang, Deputy Director DFW, told the Phnom Penh Post that he could not comment on the plan as he had not received a report about it. It is not known if any action has since been taken by DFW³³.

Stung Treng

Stung Treng is dominated by the Pheapimex and Kingwood concessions. Global Witness investigators have found significant numbers of illegal logs in Pheapimex' log rest areas on the Mekong. Land encroachment, as in many parts of Cambodia, is also a problem in Stung Treng.

Concessionaires

Pheapimex Fuchan

East Bank Concession

In October 2000 Global Witness received a report that the boundary of the Pheapimex concession was going to be extended, increasing the concession area at the expense of Virachey National Park. This report is as yet unconfirmed.

West Bank Concession

Global Witness' investigators conducted a survey of log rest areas along the Mekong from Stung Treng provincial town to Kompong Cham provincial town between 29th March and 4th April 2000.

Pheapimex has five log rest areas on the west bank of Mekong. In late March/early April 2000 these log rest areas contained approximately 500 newly felled logs. None of the logs that were inspected by Global Witness had been hammer stamped and none had metal identification plaques. As far as Global Witness is aware Pheapimex did not have a cutting licence at the time indicating that the logs had been cut illegally. These logs represent about \$81,000 in timber royalties.

Approximately 100 freshly cut logs were found stockpiled at a rest area controlled by one of Pheapimex' subcontractors, Chhea Sam Kong, at O'Trael village, Thalabarivath district (UTM 0600779/1495632). Workers said that these logs were felled in coupe 3 in Doung and Kes villages. None of these logs had been hammer stamped and none had metal identification plaques. They represent about \$16,200 in royalties.

At a rest area at UTM 0600646/1495214 marks were found on the ground indicating that logs had been recently stored in the area. Seventy newly cut logs were found

within a few hundred meters of UTM 0596349/1487268 at Pong Toek village, Thalabarivath district (loss to the treasury \$11,340). Mr Phon, the manager of the area, under the control of Chhea Sam Kong, told Global Witness that the logs had been brought in from Doung and Kes villages and were cut in late February and early March 2000.

A pile of rough processed timber and 16 fresh logs were found at Kaing Cham village, Thalabarivath district (UTM 0596262/1486850) and an additional 304 logs, reportedly from the Doung and Kes logging sites, were found in Siembock district (UTM 1471952/05994303) (loss to the treasury \$49,248). 208 of these were hidden in a grove (UTM 0599273/1472003) and 96 were stored at UTM 0599338/1471572. None of the logs were hammer stamped or had metal identification plaques. According to government officials, the log collection is under control of Yip Kha and Mr Meng. By September 2000 all of these sites were flooded and no logs could be seen.

Kingwood

Kingwood has one log rest area in Stung Treng. It is situated in Tboung Khla village (UTM 0604904/1465281) in Siembok district. Global Witness found 48 old logs in the rest area. Workers said that the company finished its inventory in December 1999 and that it was, at the time of the investigation in early April 2000, waiting for its 2000 cutting permit from DFW. Later in September 2000 the logs had gone and the area was flooded³⁴.

Old Logs

In September 2000 35 logs, some bearing metal identification plaques, were found by Global Witness along a major log road running to Kingwood's 1999 coupe. These logs were reportedly cut in 1998-99.

Subcontracted sawmill 4

Kingwood subcontracted mill 4 located at Km 4 village near Stung Treng town (UTM 0605286/1492257) is run by Mrs Nget Nim, the wife of Mr Tra Cheik Veng who is one of the main businessmen involved in illegal logging in Stung Treng (see page 17 of *Chainsaws speak louder than words*). This mill was visited by Global Witness in September 2000.

Kingwood subcontracted sawmill 4; October 2000



The mill has permission to process 1,000 m³ of sawn timber each year for local use³⁵.

According to documentation obtained by Global Witness, since its establishment in 1999 the mill has been supplied with approximately 100 m³ of category No. 2 logs³⁶. The cost of the logs was \$56 per m³ and the selling price after processing was \$120 per m³. According to the mill subcontractor 40% of round log volume is lost during processing, which fits well with the fact that about 62 m³ of processed timber was sold to shops in Phnom Penh. This timber is accounted for by two transportation licenses³⁷ which required that all sawn timber be shipped before the 13th June 2000. However, on 7th September Global Witness saw about 30 m³ of freshly sawn timber at the mill, two months after the timber had apparently been sold to Phnom Penh. This suggests that the mill was processing more timber than it had permission to. People living close to the mill said that it worked at night, processing logs provided by high-ranking officers from Military Region 1.

In September 2000 timber waste was being sold for 5,000 riel per handcart (\$1.30) and 10,000 riel per motorbike cart (\$2.60).

Land Encroachment

In September 2000 Global Witness' investigators saw evidence of widespread land clearance for agricultural purposes along route 19 from Stung Treng town to the junction of the Kingwood log road (UTM 0619890/1474095). Much of the area along a ten kilometre stretch had been cleared for about 200-300 metres on either side of the road. Plots of newly converted forestland were found at the following localities, all within the Kingwood concession: UTM 0612389/1488541 (five ha), UTM 0612912/1487785 (three ha) and UTM 0614122/1486850 (ten ha).

Forestland along route 19 from O'Pong Morn in the Kingwood concession (UTM 0616378/1485319) to the junction of the Kingwood log road just outside the concession (UTM 0619890/1474095) has been claimed by Military Region 1 soldiers, especially by those in Regiment 42. The forest here is being clear-cut by many plot holders for about 200 meters on either side of the road.

Mondulkiri

It appears to be business as usual in Mondulkiri. Many of the individuals caught up in the well-publicised December 1999 crackdown have been reinstated and this has done little to discourage illegal logging in the province. According to press reports, cutting and exports to Vietnam have continued on a very large scale, with Vietnam seemingly incapable or unwilling to support the Cambodian authorities. The authorities in Phnom Penh appear to have taken appropriate action but it is not clear what the outcome of their investigation was, if the team discovered the thousands of cubic metres of logs reported in the press, or if anyone was going to be charged. At the same time the provincial authorities have continued to demonstrate an astonishing degree of incompetence and seem incapable of retaining anything they take into their custody, be it a tractor, an individual or a log. Much of the information in this section has been gleaned from the press and has not been confirmed by Global Witness.

"A Globally significant area for conservation." ³⁸

In late May 2000 a team consisting of biologists from Fauna and Flora International (FFI) and staff from the Wildlife Protection Office completed an extensive survey of wildlife in western Mondulkiri from western Koh Nhiek district to the Sre Pok river. The area surveyed consisted in the main of dry deciduous forest with large areas of grassland. This

type of forestland is being destroyed in many parts of Cambodia, not so much by illegal loggers, but by companies converting the forest to agricultural land. The area surveyed almost certainly contains a significant population of the extremely rare Elds deer, a species now extinct in Vietnam and thought to be extinct in Thailand. The team also found gaur, banteng, leopard and tiger tracks, in addition to tracks of what appeared to be wild water buffalo. This wild water buffalo is extinct in most countries, the only other populations being found in India.

The team identified three species of primate including the globally endangered black-shanked duoc langur and 122 bird species including the globally threatened giant ibis, woolly-necked stork and the red-headed vulture. According to the FFI biologists, the survey area is richer in wildlife than the Yok Don National Park, one of Vietnam's flagship National Parks, and worthy of special management. Fortunately the area is as yet largely undisturbed, the main threat being from hunters based in Sen Monorom where potential buyers place their orders³⁹.

Log exports to Vietnam, December 1999—the Outcome

Following the submission of a crime report by Global Witness relating to a major export of logs to Vietnam in December 1999, Samdech Hun Sen ordered an investigation (for details of this illegal export deal see page 19 of *Chainsaws speak louder than words*). The resultant report by the military task force sent to Mondulkiri said that about 380 truckloads of timber had been transported across the border to Vietnam in November and December 1999. Samdech Hun Sen wrote in the margins of the report that the investigation "must dig into the roots, with no one being spared with any mercy." "They must be met with disciplinary measures, fired, demoted or sued in a court of law." Unfortunately this does not appear to have happened.

At first sight the crackdown in Mondulkiri appears to be one of the strongest measures that the RGC has taken against illegal logging. It has not been easy to find out the ultimate result of this crackdown, as the case does not appear to be on the Case Tracking System. This may be because the system is set up in such a way that retrieval of information is not straightforward or because the information is simply not there.

However interviews with government and NGO officials in Mondulkiri in November 2000 suggest that in several instances people involved in this illegal log export deal have now been reinstated, following a request by Mondulkiri's citizen representative and senate member. Global Witness' sources were clearly of the opinion that these people were involved but this has not been independently confirmed.

Chhaom Bunkhan, the former Governor, was replaced by Toar Soeurt soon after the incident, but he was never jailed. Meas Thorng, the former First Governor, was replaced by Koy Kim Huor, but also did not go to prison: apparently he was promoted to another higher position in the National Assembly.

Oem Chhoeurn, Director of the Department of Environment, was not jailed and returned to his position in June 2000. Sieng Sina, the DoE official assigned by Oem Chhoeurn to monitor illegal activities in Pich Roda district in December 1999, returned to his position immediately after his release from Prey Sar prison in September 2000, apparently at the request of the MoE.

The former director of the DFW/MAFF, Eng Bun Hieng, was replaced by Chan Cheis Sdar immediately after the incident. He has not been reinstated but was made an acting director. Mr Lim, a provincial forester, was sent to Prey Sar prison but was released in October 2000 and has since returned to his position.

Seng Sovan, Deputy Commander of the Military Police, was not jailed and returned to work in his old position in September 2000. Vandara Sith, Deputy Commander of the Military Police, was released from Prey Sar prison in September, but at the time of Global Witness' investigation in November 2000 had not returned to work.

Trogn Sarkorn, Deputy Commander of the military, was released from Prey Sar prison in October 2000 but it is not clear if he has returned to his former position. Soen Sa Voern, Deputy Commander of Mondulkiri provincial military, was not jailed but did not work for seven to eight months before being reinstated in November 2000.

Soen Sa Voern, Deputy Commander of Mondulkiri provincial military was not jailed but he did not work for seven to eight months before being reinstated in November 2000.

On 10th November 2000 Soen Sa Voern, Deputy Commander of Mondulkiri provincial military, was seen transporting about 4 m³ of sawn timber by military-style truck. He told Global Witness that a police officer, Khloes Sovan Piset (nicknamed 'Rorn'), had hired his truck to transport the timber which he needed to build his house. The timber had been bought from Mr Kaet Thuon a logger at O'Raing district. He went on to say that he had cleared these activities with the provincial authorities. However, on the following day, the timber was seen being unloaded at the house of Sok Serey, Director of the provincial Department of Commerce. Soen Sa Voern changed his story saying that it was Sok Serey, not Khloes Sovan Piset, who bought the timber.

About 50 thnung logs, cut during large scale illegal logging in Pich Roda district in December 1999, were seen lying around UTM 0767887/1376980 and 0767698/1377823, close to the Vietnamese border in November 2000. They were reportedly impounded and moved by Mondulkiri provincial authorities following orders by MAFF.

Khmer Sathapana processing factory

The Khmer Sathapana factory (UTM 0749544/1372819), according to government officials, is owned by Vong Samey. It is located in Dak Dam village close to the road running from Mondulkiri town to the Dak Dam border checkpoint. The factory has been operational since it was built in 1997 or 1998. In June or July 2000 the company dismantled the processing facilities⁴⁰, but 27 good quality koki logs remained in the factory yard, none of which were hammer stamped or had metal identification plaques.

Log exports to Vietnam 2001

"... They seemed not afraid of the government hot-cracking-down action on illegal logging, as though they knew the government weak points, because in '99 some officials who were involved in the logging were fired, but later they returned to their positions again such as the Director of Mondulkiri's Agriculture Department"⁴¹.

According to a report dated 15th December 2000 from the governor of Mondulkiri to the Minister of the Interior,

provincial authorities confiscated 100 newly cut logs in Keo Seima district on the 2nd December 2000. The logs were given to the Mondulkiri border police for safekeeping but they disappeared soon after the handover. Traces of the hauling of logs into Vietnam were later found one kilometre from the border police headquarters. Border police offered no explanation for the disappearance of the logs. One official put the disappearance down to a lack of fear of the government crackdown: officials involved in the December 1999 Mondulkiri logging scandal had been reinstated so what was there to deter people becoming involved in illegal log deals in the future?

Later in January illegal loggers took advantage of the Chinese New Year celebrations to export 10,000 m³ of logs, mainly koki, to Dac Lak and Gialai provinces in Vietnam

between 22nd and 28th of January 2001.

According to press reports a further 50,000 to 60,000 m³ had been felled and were, in late January, awaiting export to Vietnam. The illegal exports were controlled on the Vietnamese side by Mr Yu⁴². If the press reports are correct, this timber would have been worth between \$3,240,000 and \$3,780,000 to the government had it been cut by a concession company at

a royalty rate of \$54 per m³. This is a huge amount of money but the market value of the timber is even higher.

According to newspaper reports in early February 2001 logs were continuing to be exported from Mondulkiri to Dac Lac through Vietnamese checkpoint No. 10. Apparently the logs were being exported by Mr Yu and his counterpart in Cambodia, a well known businessman, under a permit to export tree stumps. On 7th February a DFW official said that DFW had been persistently approached to issue stump export permits but had refused for fear that the permits would be used to export logs. This fear was confirmed by Rasmei Kampuchea's source in Mondulkiri who told the paper that stumps were dug up and exported for furniture manufacture but the permits had mostly been used for log export and that roots were also exported⁴³.

In response to reports of log exports via border pass No. 10, DFW sent a team to Mondulkiri. The team did not see any log movements, but according to Chhea Sam Ang, Deputy Director of DFW, long term measures had been taken to monitor border passes 4, 5 and 6. He went on to say that on the 2nd February 2001 troops had been sent to pass No. 6 where a few illegal logs were found and four tractors were impounded. Two of these tractors were burned out by the soldiers because the road was too bad to take them out of the forest.

DFW took further action against illegal loggers on the 8th February 2001 in Pich Chenda district (pass No. 6, O Rona Village, Krang Deh Commune—see below for correction). There was an exchange of gunfire between 14 government troops and eight Cambodian loggers but no one was injured. The loggers escaped but a tractor was confiscated⁴⁴.



Illegal nighttime transport, Mondulkiri; November 2000

Further details of the 2nd February suppression activities are reported in the 12-13 February edition of Rasmei Kampuchea. According to the article, 19 Vietnamese loggers entered Cambodia with machinery on the 2nd February and were arrested soon after. Two incidents were dealt with, one by the military and one by the police. Six tractors (cf four above) and some saws were confiscated; two of the tractors were burned. A provincial military official said that the Vietnamese had been arrested three to four kilometres inside Cambodia at points four and five at Ou Rona village in Krang Teh commune Pech Chenda district (this village is actually in Srae Khtum commune Keo Sema district).

Mr Khoy Bun Huor the first deputy governor of Mondulkiri said that the Vietnamese logging company had contacted Mondulkiri provincial authorities but they had referred the company to the RGC for a decision. He claimed that the provincial authorities had not been involved in the deal.

The authorities were in possession of documentation that suggested that there had been collusion with Cambodian armed forces at the border. According to the documents machinery had been brought through three crossing points. One letter written to the chief of border checkpoint No. 621 said that he had received money from the logging company on 12th January 2001 in exchange for allowing 17 log trucks into Cambodia from Vietnam. The letter had allegedly been sent via Mr In Youleng, chief of the Bu Sra border checkpoint.

The Vietnamese have been accused of destroying state property and the environment for which they could be fined \$2,500—\$12,500 and given a prison sentence⁴⁵.

The investigation into the illegal export deal above turned up some interesting documents. One of these relates to a letter allegedly written by the Governor of Mondulkiri, Ta Soeut. The letter dated 5th September 2000 orders the provincial police to facilitate the entry into Cambodia of a group of Vietnamese carpenters to make furniture, led by a man called Doek. A note apparently signed by the provincial police Chief, Reach Sam-nang, says that the 'entry fee' should be given to the provincial Governor⁴⁶.

A preliminary report into the illegal log exports to Vietnam said that the authorities had destroyed 72 logs. It went on to say that Vietnamese documents authorising the importation of 20,000 m³ of logs had been found. However reports in the press said that the investigation had been hampered by poor relations between FUNCINPEC and the CPP at a provincial level. As a result HE Sok An, State Minister and Minister of the Cabinet, assigned Co-Defence Minister Tea Banh to lead a delegation to conduct a thorough investigation in Mondulkiri. Tea Banh leads a recently created joint inter-ministerial commission for investigating and suppressing logging offences⁴⁷. It was also ordered that the Ministry of Foreign Affairs should arrange a meeting with Vietnamese embassy officials to ask for assistance in preventing the illegal cross border trade⁴⁸.

On the 16th February 2001 Le Van Nguyen, Vice Chairman of the People's Committee of Dac Lac province, wrote to the Mondulkiri authorities requesting a meeting to resolve the issues concerned in the above case. He also requested that the 19 Vietnamese held in Mondulkiri's provincial prison be returned to Vietnam to be dealt with according to Vietnamese law⁴⁹.

A further 30 Vietnamese nationals suspected of illegal logging were arrested on 9th April. They are accused of working for a sophisticated logging operation, equipped with mini-bulldozers. However, according to press reports, five of the total of 49 people arrested escaped from jail on 22nd April. Nga Rang Chan, a Deputy Governor of

Mondulkiri suggested that the escape was a result of staff shortages⁵⁰.

On the 3rd March 2001 it was reported that the two \$20,000 tractors that had been burned out by the authorities at Lar Et village, Trang Teh commune, Pich Roda district on February 2nd had disappeared. According to the press, mechanics confirmed that the burning had not been effective and that the tractors could be repaired. Khoy Khun-huo, First Deputy Governor, told Rasmei Kampuchea on the 1st March that the tractors had disappeared after policemen guarding the tractors were recalled for staff counting⁵¹.

In late February/early March a mixed commission led by Chan Sarun, Undersecretary of State of MAFF, visited Mondulkiri and found documents and evidence of involvement in the illegal log export deal relating to four key provincial officials. According to Chan Sarun as reported by Rasmei Kampuchea these individuals include a Mondulkiri provincial official, a provincial commercial official, a provincial military officer and the chief of the border protection police. He went on to say that the situation was now calm⁵².

At the time of writing Global Witness is not aware of further action that the RGC has taken or the outcome of the investigations into the illegal logging in Mondulkiri, in particular whether or not the 50,000 to 60,000 m³ of timber reported in the press to be awaiting export had been found.

A press report on the 18th March 2001 suggested that Mondulkiri officials were continuing to lose evidence of illegal logging. According to the report in Rasmei Kampuchea, 58 illegal logs confiscated by provincial forestry officials on the 8th December 2001 in O Am village, Keo Sema district disappeared. It is thought that the logs were exported to Vietnam.

It was further reported that two oxcarts, four oxen and a sawing machine belonging to Vietnamese nationals that had been confiscated in the same area by Tao Soeut on the 13th December had also gone missing. According to the article, the oxen and the oxcarts had been returned to Vietnam by border police in exchange for 16 million dong (\$1,100) and the sawing machine had been retained by the governor. In addition four oxcarts confiscated in Pich Roda district on the 15th January disappeared⁵³.

Concessionaires

Samling

Samling's concession in the east of Cambodia covers parts of three provinces: Kompong Cham, Kratie and Mondulkiri. Global Witness visited the concession in November 2000 (*for more information relating to Samling's eastern concession see p. 25*).

Samling began conducting an inventory of coupe 3 in Keo Seima district at the beginning of November 2000. This coupe extends from UTM 0725305/1359286 to UTM 0719619/1349907, where labourers were camped. The coupe reportedly consists of about 70 blocks along the main log road that runs from Chhlong in Kratie province to Mondulkiri town. Samling hired about 70 labourers, 30 from Chhlong and 40 from Keo Seima, to help conduct the inventory apparently with minimal supervision by DFW foresters. By the time of Global Witness' visit more than 10 of the blocks had been inventoried and it was expected that harvesting would commence in December 2000.

Thousands of old logs and logging equipment were found in Samling's rest area at Keo Seima district capital (UTM 0708759/1342528).

Military Region 2



Kratie, Kompong Cham, Prey Veng, Svay Rieng

Key Players: **Kratie:** Sok Chorn (Commander of border police); Mr Chhey Sam Rith (Everbright sawmill manager); Mr Seng Hour (Casotim sawmill manager). **Kompong Cham:** Pich Vannak (Chief of border police of Memot district). **Prey Veng:** Senator Nhim Vanda (private zoo owner in Prey Veng and Kampot provinces)

Kratie

The eastern part of the Prey Long forest, which forms the largest tract of dry, evergreen forest in mainland Southeast Asia is located in Kratie province (see *Prey Long—The Case for World Heritage Status*, p. 15). The forest is of particularly high conservation value and experts have proposed that it should be considered as a UNESCO World Heritage Site.

At present, however, this area is under the control of seven logging companies: Casotim, Everbright, GAT International, Kingwood, Pheapimex-Fuchan, Samling International, and Timas. Four had cutting permits for 2000: Everbright, GAT, Kingwood and Pheapimex. There is some evidence of illegal logging by the concession companies in Kratie but not high levels. The notable exception is Everbright, a company that has been involved in illegal logging on a very large scale. Exports of small quantities of luxury timber to Vietnam continue on a regular basis.

Global Witness received unconfirmed reports in August 2000 that the Timas concession, which has not been active in 2000/2001, has been bought by a company called Atwood, one of the companies that is planning to build a golf course in Kirirom National Park (see p. 30).

The province also contains many log rest areas on the western banks of the Mekong, which are used for storing logs before transporting them down river to processing facilities. Government officials in Kratie informed Global Witness in April 2000 that logs and sawn timber are rarely seen moving during daylight hours, as these activities are usually conducted under cover of darkness. Global Witness is unaware of any legitimate reason for transporting logs at night rather than during the day.

On 25th July 2000 a provincial forestry officer, Mr Ul Samoy, and an MoE official, Mr Min Chantha, were shot whilst investigating a report of illegal logging^{54,55}. Mr Samoy was killed and Mr Chantha received a gunshot wound to the leg. This very clearly demonstrates the extremely dangerous conditions that the authorities are working under whilst tackling forest related crime.

The incident occurred at the Kompong Reang bridge, Chhlong district, where provincial forestry officials had received information that illegal sawn timber was being transported by river. The officials found four boats, being guarded by armed men, each loaded with 10 to 20 m³ of sawn timber. It is rumoured that one of the guards was the brother of Kun Kim, Deputy Commander-in-Chief of the Army. Global Witness does not know if the investigating authorities have approached Kun Kim to ascertain the

Everbright log rest area on the Mekong; January 2001



validity of this report or to seek his help. The boats were allegedly being lead by a Mr Mei. Mr Samoy attempted to radio for additional help, when a Mr Ky allegedly opened fire. Additional provincial and military police arrived and seized the four boats and the timber. Twelve people were questioned but none were found to be involved. Mr Mei and Mr Ky escaped, and warrants were issued for their arrest.

Another forestry-related shooting in Kratie province was reported in the press early in 2001⁵⁶. Heng Chantha, the police chief of Saom commune, Preas Prasop district was apparently shot five times on 25th February 2001 as he attempted to seize illegal wood from military loggers.

Timber export

Luxury timber and pepper poles were being exported to Vietnam on a daily basis in November 2000. The timber is exported by motorbike, oxcart and buffalo cart through small anarchic crossings in Snoul district, and most of it originates in Snoul Wildlife Sanctuary. Rangers from the sanctuary informed Global Witness in November that each vehicle pays a levy to border police of 10,000 Dong (\$0.69) per bike or 50,000 Dong (\$3.45) per cart. It was estimated by government officials that there are an average of ten crossings per day at each of 30 crossing points between Va Leu and Lapake. These exports, small in themselves, add up to a significant cross border trade in high value timber.

According to government officials and villagers, Sok Chorn, the Commander of Border Police, whose responsibilities include enforcing the ban on timber export, has been involved in illegal export himself. He had been ordering 160 pepper poles per day since 15th October at least until 6th November from local people, at 2,000 riel per pole, and had been selling them to Vietnam at 5,400 riel per pole.

Concessionaires

Pheapimex

Pheapimex has six log rest areas in the province. Newly cut logs, and logs cut in 1999, were found in three of the five rest areas that were inspected by Global Witness in March and April 2000 (Ton Saong Thleak UTM 0601281/1422218, O'Krou UTM 0600585/1418794 and Yeav UTM 0601713/1412078). This indicates that the concession was in operation in early 2000, before a cutting permit had been granted. Global Witness conducted an overflight of the Kratie concession on 29th December 2000 and 3rd January 2001. A logging camp was seen processing logs in coupe 16, outside the legal coupe (UTM 0577623/1407221); log transportation was also observed in this area. Recent press reports have also alleged illegal logging by Pheapimex outside its concessions in both Kratie and Stung Treng provinces⁵⁷.

Casotim

Casotim has a log rest area in Kang Chhor village, Chhlong district (UTM 0614323/1363243), which is run by the subcontractor Khuon Phyrum (known as "Mr Touch"). In April 2000, Mr Touch told Global Witness that there were 1,800 m³ of old logs in the rest area, probably felled in 1999. Some of these were being stored along the road leading into the concession, and more than 500 m³ were being transported by boat raft to the Cherndar Plywood factory in Kompong Cham town (under transport license No. 0239 Ror Bror Lor Dor Chhor).

The log rest area was working actively in November 2000, constructing log rafts loaded with freshly felled logs, despite the fact that Casotim had not yet been issued with a cutting permit for the year 2000. Forty freshly cut logs

were also found on the log road from the rest area (UTM 0615866/1363527). Both of these observations imply that Casotim has been cutting without a permit.

One of the Casotim sawmills, subcontractor sawmill No. 4 run by Mr Seng Hour in O'Russey village, has also been implicated in illegal activity. Luxury timber and old logs were found by Global Witness in the yard during an investigation in September 2000. The cutting of luxury species is illegal.

Samling

Obstruction

In April 2000 the site manager of Samling's factory at Chhlong refused to provide Global Witness with legal documents relating the thousands of old logs stored in the factory, despite being shown a valid permission letter.

Everbright

Everbright's sawmill in Kratie town, which is managed by Mr Chhey Sam Rith is licensed to supply timber for furniture manufacture for the domestic market. However, old logs without hammer stamps or identification plaques were found in the mill yard in September 2000. The subcontractor failed to provide legal documents related to these logs. (See also *Everbright—The Case for Cancellation*, p. 26)

Kompong Cham

According to press reports, a log raft carrying illegally felled timber crashed into the Tonlé Bet bridge causing damage to the bridge, which was being constructed with Japanese non-debt assistance. According to the report, the raft belonged to Kun Kim, the Deputy Commander-in-Chief of the Army. It is not known if the relevant authorities have substantiated this allegation. A complaint was lodged with the court demanding \$100,000 compensation⁵⁸.

In July 2000 it was announced that a 'plain wood factory' would be built in Kompong Cham province, to process old rubber wood for export with the aid of a 99.6 million Chinese Yuan (\$12 million) credit loan from China⁵⁹. There is overcapacity in existing wood processing facilities and it is not clear why such additional capacity would be required.

Timber export

Press reports in March/April 2001 stated that border police in Memot district are involved in illegal timber exports to Vietnam⁶⁰. At least some of the timber is thought to originate in the Thmar Ta Daok area in Memot district⁶⁰. It was reported that the Chiefs of Satum and Choam Kravien police stations are involved in felling the timber, and that the operations are run by Pich Vannak, the Chief of Border Police in Memot district⁶⁰. The timber is transported across the border by trucks that are owned or managed by police officers. Pich Vannak and his deputy own four trucks, other police officers at the same station own a total of three trucks and the Satum police station Chief owns two trucks and organises three trucks belonging to merchants. It is not known if DFW has investigated these reports.

EVERBRIGHT—THE CASE FOR CANCELLATION

GLOBAL WITNESS BELIEVES that the evidence of illegal activity gathered by both the Independent Monitor and the DFW inspection teams in early 2001 is sufficiently serious to justify taking immediate administrative action and cancelling the Everbright concession. Everbright has been logging illegally in its own concession and the neighbouring Pheapimex concession; loss of royalties from Everbright's coupe 2 alone could be in the region of \$250,000.

About one fifth of the logs examined by Global Witness at the Kandal plywood factory were unstamped and therefore illegal. If this proportion is true for the remainder of the logs, then unmarked timber at the Everbright factory on 12th January could represent a loss in royalties to the treasury of \$26,000. This figure does not take into account logs that had been illegally stamped nor those that had already been processed, and so should be treated as an absolute minimum.



DFW inspection of Everbright Coupe 2; January 2001

Evidence from overflights

Global Witness undertook two inspections of the Everbright concession in Kratie and Stung Treng provinces by light aircraft on the 29th December 2000 and 3rd January, 2001. These flights were followed by an inspection of Everbright's main log rest area on the Mekong by Global Witness on the 5th January.

Everbright coupe 2

Collections of old and freshly cut logs were seen at numerous locations within Everbright coupe 2. Trucks loaded with logs were also observed well away from Everbright's main log road. Many of these sites were at least three to four km from the legal coupes for 1999 and 2000, coupes

1 and 4 respectively. For instance during the 3rd January aerial survey about 60 logs, three large trucks, four log trucks and a log lifter were seen near the boundary with Pheapimex coupe 14 (UTM 0578124/1450016).

Pheapimex coupe 14

Global Witness also flew over Pheapimex coupe 14 on the January 3rd flight. Two piles of logs were seen containing a total of about 50 new logs (UTMs 0577043/1447933 and 0576286/1448469). Log roads within this coupe lead to the main Everbright road not to the Pheapimex road network. The evidence suggests therefore that Everbright has been logging illegally in Pheapimex's concession.

Illegal logging in Everbright Coupe 2; January 2001



Other coupes

Within coupes 1, 21, 22, 23, 24 and 25 there are numerous small clearings along the main logging road. Whilst no logs were observed and many side roads were blocked within these areas, some either featured recent tracks of heavy machinery and/or were associated with small tracks into nearby forest and may therefore be locations where other illegally harvested logs were temporarily stored.

Everbright Log Rest Areas

Everbright's main log rest area is located on the west bank of the Mekong River in Romoul village (UTM 604205 1427539) in Sambo district. This site is managed by three separate subcontractors: Mr Be Chhun Lee, Mr Ieng Sok Nay and Mrs Keang (Hun Chouch's wife). On the 5th January the rest area contained thousands of logs.

A smaller second log rest area containing a few hundred logs on 5th January is located at Kompong Kboeurng, about 2 km upstream from the first rest area. This rest area is run by former Khmer Rouge Battalion 5 soldiers who are now an integral part of Kratie provincial military.

Inspection of three log piles at the major log rest area on the 5th January indicated that a significant number of the logs were unstamped and therefore illegal. Villagers and provincial authorities reported that logs were labelled and sometimes stamped in the log rest area. Many logs are reportedly transported downriver with only one stamp instead of the requisite four that would indicate royalties had been paid.

Everbright logging standards and procedure

Everbright's subcontractors hire local people and former Khmer Rouge soldiers of Battalion 5 to log within certain areas. GPS Positions UTM 587474 1447288 (km 36), and UTM 575464 1454170 (km 62) mark an area where the main logging road crosses coupe 2. The forest to the left of the road is cut by Everbright subcontractor Be Chhun Lee, the right by Ieng Sok Nav. There is apparently no control or monitoring by DFW or provincial foresters. Everbright pays \$26 per m³ of round logs, including cutting and transporting to the rest area on Mekong river bank in Romoul village. In addition, villagers and district officials told Global Witness that the company buys logs from local people and the military, who cut independently in the concession.

Everbright's main logging road

Many small logging tracks were found on both sides of the main road leading to illegal logging sites from km 36 to km 62, in coupe 2 (UTM 0587474/1447288 to 0575464/1454170). Tree branches and stumps were found remaining about 100 metres on either side of the main log road. On the 5th January 2001 about 40 trucks were picking up freshly cut logs from coupe 2 between the two GPS positions above. Soldiers of Battalion 5 were deployed along the main log road, particularly in coupe 2. About 12 freshly cut logs were found at UTM 0584770/1449167 and 22 logs at UTM 0584667/1449148 on the main log road within coupe 2.

Obstruction and intimidation

Everbright's security guards, armed with AK47s, detained Global Witness' staff at the main log rest area despite being shown the permission letter. They confiscated two rolls of used film before forcing them to leave.

Further inspection of Everbright's concession and log rest area, Kratie province

Global Witness presented a crime report detailing the above information to the Director of DFW on the 12th January. In response, DFW sent an investigation team to the concession on the 15th January. A representative from Global Witness was invited to attend.

The joint Global Witness/DFW inspection team discovered 51 unstamped logs at Everbright's log rest area in Romoul village, Kratie province (UTM 0604205/1427539) on 16th and 17th January 2001. This had increased to 90 by the end; Global Witness was not present by this time.

The team also substantiated evidence of illegal logging outside of Everbright's legal coupe 4. Two unstamped logs were found in coupe 2, at UTM 0578478/1452597 and two large freshly cut trees were found in coupe 2, at UTM 0578169/1450613. In addition, most of the (illegal) side log roads leading off the main logging road in coupe 2 were blocked by trees or soil. The leaves of the felled trees were still green

suggesting that the roads had been blocked very recently, possibly the day before the inspection.

However, the inspection of coupe 2 was only cursory and a more detailed search for stumps is required. Global Witness is not aware of any such search having taken place. It should be noted that the standard of the DFW inspections fell far short of what was required and what could reasonably be expected by the government. This is gone into in detail in Global Witness' 29th January 2001 briefing document.

Everbright plywood factory, Kandal province

Global Witness visited the Everbright plywood factory on the 12th, 13th, 19th, 21st and 22nd of January 2001. Although Global Witness was denied entry on several occasions and only afforded restricted access on others, sufficient evidence was uncovered to show that Everbright was involved in processing substantial quantities of illegal timber.

Illegal logs

On the 12th January 2001 Global Witness' staff examined three logs on the riverside log landing immediately behind the Everbright factory. One of the logs had not been hammer stamped and was therefore illegal. The other two were apparently unstamped, though this could not be confirmed as the far end of each log was under water.



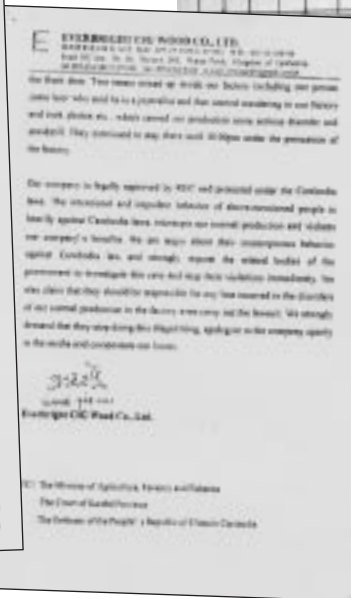
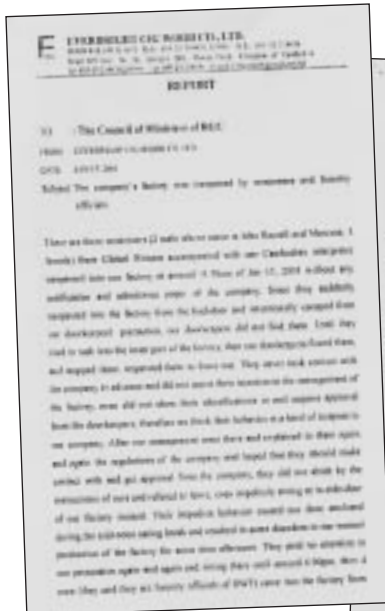
Unstamped illegal log, Everbright factory, riverside log landing; January 2001

Later on the 12th, Global Witness and a DFW inspection team carried out a partial inspection of a pile of approximately 50 logs. Of the 30 logs that could be inspected before DFW inspectors left for the evening, eleven were unstamped and therefore illegal. Global Witness' staff remained and carried out a preliminary inspection of a further eight log piles, containing an estimated 650 logs. A pile containing about 150 logs could not be checked.



Log pile in Everbright factory containing unstamped illegal logs; January 2001

About one fifth of the logs examined by Global Witness at the factory were unstamped and therefore illegal. If this proportion is true for the remainder of the logs, and this is by no means certain given the small sample size, then unmarked timber at the Everbright factory on 12th January represents a loss in royalties to the treasury of \$26,000.



The pile of illegal logs disappears, Everbright factory; January 2001

This figure does not take into account logs that had been illegally stamped nor those that had already been processed, and so should be treated as a minimum.

Only two of the logs in the factory inspected by the DFW team had metal identification plaques. This contrasted markedly with the Kingwood factory where almost every log had an identification plaque. The lack of identification plaques meant that it was impossible to identify the logs and therefore determine whether or not they were from a legal source.

Obstruction of the inspection by Everbright

At 11.00 am on 12th January 2001 Global Witness tried to enter the Everbright factory premises to carry out the inspection. A new and improved permission letter was given to the factory manager but he denied Global Witness access to the factory and refused to cooperate. Global Witness' staff were only permitted to start the inspection when a team of officials from Litigation and Legislation Office of DFW (LLO) arrived with a mission letter signed by the Director of DFW at 5.50 pm.

Global Witness and the LLO team returned to the factory on the following day but were refused entry. On the 15th January Everbright filed a complaint against Global Witness' staff and the DFW inspection team at the Kandal provincial

court. This complaint could have resulted in the monitors being charged under Article 57 of the UNTAC criminal code and facing two years in prison. Everbright also obtained an injunction preventing further inspection.

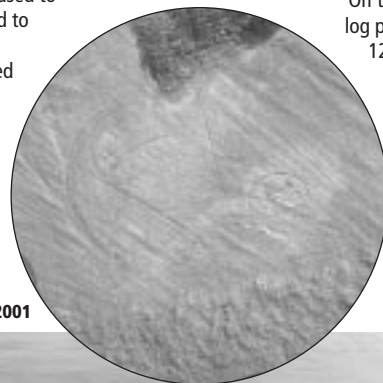
The injunction delayed the inspection by a week until, on the 19th January, DFW had the injunction lifted and obtained its own court order authorising an inspection. However on the 21st January, Global Witness was again refused entry. On the 22nd, Global Witness' staff were physically manhandled and photographed by Everbright's security guards.

Everbright cover up

On the 12th January the joint inspection team examined a pile of 50 logs just inside the back gate of the Everbright factory. One third of the logs were unstamped and were therefore illegal. The head of the DFW team gave instructions to the Everbright factory manager that the pile should not be moved but by the following day it had been removed.

On the 13th January Global Witness and DFW re-examined the three previously unstamped logs on the riverbank. These logs had been stamped overnight.

On the 19th, Global Witness' staff re-examined the eight log piles that they had first checked on the evening of the 12th. All of the unstamped logs that Global Witness had numbered with chalk had been removed. All of the log piles where unstamped logs had been found on the 12th now contained only clearly stamped logs. Some of the logs had had their ends covered in mud. The Everbright factory manager claimed that the logs had become muddy in the river. This was not the case—brush strokes were clearly visible.



Overnight stamping, Everbright factory; January 2001



Muddied by the Mekong?





Military Region 3

Kampot, Kompong Speu, Koh Kong, Takeo

Key Players: **Kampot:** **Mong Rithy** (businessman); **Ny Chiv** (provincial police); **General Ke Kim Yan** (General Commander-in-Chief of RCAF); **Mr Srun Saroern**, (Commander of Battalion 44); **Mr Sok Mom** (Deputy Commander of Battalion 44). **Kompong Speu:** **Brigadier General Prom Pheng** (Commander of

Regiment 2); Nop Khan (Commander of Regiment 2); **Chea Sim** (Head of Senate); **General Ke Kim Yan** (General Commander-in-Chief of RCAF); **Ta Ouve** (local strongman); **General Meas Sophea** (Deputy Commander in Chief of RCAF); **Colonel Keo Seng Lay** (Battalion 4); **Lieutenant Colonel Sok Sarrit** (Assistant Commander of Battalion 4); **Lieutenant Colonel You Sokunthea** (military policeman); **HE Kassie Neou** (member of National Election Committee and Director of the Cambodian Human Rights Institute); **Mr Raing** (Commander of regiment 37); **Mr Say Vour** (Deputy Commander of Regiment 37); **Mr Roern** (Deputy Commander of Regiment 37); **Mr Thong** (mill owner). **Koh Kong:** **Mr Nuon** (Commander of battalion 832); **Mr Ouch Ponn** (Commander of Regiment 83); **Colonel Kan Nang** (Commander of Battalion 303); **Mrs Khiev Si Mo** (manager of yellow vine factory); **General Ke Kim Yan** (General Commander-in-Chief of RCAF); **Kheng Yong** (mill owner); **Mrs Heng Kim** (Voot Tee Peanich sub-contractor and mill owner).

Kampot

Concessionaires

The cancellation of Long Day's 98,000 ha concession in Kampot and Kompong Speu and Cambodia Timber Product's 34,924 ha concession in Kampot was announced at the May 26th 2000 CG in Paris. Both concessions are logged out.

Bokor National Park

Land encroachment

The issue of land encroachment in Bokor, a National Park that covers parts of Kampot and Koh Kong, has been a serious problem during the last year. Global Witness carried out investigations in the park in May and September 2000, which revealed the presence of 117 farms along the Toek Chhou river road⁶¹ and 14 farms along the main road, all within the park. These farms are mainly commercial enterprises which grow pineapple, pepper and durian.

The 31st July 2000 minutes of a sub-committee established to deal with the problem of land encroachment in the park show that the encroachment is dominated by provincial officials and provincial police. The police involved include: **Mr Heing Dara**, Provincial Police Chief (two farms totalling 4.56 ha located on both sides of the road at km 10); **Mr Seng Sokhun**, police officer in the Ministry of Interior (one 3.6 ha farm located at km 10); **Mr Mok Hourt**, provincial police officer (one 0.135 ha farm located at km 10); **Mr Chhiev Samit**, provincial police officer (one 0.175 ha farm located at km 10); **Mr Suy Sok**, provincial police officer (one 1 ha farm located at km 10); and **Mr Seng Ly**, Deputy Provincial Police Chief (one 2.16 ha farm located at km 5). The sizes of the farms appear to be closely related to seniority. Unconfirmed reports in September 2000 suggest that one of the farms, located near the foot of Preah Mountain (UTM 0428372/1166041), is owned by **HE Ke Kim Yan**, General Commander-in-Chief of RCAF. Global Witness does not know how large it is⁶².

Mong Rithy has a several hundred hectare palm oil and cassava plantation located to the west of the National Park along both sides of national route 4 (UTM 0369809/1195436 to UTM 0368127/1212137). However, investigations in September 2000 showed that substantial portions of this plantation cover land inside the boundaries of the National Park. In addition, several logging roads provide access into the forest of Kam Chay Mountain from this plantation. Three Riev trucks and others vehicles were

found at UTM 0373821/1205946 in Mong Rithy's cassava factory during the investigations in September 2000.

Illegal logging is also a problem within the park. According to interviews with government officials in September 2000, logging is being carried out in the Stung Koe area, Kampot district by **Mr Ny Chiv**, of the provincial police. According to these officials his team is equipped with about 50 chainsaws, and processes logs into sawn timber. This is then transported by boat along the river for sale to depots at Kampot provincial town, or exported by boat to Vietnam.

Old logs

In September 2000 government officials told Global Witness that approximately 4,000 to 5,000 m³ of old logs remain scattered in the northern portion of the park. These old logs were illegally cut in 1999 by the Long Day logging concession and will apparently be removed from the park and impounded⁶³.

Yellow vine

The Pi Pob Sambat company received approval to exploit yellow vine (vor romeat) in Kampot, Koh Kong, Pursat, Battambang and Pailin, including protected areas, from MAFF in January 2000⁶⁴. Commercial exploitation of yellow vine is banned as it results in widespread pollution from the chemicals used to process the vine into powder. Apparently, information about this business agreement was not passed on to the MoE, the government agency in charge of protected areas. The factory has recently been closed down.

Sawmills

Cambodia Timber Product's subcontract mill is located in Prey Thnong commune, Kampot district (UTM 0422006/1184474). In September 2000, the owner of the mill told Global Witness that it was processing remaining stockpiles of old timber to produce furniture for sale in Kampot town. The mill operates mainly night⁶⁵.

An illegal sawmill was discovered during the September 2000 investigation, west of Kam Chay Mountain on the western side of the Trapeang Srei River. This mill was established in June or July 2000 and processed approximately three to five m³ of timber each day for sale in Kompong Speu town. This illegal activity is supported by the Chief of Boeng Trach village, **Mr Srun Saroern**, a Battalion 44 Commander and by **Mr Sok Mom**, a Deputy Commander⁶⁶.

Kompong Speu

Forest along the road from Kompong Speu town to Aural Capital has been clear-cut for farming, and most of the large plots of land have been claimed by Military Region 3 soldiers. In addition, an area about five kilometres north-east of Aural town has been cleared to make way for a farm owned by **HE Kassie Neou** (a member of the National Election Commission and Director of the Cambodian Human Rights Institute) for fruit tree farming. Land encroachment in Kirirom is also widespread.

According to press reports in October 2000, logs were being transported by ox-cart from Trapeang Trabek to Ang Snoul district in Kandal, with the dealers paying foresters 30,000 to 40,000 riel (\$8-10) per ox-cart. It was estimated that 100 such ox-carts pass along the road each day⁶⁷.

The Forest and Wildlife Offence Suppression Intervention Unit and the military police have been active in the area. A joint team raided four illegal sawmills, three in Toek Phos district and one in Thpong district, Kompong Speu on 14th March 2001⁶⁸. However, the sawmills' equipment could not be confiscated as the team was



Sawmill near Aural town; February 2001

travelling by motorbike; it was instead burned. Although understandable under the circumstances, such destruction of evidence would not help any future trial.

Global Witness was told in May 2000 that two sawmills were operating in the Ta Dok logging area about 10 km north of UTM 0404753/1300082. One of the mills belongs to Mr Thong, who, according to villagers, pays a levy to Regiment 37 based in Aural district capital. Mr Raing, Commander of Regiment 37 and Mr Say Vour and Mr Roern, Deputy Commanders of Regiment 37 are involved with these mills⁶⁹.

Phnom Aural Wildlife Sanctuary

In May 2000, Global Witness carried out an investigation into illegal activities in the Phnom Aural Wildlife Sanctuary, which covers three provinces: Kompong Speu, Kompong Chhnang and Pursat. A big timber depot was found close to the market in Odong where large amounts of freshly sawn timber were seen on sale. According to villagers in Odong market, the timber is primarily sourced from Phnom Aural Wildlife Sanctuary. Two furniture shops were found at Dam Nak Smach train station in Kompong Speu (UTM 0462796/1301633), one working, the other temporarily closed. Again, according to villagers, the luxury grade timber being supplied to these shops comes from the wildlife sanctuary.

There are a further six furniture shops and four timber depots in Kompong Speu town that were found during the May 2000 investigations. An official at the Governor's office said that the timber was from the Mong Rithy palm oil plantation, but local people reported that large amounts of timber for both construction and furniture materials were mostly sourced from Phnom Aural and Kirirom. According to provincial foresters, the timber is transported to the shops by motorbike carts, and is covered with other commodities making it difficult for the patrolling foresters to find. Foresters said that the timber in each depot was old and inventoried and that there was no new timber coming in to the depots. However freshly cut processed wood planks were seen by Global Witness stockpiled in each depot⁷⁰.

There are thought to be about 20 mills operating in Tpong district Kompong Speu in the Wildlife Sanctuary. The mills are protected by Military Division No. 1 based in Lung Vek, in particular, by Brigadier General Prom

Pheng and Nop Khan, Commanders of Regiment 2.

Also in May 2000, Global Witness found processed timber ranging in size from 0.3 to 2 m³, in each of the approximately 40 houses in Aural town in Kompong Speu. The timber originated from the Phnom Aural Wildlife Sanctuary⁷⁰.

Kirirom National Park

Global Witness carried out investigations at Kirirom in May and August 2000.

Land encroachment

Land encroachment is a serious problem in Kirirom. In May 2000 land reclamation was a problem in the buffer zone of the park, particularly in Cham Bok and Dang Kum villages, Phnom Srouch district. According to Department of Environment officials and park rangers,

workers can earn approximately 110,000 riel (\$29) per ha clearing the forest.

Investigations in August 2000 suggested that several of these agricultural developments belong to senior officials. This includes a two ha fruit tree farm (UTM 0399149/1254002) that apparently belongs to Samdech Chea Sim, Head of the Senate, a one ha fruit tree farm and seven ha paddy field, which belong to Ta Ouve (UTM 0399417/1253744), two ha of land claimed by General Ke Kim Yan (UTM 0397349/1251492) and four ha of land claimed by General Meas Sophea, Deputy Commander in Chief of the General Headquarters of the Ministry of National Defence (UTM 0398185/1252287)⁷¹.

Land encroachment in the eastern portion of the park has been dominated by soldiers of Tank Battalion No. 4 based in Trapang Kraloeng, Kompong Speu military police officers and by military police officers from Phnom Penh. Lt. Col. Sok Sarrit, an Assistant Commander of Tank Battalion No. 4 owns a 100 ha farm (UTM 0405234/1255536). There are also farms belonging to Col. Keo Seng Lay (two ha) also of Tank Battalion No. 4 (UTM 0405268/1250416), Lt. Col. You Sokunthea, a military policeman in Kompong Speu (two ha) (UTM 0405950/1253414) and Choem Raksmeay, a military policeman from Phnom Penh headquarters (three ha) (UTM 0405955/1253558).

Rough sawn timber from Aural Wildlife Sanctuary; February 2001



These people have continued to clear-cut in the National Park, despite receiving a letter dated 4 August 1999 (No. 176/99 Or Thor Kor) from the General Headquarters in Phnom Penh requesting that they stop. The MoE has filed complaints against these individuals at the provincial court of Kompong Speu but Global Witness has not heard of any more progress to date.

Firewood collection

Firewood collection and charcoal burning are very common, especially along the roads running to Kirirom and Chom Bok villages. Five firewood collection locations (UTM 0409211/1247975, 0407297/1249765, 0405710/1254847, 0404706/1257864, 0402101/1260702) and one charcoal burning site (UTM 0402777/1251773) were found in the park. The firewood is collected from both dead and live trees inside the park. It is sold to Kompong Speu town and Phnom Penh. Prices of firewood are 28,000 riel (\$7) per stack and charcoal is 10,000 riel (\$2.70) per bag.

Golf course

In August 2000, park rangers told Global Witness that Atwood, in collaboration with Pheapimex, is planning to build a golf course and motel on an old tea plantation in the middle of the park, covering about 100 ha. These companies reportedly possess an investment agreement approved by the RGC. The limits of golf course were marked in red paint on the pine trees but no further construction activities were seen in the designated area (UTM 0399809/1254202 to UTM 0398752/1255265) in August 2000.

Plantation

According to a 29th July 1999 letter signed by HE Chhea Song, then Minister of MAFF, and Li Dong Fa, Director of Henan, the government granted a 4,200 ha of forest to the Henan (Cambodia) Economic & Trade Development Zone for the development of an agro-industrial plantation. This investment agreement was made following a request from MAFF to the First and Second Prime Ministers on 15th September 1998⁷² and a request from the Council of Ministers to the Minister of MAFF on 3rd December 1998⁷³. However, park rangers told Global Witness in

August 2000 that about 600 ha of this concession overlaps with the south-eastern portion of Kirirom National Park.

Koh Kong

Over the past year there have been several well reported incidents of large scale illegal logging in Koh Kong. The first reported by Global Witness in May 2000 relates to illegal logging by GAT International. This is the best case of cooperation between Global Witness and DFW. Earlier this year another Global Witness aerial survey led to a huge show of force by the authorities. It is encouraging to see such strong action but in this instance the size of the task force may have contributed to the relative lack of success in achieving the main objectives of the operation.

The Koh Kong crackdown

Global Witness conducted two aerial surveys along the south-western Thai-Cambodian border in Koh Kong and Pursat provinces between 23rd November and 11th December 2000.

Two major illegal logging operations could be seen from the air. The first was near Phnum Mai Rok (Hill 100) in the Phnom Samkos Wildlife Sanctuary, opposite the TPP logging concession (UTM 0260960/1319680) and the second was near Thma Da village, Veal Veng district, Pursat province, also in the Phnom Samkos Wildlife Sanctuary (UTM 0251300/1352150). Both sites were next to crossing points to Thailand and major log rest areas could be seen on the Thai side of the border. The Cambodian border area is controlled by the RCAF. Two bridges were found across the Stoeng Metoek river, connecting the TPP concession with Thailand.

On 14th December 2000, Global Witness submitted a crime report to the Director General of the DFW, Ty Sokhun, relating to the above findings. The government sent out a task force on 19th December led by Chan Sarun, Undersecretary of State for Forestry at MAFF, and General Chea Dara. The task force comprised 150 national military police, 150 parachutists, national police, 2 prosecutors and 2 helicopters.

Nineteen illegal loggers (16 Thais and three Cambodians) were arrested on 19th December about ten km inside Phnom Samkos Wildlife Sanctuary. Equipment, communication systems and the presence of road building machinery and trucks (with Thai license plates) indicated a high level of organisation coordinated and financed from Thailand. The offenders face two charges: illegally entering Cambodia, and stealing state property. The 16 Thais were in custody in CC1 prison (formerly Prey Sar prison) on 13th March 2001.

TPP

Logging and road building equipment owned by the concessionaire TPP was impounded as the company was found to have cleared land near the border, outside its forest concession using imported machinery and illegal Thai workers.

Log camp and sawmill near the Thai border; December 2000



Yellow vine

Two illegal yellow vine factories were found: one in O'Saom commune, Veal Veng district, Pursat province (UTM 0302248/133406), and the other on the northern slopes of the mountains in Tatok village, Samlot district, inside Phnom Samkos Wildlife Sanctuary (UTM 0264704/1381727). The manager of the O'Saom commune factory was also arrested and taken to Phnom Penh. The Tatok village factory was dismantled and 15 tons of yellow vine impounded. The factory belonged to the Suon Kim Heng company and was managed by Ms Khiev Si Mo who was arrested and sent to Phnom Penh.

It is not known whether the ringleaders of these illegal operations were ever tracked down or if there has been any cooperation from the Thais.



Yellow vine factory, Chipat, Koh Kong; March 2001

Botum Sakor National Park

Global Witness carried out an aerial reconnaissance of Botum Sakor National Park and the lower Cardamom forest on 31st March 2001. Numerous instances of land encroachment were discovered: in the Smach Melaleuca forests and mangroves in the north-western coastal zone near Koh Kong island (UTM 0289861/1247928), south of Prek Khsach village (UTM 0291833/1245009), north of Phnhi Meas village (UTM 0291855/1241236), north of Khuo Khav river (UTM 295056/1237466), and between the Stung Ta Ak and the Phkun river (UTM 0320776/1227163).

An operational yellow vine factory was found near to Kaoh Sre village, Chipat district, bordering Voot Tee Peanich's concession (UTM 0337837/1254003), and was apparently shut down in the beginning of April 2001.

Firewood collection

In June 2000 Global Witness found substantial amounts of firewood in every village along National Road 4, from Pich Nil to Sre Ambel town. The timber is cut by villagers and the RCAF, in particular Division 44, in Bokor National Park close to Pich Nil on national road 4⁷⁴. A firewood collector told Global Witness that three people can collect at least 700 bundles of firewood a day; 100 bundles sell for 7,500 riel (\$2). The firewood is transported at night to Phnom Penh by pickup truck. Villagers said that Division 44 soldiers and provincial foresters from Koh Kong charged 5,000 riel per truck.

Land encroachment

During a May 2000 aerial survey, substantial encroachment was seen a few kilometres east of Stung Kep where national road 18 crosses the river (UTM 0306001/1282117). Plots of newly cleared farmland were also seen along national route 4 during an investigation in June 2000, including large areas cleared by Division 44 soldiers near Stung Chral village (UTM 0391755/1234736) thought to belong to General Keo Kim Yan.

Land encroachment was also found along Samling's log road, a few kilometres north of Sre Ambel in June 2000. There are two one ha farms in Kraing Chek village (UTM 0365370/1233888 and UTM 0364656/1234691) and a three ha farm at UTM 0365470/1243400.

Sawmills

Two sawmills were found close to the riverbank in Kraing Chek (UTM 0365470/1243400) during investigations in June 2000, both of which were reportedly operating only during the night. One of the mills is run by a Sre Ambel businessman Kheng Yong with support from Mr Nuon, Commander of Battalion 832. Newly sawn timber waste was found in both yards. The timber processed here is sold in Sre Ambel. At least 30 round logs (old and new) were found floating on the river close to the mill yards.

Mrs Heng Kim, a subcontractor for Voot Tee Peanich⁷⁵, runs a mill in Preah Angkeo in Samling's concession. District officials stated that the mill consumed logs from Voot Tee Peanich's concession, but this concession was not in operation before June 2000, the time of the investigation⁷⁶. Villagers told Global Witness that the mill operated only at night providing timber for boat building and for the domestic market.

Illegal export

In June 2000 Global Witness found five m³ of second grade sawn timber at Koh Sdach's port, Kiri Sakor district. According to local people the sawn timber is regularly transported to Thailand by boat at night. Logs are also rough processed in the Thmor Da forest, and exported by the provincial military at the Khlong Sour (Lam Dam) border pass⁷⁷.

Illegal logging

Throughout the last year Global Witness has found many small stockpiles of illegally cut timber in Koh Kong. Most of this is for local use but some instances are significant.

For instance, ten luxury grade logs and a large amount of sawn timber were found on Piphot river bank by Chiphat town in June 2000 (UTM 0338158/1252886). Villagers said that the timber belonged to Mr Ouch Ponn, Commander of ex Khmer Rouge Regiment 83 and that it was cut in the Silveroad and Voot Tee Peanich concessions.

About 300 m³ of semi-processed wood planks (mostly koki species) were also found on the riverbank in Andong Toek town, destined to be used in boat construction.

Concessionaires

Silveroad

In June 2000, Global Witness' investigators were told that illegal activities had occurred in Silveroad's concession, however the camp manager in Chiphat town, Mr Ton Sour, prevented an inspection of the concession.

GAT

Aerial survey

Global Witness and Conservation International (CI) carried out an aerial survey of the GAT concession in Koh Kong in May 2000. Subsequent field investigations were carried out by both NGOs and the DFW in June 2000. The investigations uncovered clear evidence of illegal cutting and transportation of timber by GAT International, including illegal logging in a neighbouring concession belonging to Samling International. The evidence and the subsequent court case are described below.

At the time of the investigation the only legal coupe near the GAT road was GAT coupe 5. However during the May 2000 flight, a log rest area was spotted in Samling coupe 2-3 (UTM 0347014/1313193). The rest area was directly connected to the GAT road within GAT coupe 6 via a ford across the river. Two bulldozers were active in the log rest area and freshly cut logs could be seen. Tracks on the adjacent mountainside within Samling coupe 2-3 appeared freshly used. Recently used logging roads also extended from the GAT road into the vicinity of the boundary between Samling coupes 2-3 and 2-20, as well as into Samling's coupe 2-20 from the "GAT camp".

The main GAT log rest area is outside the concession (UTM 0298045/1267129). In May 2000 it was being used to store 4,228.459 m³ illegally cut logs that were confiscated, impounded and inventoried by MAFF/DFW in December 1999 and subsequently sold by MAFF/DFW to GAT in August 2000.

A second log rest area (UTM 0297488/1269862) could be seen from the plane containing about a quarter of the number of logs seen at the main rest area at Prek Klang Yai. There was also a third log dump with about 20 logs on the east side of the GAT road (UTM 0298561/1271935).

Follow up investigation

The above information was given to the Director of DFW soon after the flight. As a direct result a follow up investigation was arranged to take place between the 3rd and 5th June 2000.

The joint inspection team found 741 logs on the GAT road at UTM 0298023/1269195 and 36 logs at UTM 0299515/1271591, amounting to a total of 777 logs transported by GAT without permission from DFW. The logs were measured, branded and impounded by DFW. The 777 logs had a total volume of 2,290.109 m³, of which 287 were new logs and 490 were old logs. The location of GAT's second log rest area (UTM 341060/1307526) was confirmed as being in Samling's concession. The road leading to this log rest area had been recently been blocked off and camouflaged. In addition a

road leading off GAT's main road was seen to lead into Samling's coupe 20, where stumps were found.

Later, GAT's camp manager, Mr Steve Leang Than, admitted to the inspection team that GAT had collected 777 logs without a permit, that GAT had taken logs from coupe 3 of the Samling concession, that GAT had no permission from Samling to build a log rest area in their concession, or to log in their concession, and that GAT had continued to construct a road along the edge of coupe 6 until 6th May despite the Director of DFW's direction to cease construction on 29th April.

In an explanatory letter to the Minister of Agriculture on June 10th, Mr Goh Chieh, the Director of GAT said *"We had been granted permission by Samling International Limited to construct the main road in question through their area as well as building a transit camp within their timber concession"*. However, Samling's General Manager (and Chairman of the CTIA), Henry Kong, was quoted in the Cambodia Daily on June 29th as saying *"The one thing GAT can be blamed for is not asking for Samling's permission before cutting a road into its concession..."*

DFW prepared a case against GAT, which was then handed over to the provincial forestry department in Koh Kong. However, the court case held in Koh Kong provincial court on 20th June only required GAT to pay royalties on the illegally felled logs and permitted GAT to keep the logs. This judgment is wrong in law in that under Article 33 No. 35 (25th June 1998) the logs should have been confiscated and not returned to GAT, and the appropriate fine should have been between two and three times the value of the logs. Global Witness, CI and the DFW in Phnom Penh only found out about the trial after the event and therefore could not attend to give evidence.

The case was appealed to the Appeals Court but unaccountably DFW lost. Global Witness does not know if the decision is going to be appealed further. In retrospect it may have been more effective for DFW to take administrative action against GAT rather than pursuing the company through an unpredictable court system. This option may still be open to the government given that the judgement went against GAT even if the penalty was insufficient.

Despite the failure to secure an appropriate court ruling this case remains the best example of cooperation between DFW and the Independent Monitor.

GAT International logging camp in Samling Coupe 20 (above dotted line); May 2000





Military Region 4

Preah Vihear, Kompong Thom, Siem Reap, Oddar Meanchey

Key Players: **Kompong Thom:** Hun Chouch (Mieng Ly Heng subcontractor and nephew of Prime Minister Hun Sen); Mr Hy (district police); Mr Heng (district police); Mr Sourn (businessman). **Siem Reap and Oddar**

Meanchey: Mr Sarik (military Commander).

Preah Vihear

Global Witness' investigation in Preah Vihear focused on the activities of Cherndar Plywood, a company that has a concession and massive log rest area (Dong Mar) in the province. A limited inspection showed serious irregularities in log identification and hammer stamping at Dong Mar. There are also problems with illegal sawmill operations in the Beng Per Wildlife Sanctuary.

It was reported in the press on the 30th March 2001 that the Deputy Military Commander of Preah Vihear province had been arrested for involvement in illegal logging⁷⁸, although a senior military official said that the case was being investigated but that no arrest had been made. Earlier in March another press report gave very specific information about illegal logging in the Kok Ker temple area of Preah Vihear, in which it was claimed that trees had been ring barked and left to die in order to clear the land for personal use. Nine UTM positions of land clearance were given in the report: 05215/18110, 051757/1950, 052267/16641, 049375/11782, 049206/11763, 051519/20464, 51476/20794, 03799/21188 and 051237/21540⁷⁹.

Beng Per Wildlife Sanctuary

The Beng Per Wildlife Sanctuary extends over Preah Vihear, Kompong Thom and Siem Reap provinces. Global Witness' findings of illegal activity within the sanctuary in Preah Vihear province have been limited to the presence of three

portable sawmills, discovered during an investigation in August 2000. The sawmills had been operating illegally within the sanctuary in Cham Roeng, Rovieng district. According to provincial officers, the mills process luxury timber, including neang noun and beng, for sale to furniture shops in Phnom Dek and lower category timbers, which are sent to Kompong Thom town. Provincial authorities told Global Witness that each mill pays \$180 per month to one unit of the provincial military in Preah Vihear to guard and to operate the mills.

Concessionaires

Cherndar Plywood

Obstruction

Global Witness attempted to carry out an inspection of Cherndar Plywood's concession and log rest area in Preah Vihear province on 25th January 2001. The inspectors were not given access to the concession, despite having a valid permission letter.

Staff at Cherndar Plywood informed Mieng Ly Heng staff by radio sometime between the 25th and 26th January that inspections were taking place. They passed on information about the colour, model and registration plate of Global Witness' vehicle. This allowed Mieng Ly Heng to deploy extra soldiers who prevented the inspection taking place.

Dong Mar

A partial inspection of the log rest area at Dong Mar was allowed. On 19th January 2001 Mr Buon Vanna, the DFW official responsible for hammer stamping at Cherndar Plywood, told Global Witness that he applies all four hammer stamps to the logs in the active coupe (*see hammer stamping box*). He went on to say that logs are never

Dong Mar rest area; January 2001



hammer stamped at Dong Mar. All legal logs at the Dong Mar log rest area should therefore have four hammer stamps. However, 29 out of 89 logs inspected did not have four hammer stamps. This suggests that the company had, at the very least, not paid royalties on the timber.

The log list is a record of all timber legally felled in a concession. The information in the list includes the species and the dimensions of the log—each log has a unique log number. If any given log is not on the list it is not legal. 20 out of 79 logs inspected at Dong Mar did not have an entry in the log list.

Of the 20 logs that were measured and that could be identified in the log list, 18 had lengths that differed from those recorded in the log list by 20 cm or more. An error margin of 20 cm is double that deemed acceptable by Chheng Kim Sun, Head of the Forestry Management Office. The great majority of these logs were longer than recorded in the log list. Of the 18 logs that differed in length from the entry in the log list by 20 cm or more, 16 were longer than the log list entry and only two were shorter. The most likely explanation for the huge discrepancy between under recording and over recording of log lengths is that Cherndar Plywood is cheating the royalty system. A shorter log means less volume of timber and therefore less royalty for the company to pay. This could not happen without the involvement of DFW staff.

Global Witness also inspected Cherndar Plywood's Dong Mar log rest area from the air, and photographs taken show that on 23rd January 2001 there were in the region of 4,500 logs or 13,500 m³ of timber at the rest area. The figure of 4,500 logs is a minimum as some of the logs were in piles, and only the logs at the top of the piles could be accurately counted. In addition to the logs at Dong Mar there were 2,895 Cherndar Plywood logs, or approximately 8,577 m³, recorded by DFW officials in Kingwood's factory in January 2001. These two locations account for an estimated 22,077 m³ of timber from coupe 6 of the Cherndar Plywood concession. This figure is in excess of the 20,574 m³ that the company claim to have cut in 2000 and does not include timber that had already been processed or stockpiled elsewhere. It seems highly likely therefore that Cherndar Plywood has cut considerably more timber than it declared or is allowed to cut in the 2000 cutting season.

Freshly cut logs from Beng Per Wildlife Sanctuary, Anlong Kong rest area; November 2000



Kompong Thom

There are several logging companies in the province. None of them were prepared to cooperate with Global Witness, instead limiting inspections as much as was possible. The companies do not have good relations with the local people as was evident from the large numbers of oxcarts that the companies had confiscated.

Land clearance

It was reported in the press on the 5th-6th September 2000 that the Chief of Cabinet of the Governor, Diep Piry, Khma Kieng, Cao Cheng Hour, Hak Puthy and Ly Kam Say had all been accused of land clearance to make way for a cashew nut tree plantation⁸⁰.

Beng Per Wildlife Sanctuary

A substantial amount of illegal logging has been documented in the Kompong Thom part of the Beng Per Wildlife Sanctuary. Some of this cutting takes place on a relatively small scale, although the total volumes involved are not insignificant, and the process involves the collusion of the provincial authorities.

Rough sawn timber was found by Global Witness under most of the 60 houses in Tuol Kreal village in Prasat Balang district during an investigation in August 2000. Villagers informed Global Witness that the timber was cut and processed in the sanctuary by hand saw and transported by oxcart with rubber car tyres at night in order to avoid detection by officials.

Old logs

In August 2000 Global Witness found 463 old logs at various locations near Chi Ouk lake (UTM 0495684/1445022). For instance, 100 were found at UTM 0496061/1443948, 100 at UTM 0496079/1445224 and 120 at UTM 495960/1445152. It is not clear when these old logs were cut but villagers told Global Witness that the timber was illegally felled in the sanctuary under the direction of district officials from Prasat Balang district. Apparently Mr Hy and Mr Heng of the district police and Mr Sourn, a businessman, paid local people to cut trees from the sanctuary and to process them for 30,000 riel per m³. The timber was then transported by pickup for sale in Kompong Thom town. Provincial officials also said that some of the logs had been illegally felled by Lang Song International, and other unidentified people, as early as 1998.



Legal transport. Truck near Baksnar; January 2001



Illegal transport. Confiscated ox-carts, GAT International rest area, Baksnar; January 2001

Concessionaires

GAT International

In July 2000 Global Witness was told that GAT had been charging local people 5,000 riel per pickup truck for access to its road⁸¹.

GAT was also found to have confiscated a substantial number of ox-carts from villagers⁸². Approximately 15 such ox-carts were present in their log rest area at Baksna on the 27th January 2001.

Obstruction

Global Witness attempted to inspect GAT's log rest area and concession on the 27th January 2001, but were prevented from doing so by security staff and members of the provincial military. The reason given was that the manager of the concession was not present and could not be contacted. (see *The Future of Colexim*, p. 15)

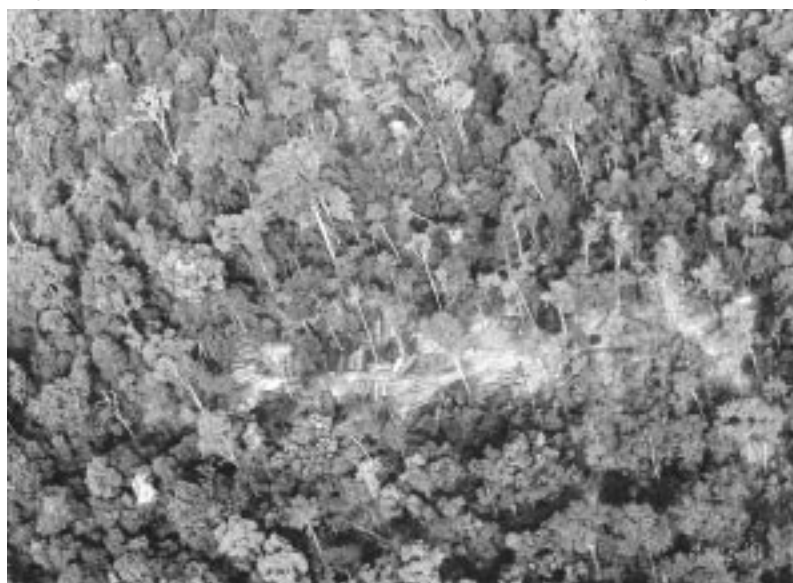
Colexim

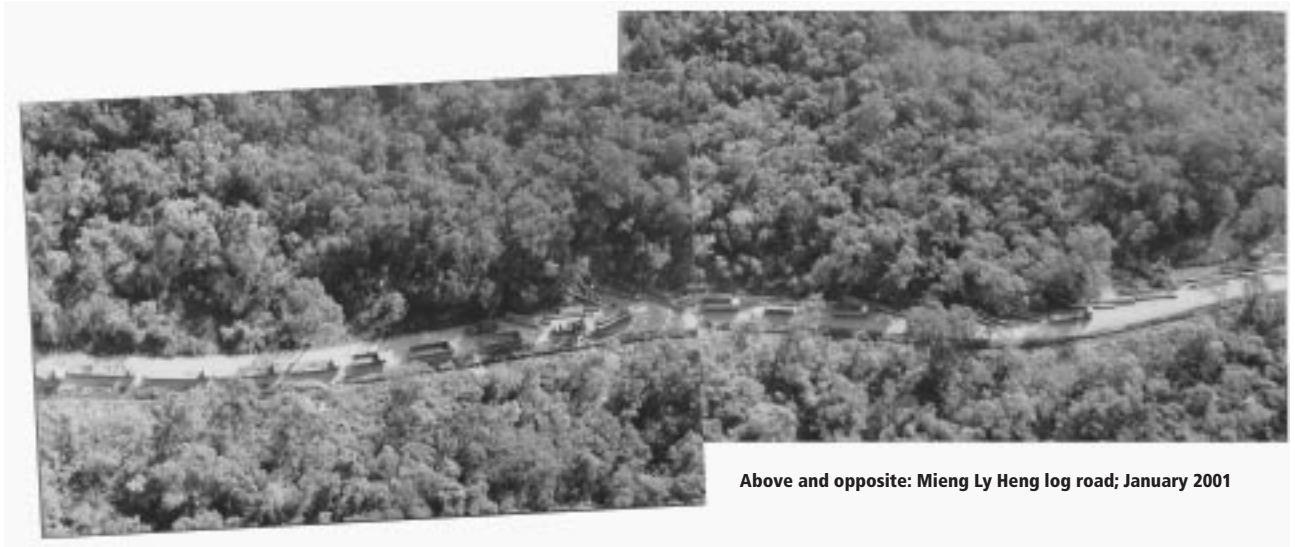
In August 2000 villagers informed Global Witness that a sawmill in Sralau Srong village (UTM 0543182/1426560) consumes timber illegally cut in the Colexim concession, and that the owner pays \$10 per m³ to Colexim security officers, as well as money to commune authorities and district foresters. Global Witness was told that the mill had received a permission letter from commune authorities but has not seen a copy of the letter.

In January 2001 a pile of nine logs was found on the Colexim log road (UTM 0532077/1396760) and a log truck was seen on the Colexim road carrying seven logs. None of these logs had hammer stamps or metal identification plaques⁸³.

Global Witness' staff were told in January 2001 that foresters working in the Colexim concession are paid \$160 per month (plus additional benefits such as food, accommodation and transport) by the concessionaire, whereas they are paid 50,000 riel per month (\$12.50 per month) by the DFW⁸⁴.

Illegal sawmill, GAT International concession (UTM 0569475/1386110); January 2001





Above and opposite: Mieng Ly Heng log road; January 2001

Obstruction

Global Witness attempted to inspect Colexim's concession and log rest area on the 28th January 2001. However the inspectors were stopped at a checkpoint on the boundary of the Colexim and GAT concessions (UTM 0546038/1426363). The security guard at the checkpoint, who was a member of the provincial military, informed Global Witness that the instructions to prevent the inspection came from the Chief of Security at Baksna log rest area, Mr Bon Tonun, who had received instructions from Phnom Penh.

Pheapimex

Global Witness carried out an aerial inspection of Pheapimex's Kompong Thom concession on the 29th December 2000 and the 3rd January 2001. Evidence was found that a substantial amount of illegal logging was taking place outside the legal coupe, both in the vicinity of the eastern slopes of Phnom Pros near Phnom Chi (UTM 0572069/1425182, 0572796/1424698, 0571954/1423913, 0571799/1425030, 0572988/1424647), and to the north and east of the legal coupe (UTM 0566058/1415700, 0566271/1417107, 0570073/1413425, 0570830/1413005, 0570109/1412722).

Pheapimex also was found to be collecting both old and newly cut logs from a number of locations well away from the legal coupe and the main log road leading to Pheapimex's large log rest area on the western banks of the

Mekong. Numerous log stockpiles were found, sometimes attended by an array of logging machinery and stationary loaded trucks⁸⁵.

Mieng Ly Heng

On 26th January 2001 Global Witness was denied access to Mieng Ly Heng's 2000 coupe by a roadblock, mounted by approximately 30 armed RCAF soldiers acting as security for the company. They said that it was unsafe to travel any further because of problems with bandits.

A man claiming to be the Head of Security, Ly Seng, but answering to the description of Hun Chouch, and other guards in the concession and at the Baksna log rest area told Global Witness that log trucks had not passed along Mieng Ly Heng's log road since 30th December 2000. However Global Witness observed at least twelve trucks being loaded with logs during an aerial inspection of the concession on the 23rd January 2001 (UTM 0537935/1455550). It is possible that this log transportation was legal; Global Witness has not been able to obtain a copy of the relevant transport permit. However it is inconceivable that that such a large movement of trucks would have passed the roadblock and Baksna log rest area unnoticed.

There were sixteen oxcarts in Mieng Ly Heng's log rest area in January 2001. According to security staff they had been confiscated from local people who were using the carts to take timber from the concession. The Chief of Security at the log rest area informed Global Witness that Mieng Ly Heng donates five or six m³ of timber to every local family wishing to build a house. However, villagers living near to the concession had never heard of such a scheme. There is clearly a problem of lack of affordable timber for local people. Concession companies confiscating oxcarts only serves to make poor people poorer and does not address the problem in the long term.

Mieng Ly Heng's security staff also claimed to have shot a bandit next to the main logging road in the concession. Three other bandits apparently escaped. This story was backed up by photographs on display in the 'Headquarters Defence Security of Forest Concession', just outside Baksna log rest area. Whilst banditry in Cambodia is a problem that needs to be addressed, killing people is not something that concession security staff should be doing. It is essential that these armed guards stop taking the law into their own hands.

Pheapimex logging camp outside the legal coupe (UTM 0566058/1415700); January 2001





Siem Reap and Oddar Meanchey

Logging in these provinces appears to be limited numerous to small-scale operations in the main controlled by the military, often supplying luxury timber for the furniture trade. Much of this activity takes place in the wildlife sanctuaries.

In May 2000 high-ranking district officials and military officers were cutting luxury grade timber for top quality furniture in Anlong Veng district. The timber was being transported to Siem Reap town by pickups and military trucks, accompanied by mission letters from Anlong Veng and Trapeang districts⁹¹. Luxury grade timber was found in the camp of Military Division 23 in Anlong Veng town during the same investigation (UTM 0398744/1585673) which was destined to be transported to Siem Reap town by pickup at night⁹².

A checkpoint was established at Dok Bou village, on the road from Siem Reap to Banteay Srei, in 1998 in order to control the transport of illegal timber. It is run by Military Region IV soldiers. More than 50 old logs, sawn timber and furniture were observed at this checkpoint in May 2000, although it is not clear as to whether this represented confiscated timber or illegal timber destined to be traded.

According to local people and border police, sawn timber is exported from the Thmor Don border pass by border police, under the direction of the provincial military.

Unauthorised mills and furniture shops

Two illegal sawmills were found to be operating in Samrong town (UTM 0339006/1567627) and Chong Kal district (UTM 0346067/1542858) during Global Witness' investigations in May 2000. According to government officials the mill in Chong Kai district is owned by Mr Sarik, a Commander from the nearby district military base. There are also illegal furniture shops elsewhere in the provinces: in Thmei village (UTM 0400537/1582527) and near to the O'Smach border pass in Oddar Meanchey (UTM 0359954/1596047), and in Siem Reap town.

Phnom Kulen National Park and Kulen Promtep Wildlife Sanctuary

There is only one concession in Siem Reap and Oddar Meanchey: Samrong Wood. It had a cutting permit for 2000, and in May 2000 was constructing a logging road from Banteay Srei village through the Phnom Kulen National Park to Sre Noy village.

During investigations in May 2000, substantial amounts of timber were found being illegally cut in the Phnom Prey Veng

Photograph on the wall at Headquarters Defence, Security of the Forestry Concession. Inspecting a dead bandit.

forest, part of which is in the Kulen Promtep Wildlife Sanctuary. Loggers in Cheng Phein village and a district soldier told Global Witness that some of the timber is hidden about 20 km from Cheng Phein village, and then sold in the village for about 2,000 baht per m³ (\$43.80 per m³). One oxcart was seen transporting approximately 0.5 m³ of second grade timber, which had been illegally cut and roughly sawn in the Phnom Prey Veng forest. Other timber is stored in households in Khtom village and then transported to market in O'Smach and Siem Reap town by oxcart or pickup.

The military are involved in illegal logging in Svay Leu district, in the southeast region of the wildlife sanctuary. According to local people, interviewed in May 2000, ex-Khmer Rouge soldiers, provincial military and Military Region IV staff have all been cutting beng wood and producing sawn timber.

Several hundred cubic metres of sawn timber were hidden in the Phnom Lumen forest early in 2000. This is owned by HE Sieng Nam, a member of the National Assembly from Siem Reap, and by high-ranking provincial officials from the fishery department and the border police⁹³.

Old logs

In May 2000 there were 600 or 700 old logs, 150 old burnt logs, and more than 100 luxury grade square logs stored at the Anlong Veng border pass (UTM 0398884/1585835). There were an additional 100 or 150 old logs and more than 150 burnt logs at Thmei village (UTM 0400537/1582527).

Luxury timber stored at Military Division 23 camp, Anlong Veng town; May 2000



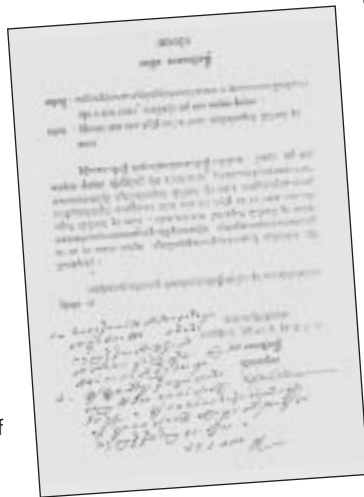
NAM SAN IMPORT EXPORT COMPANY—A CASE STUDY

MUCH OF THE INFORMATION below relates to official documents. Global Witness believes them to be genuine however it is a possibility that the documents are forgeries. It is also possible that the documents are genuine, but that many if not all of them were signed in good faith and that this is a case of bad practice rather than corrupt practice. These documents were presented to the RGC in the form of a crime report in September 2000 but to date Global Witness has not heard from the government if the matter is being investigated.

The net effect of this series of documents is that old logs become confiscated logs having been subject to a decision of the court. These confiscated logs are not subject to any of the restrictions on sale or transport that apply to old logs for well documented reasons (see section....old logs).

In May 1999 Kompong Thom Provincial Court impounded 2,487 logs (5,602.362 m³) in Panha Chi and Balang villages of Stung Sen District, and Krek Chas village of Stoung district⁸⁶. The majority of the logs were second grade, but luxury grade and first grade logs were also subject to the decision of the court. The court decided to make the logs available at auction.

On the 28th March 2000 HE Sum Mani, Secretary of State, wrote to Samdech Hun Sen requesting his approval to allow the sale of this 5,602.366 m³ of wood to the Nam San Import Export Company as requested by MAFF⁸⁷. This letter did not have a formal letterhead and did not include HE Sum Mani's title of Secretary of State.



The letter was apparently annotated by Samdech Hun Sen on 29th March, approving the sale but setting out certain conditions: that only the officially confiscated logs in the rest area were to be sold, that no logs were to be collected from the forest, that no new trees were to be cut, and that the logs must be closely monitored during transport to the processing facility in Kompong Thom.

HE Sum Mani then sent a letter to Chhea Song, then Minister of MAFF, on 5th April granting permission for Nam San to purchase the 5,602.366 m³ of logs⁸⁸. The granting of permission to sell the logs to Nam San appears to be inconsistent with decisions # 40 and 41 of the provincial court⁸⁶, which said that the logs would be auctioned. However it is possible that Nam San were successful in bidding at auction and that the court subsequently endorsed the sale.

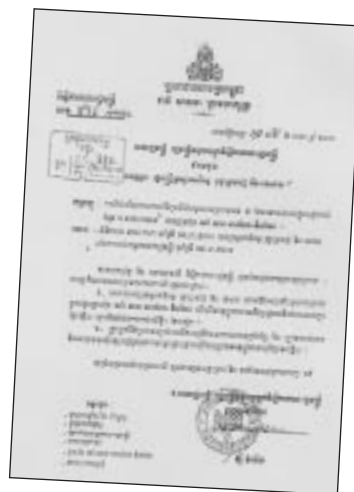
Chhea Song then wrote to the Director of DFW on 19th May 2000

repeating the information that Nam San have permission to purchase the logs and stating that MAFF and DFW had decided on 1st May to sell the logs at a price of \$24 per m³ giving a total cost of \$134,456.78⁸⁹. The letter requested that DFW issue relevant transport permits, which were issued on 31st May⁹⁰.

Global Witness observed

approximately 600 logs at the designated sites in Panha Chi (UTM 0494092/1399074 and 0489122/1402357), Balang (UTM 0488936/1403132) and Krek Chas (UTM 0450436/1444264). Two military policemen from Stoung district, hired by Nam San Company, were guarding the old logs at Krek Chas. When combined with information from transport permits and other documents, about 1,600 to 1,650 of the 2,487 logs can be accounted for. It is unclear as to whether the remaining 800 to 900 logs have been transported under permits which Global Witness

does not have, have been transported without permits, or are in fact the 700 logs reported to be distributed in the forest within the western portion of the Beng Per Wildlife Sanctuary. However, it cannot at this stage be discounted that these 'old logs' did not exist at the time of the sale.



Truck loaded with Nam San old logs, Krek Chas; August 2000



400-500 Nam San old logs, Balang mill; August 2000





Military Region 5

Battambang, Pursat, Banteay Meanchey

Key Players: Battambang: Huon Pan (father of former Pursat Governor). Pursat: Mr Moem (Superwood's on-site manager).

Battambang

Illegal logging and timber trading in Battambang mainly takes the form of disposal of old logs stranded since 1996, smuggling of luxury and other timbers to Thailand, and land encroachment. Illegal logging, in the Samlot Protected Landscape Area, is almost exclusively controlled by divisions 16, 17 and 18 of Military Region 5. Elsewhere, illegal logging and timber smuggling to Thailand are controlled by former KR units and individuals.

In May 2000 there were approximately 20 illegal sawn timber shops in and around Battambang town⁹⁴. The timber originates from a wide area including Banok, Samlot, Phnom Ary, Aren and Veiy Chap in Mound Russey and Prey Thom in Ratanak Mondoul. Transport methods are either by rail from Pursat, or pick up trucks and oxcarts for Ratanak Mondoul⁹⁵.

According to government officials, there were four or five illegal military run sawmills in Phnom Chap in Mound Russey district, and another unauthorised mill in Kam Rieng District (UTM 0219442/1458147). In Phnom Prek district (UTM 0222988/1448623) a furniture shop produces tables, chairs and beds for Battambang and Phnom Penh markets, the shop owner making unofficial monthly payments to the district governor's office.



Motor cart carrying rough sawn Beng, Samlot; May 2000

Border passes

Large but unspecified quantities of luxury timber were exported by night through O'Anluk border pass (UTM 0219014/1458157) by high ranking military and provincial officials.

Old Logs

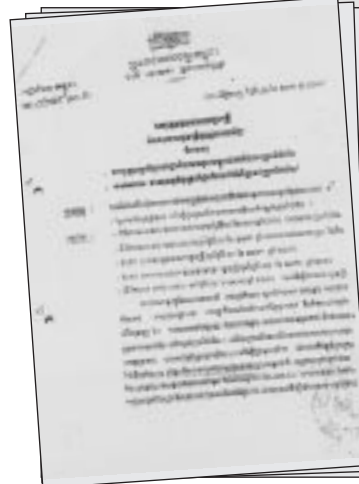
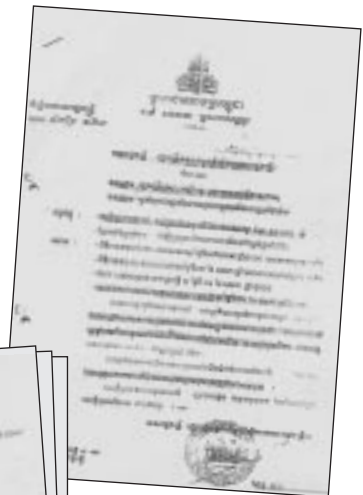
The vast stockpiles of luxury timber stranded near Pailin since 1996 have proved to be a constant temptation for the cash hungry provincial government, and sporadic exports to Thailand have taken place over the past few years. According to press reports, in November 2000 the RGC provided approval to local officials to use 100 m³ of logs to make furniture for the new city hall, which presumably has a very large capacity for furniture⁹⁶. This deal was apparently approved by the Council of Ministers on 27th June 2000⁹⁶. To finance the transport of the logs the local leadership is selling old logs to a private company⁹⁶ – contrary to Declaration No.1. Although in this instance the logs almost certainly are old, the ad hoc permissions granted for this type of activity undermine the whole forestry reform process as, according to the World Bank, 95% of illegal logging was caused by the 'old log' loophole.

In this case, it certainly seems that far more than 100 m³ of logs were transported, judging by the reduction of the log stockpile⁹⁶. Coupled with reports of visits by Thai traders to the timber stockpiles there is cause for concern that exports will continue to Thailand.

Planned 20,000 m³ log export to Thailand

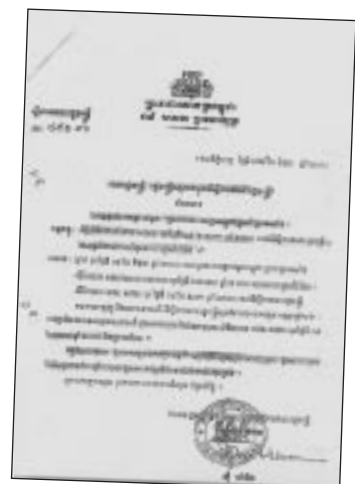
As far as Global Witness is aware the RGC has investigated this case and found all documents in the sequence of letters to be forgeries. The names of the people whose signatures were forged are used in this context merely to illustrate how the perpetrators planned to arrange the deal using the forged documents.

On 9th May 2000 'HE Sok An' wrote to the Minister of MAFF and to the Governor of Pailin. The letter gave an authorisation in principle to export 20,000 m³ of logs from Pailin to Thailand with the proviso that no new trees be cut down.



On 10th May 2000 'HE Sar Kheng' wrote to the governor of Pailin restating the government's intention to give permission to export the 20,000 m³ of logs to raise money to help the development of Pailin municipality.

On 7th June 2000 'HE Sum Manit' wrote to the Ambassador of Cambodia to Thailand. This letter referred to the 9th May letter, and confirmed that the RGC had granted permission for the export to take place. In the meantime, however Samdech Hun Sen had annotated the 10th May letter on the 6th June 2000 saying that he never authorised such an export, that the letter should be annulled immediately and that an investigation to find the forger should take place.



Following an investigation lead by HE Sum Mani a court case took place in July 2000. According to reports in the press, the Municipal Court accused three people of colluding in the forgery of the documents: Mr Seng Sitha, Mr Ly Saroeun, an official at the Pailin Urbanization



Illegal sawn timber at Banmak train station; May 2000

Department and Mr Sok Bunrith, an official at the Communication Department of the Council of Ministers⁹⁷. Mr Keo Horn was summonsed to court to give evidence⁹⁸, and one of the forgers was sentenced to five years in prison in January 2001⁹⁹.

It does seem unlikely that such an elaborate and convincing plot could have been thought of or carried out by one person. However, Global Witness is unaware of any ongoing investigations to find accomplices in Pailin or elsewhere.

It also logical to assume that the letters were forged for a reason and the most likely reason was the desire to export 20,000m³ of old logs from Pailin to Thailand. It is important therefore that the government addresses the root cause of the problem: the thousands of cubic metres of old logs in Pailin (*see Old Logs*, p. 8).

Pursat

Logging in Pursat is characterised by widespread but small-scale illegal activity and the export of processed timber to Thailand. The main exception to this is Superwood which has been cutting large quantities of illegal timber. It is not clear what effect the rumoured change of ownership will have. However the most serious threat is the proposed Pheapimex plantation which requires the clearing of forest land currently relied upon by local communities. This will do nothing for poverty alleviation.

In May 2000 illegal sawn timber prices ranged from 550-600,000 riel (\$145-158) per m³ in Pra Hal village, Kravanh district. Some of this was supplied by soldiers who Global Witness observed leaving the forest in You Ry Sako's concession equipped with a chainsaw (UTM 0342292/1381379). Local people said that the soldiers were from the Pursat district military. Provincial Battalion 2 is based in a large logging village called Kbal Teahean (UTM 0407377/1354134) in which 28 houses each had stockpiles of 2-4 m³ of sawn timber, reportedly from Raing Khvao and Chhres. Timber from the above districts is used to supply various furniture shops in Bamnak, Kravanh and Pursat towns.

Large quantities of sawn timber were stockpiled on both sides of the track at (UTM 0410418/1359268), also purportedly originating from Raing Khvao and Chhres in Chheut Tom Commune. There are approximately 20 illegal mills in this region, six active ones are located at UTM 0400306/1322533; 0380316/1336781; 0380359/1343634;

0388149/1348150; 0372394/1348578 and 0368890/1348823).

Approximately 90% of the houses near the station had 1-3 m³ of sawn timber stored underneath them. The timber is destined for Battambang town. Prices ranged from \$97-100 per m³ depending on quality. It was reported that local businessmen paid \$10-13 per m³ to local foresters and \$2.5-5 per m³ to local RCAF officials. Substantial quantities of sawn timber and poles were also found between Bamnak and Pursat, alongside the rail tracks. One of the three timber depots in Pursat town, at the junction of the railway and the Kravanh

road (UTM 0365325/1364790), belongs to Huon Pan, the father of a former Pursat Governor, Ros Sreing.

The destruction of Pursat's forests, which has meant a shortage of logs for Superwood, has resulted in the anarchic felling of smaller and smaller trees. Newspaper reports from January 2001 talk of 40 to 50 cm trees being felled in Krakor district¹⁰⁰. These trees are reportedly being used as railway ties, which probably means they are being exported for the well-established and lucrative Thai market¹⁰⁰.

According to news reports in March 2001, environmental officials in Pursat reported that illegal logging operations involving 100 oxcarts and 30 sawmills were exploiting Phnom Aural and Phnom Samkos Wildlife Sanctuaries. In addition six trucks transported sawn logs to Kompong Chhnang province and Krakor district in Pursat¹⁰¹. Other news reports allege that the Chief of Krakor district, Serey Kosal, has coordinated with Pursat provincial authorities and the forestry department to build 20 illegal sawmills, including one owned by Mr Chheang at Kosh Romeat, one owned by Om Kheat at Banak Traop and one owned by Kheiv Try at O Kandal, all in Krakor district¹⁰².

Concessionaires

Superwood

The status of Superwood, one of three concessionaires in Pursat, is unclear and has been subject to change over the past year. It is apparent that the concession is so degraded that it is unviable, hence the permissions that allow the company to collect old logs. In parallel, the company has been involved in significant levels of illegal logging before it apparently ceased to operate in the concession.

In May 2000 Global Witness carried out investigations in Superwood's concession, including field inspections between the 14th and 19th, and an aerial inspection on the 26th. Superwood was issued with a cutting permit for 1999 for Compartment 1, coupe 1 on 14th January 1999; however, it was not issued with a cutting permit for 2000 and had no timber harvest registered. Over 2,000 m³ of illegally felled logs were found, along with evidence of extremely poor forest management resulting in significant forest destruction. In addition Superwood's on-site manager, Mr Noem, claimed that the company possessed a collection permit allowing them to collect old logs, which is in contravention of Samdech Hun Sen's Declaration No.1.

PHEAPIMEX LAND CONCESSION— A CASE STUDY

THE PHEAPIMEX GROUP was awarded a concession area of 138,963 ha in Pursat province on 8th January 2000. A 70-year investment agreement was signed with the RGC and an agreement for an area of 176,065 ha in Kompong Chhnang has also been made¹⁰⁴. These are not forest concessions like the 708,725 ha that Pheapimex operates in five other provinces but are 'agricultural and process investments' with the objective being to grow trees and agro-industrial crops. These 'land concessions', along with a number of others throughout the country (see table p. 43) all have very similar but poorly written contracts that are not based on any law. Pheapimex has the largest land concession area but is the only land concessionaire that is not required to produce a management plan as part of its investment agreement. In December 2000 further investment was made in the land concession when Pheapimex signed an agreement with the Chinese State Farms Corporation to build a \$70 million joint venture pulp and paper mill in Kompong Chhnang that will process plantation-grown eucalyptus¹⁰⁵. The joint venture is to be financed by the Import-Export Bank of China.

Much of the Pheapimex land concession in Pursat is actually forested land and a process of clearance of natural forest would have to take place before Pheapimex can plant eucalyptus trees for paper production. According to a MAFF land area study in 1997, of the 138,963 ha in Pursat the only non-wooded part of this area is 400 ha of grassland. Various other types of woodland are destined for clearance, the largest of which is 96,000 ha, classified as 'damaged woodland'. If the majority of these woodlands are indeed damaged or degraded (opinions will no doubt differ on the definition of degraded forest) then these areas should be allowed to naturally regenerate or be rehabilitated with native species rather than being cleared to make way for monocultures of non-native trees.

There has been a spate of land concessions being awarded in the last two years. This could be because Samdech Hun Sen's Declaration stated that no new forest concessions should be awarded. New legislation could also severely restrict the granting of any new concession. For example, the new draft forest law states that 'idle forestland can only be transferred to concession after public hearings with concerned authorities and communities'. The constraints of the new forest concession agreements may also significantly increase the costs of running a forest concession making it easier for companies to switch to land concessions. The dry open forest should not be cleared to make way for quick growing industrial tree crops for pulping.

The first community to be affected by the Pheapimex land concession is the people of Ansar Chambak commune in Pursat. Pheapimex has been allocated 6,800 ha of forest near the commune for clearance in its first year of operation. Village representatives contest the idea that the forest here is degraded and say it produces a number of non-timber forest products on which villagers are dependent, such as

fruits, resin, bamboo, rattan, herbs, traditional medicines, firewood, building wood and fodder for livestock¹⁰⁶. Villagers estimated that 50% of their livelihood is derived from the forest and 50% from rice cultivation.

The forest is an important provider of additional nutrition to the poor local diet and in some cases provides a small income to families; for example two people can earn up to four chi of gold a season (\$140) collecting and selling kuy fruit¹⁰⁶. Studies in other parts of Cambodia have pointed out that the value of non-timber forest products per hectare can exceed that of the timber to be harvested¹⁰⁷. If the natural forest disappears then diets, health, income and housing will also suffer and people will be forced to move away.

Ansar Chambak village representatives have written numerous letters requesting help, with hundreds of thumbprints of concerned local people attached. These letters have been sent to various government officials, NGOs and newspapers over the past year or so. However the RGC still seems intent on allowing Pheapimex to clear the forest¹⁰⁸. In mid 2000 Pheapimex staff tried to enter the forest to begin marking boundaries, however local people physically blocked both tracks into the forest¹⁰⁶. There are strong feelings in Ansar Chambak commune, and if Pheapimex return local people have said they would risk their lives to defend the forest.

The planting of eucalyptus could have devastating social and environmental effects such as those that have occurred in north-east Thailand in recent years¹⁰⁹. Within a couple of years of eucalyptus cultivation, water tables have dropped and land has become dry and infertile with disastrous effects on nearby rice crops. Eucalyptus grown on short five year rotations for pulpwood take up excessive water and nutrients compared to trees grown on longer rotations. They also reduce biodiversity, providing little habitat for wildlife and preventing the growth of indigenous species in the under storey. Thai pulp and paper factories have also polluted the environment; the chlorine used for whitening produces waste containing a carcinogenic dioxin that is discharged into natural water sources¹⁰⁹. Pheapimex do not appear to have produced an Environmental Impact Assessment for the planned Kompong Chhnang pulp and paper mill, or for the land concession plantations.

Global Witness visited the forest that is due to be cleared at Ansar Chambak in early March 2001. The forest is made up of areas of dry dipterocarp and evergreen forest that suffered partial logging during the civil war (around 1982 according to villagers) but is now in an advanced stage of regeneration due to careful management by local people. Mixed dipterocarp and pine (*Pinus merkussi*) forest covers an area of at least 600 ha. Pine forest in Cambodia is only known at higher elevations on peaks in Kirirom National Park and the Cardamom mountains. The lowland pine forest here could possibly be unique in Cambodia and should be studied further, perhaps even given protected area status rather than being cleared and converted to a monoculture of non-native tree crops.

Discussing forest problems, Ansar Chambak commune; March 2001



Superwood's main log yard between Pursat and Kravanh (UTM 0362896/1359887) was empty and inactive, but a private mill in S'bov Rik village (UTM 0368251/1367264), associated with Superwood contained three piles of sawn timber and log debris, despite the fact that the mill did not have permission to buy logs.

There were three log rest areas near Superwood's machinery depot, which together contained over 2000 m³ of logs, although staff did not possess an inventory. The first area (UTM 0361135/135952) contained 53 logs, only two of which bore the legally required four hammer stamps; the rest were unmarked. Staff claimed that these logs were felled two years previously but had been transported to this point in early April 2000. The second area (UTM 0360898/1357805) contained between 1000 and 1500 m³ of logs. Of a 30 log sample, one bore four hammer stamps and the rest were unmarked. A further 500 to 1000 m³ of logs in the third area (UTM 0360676/1357771) were not inspected. Superwood's site manager, Mr Noem, claimed that 40% of the logs were marked but the samples taken by Global Witness suggested that the figure was closer to 95%.

A further 115 old logs were observed along the road approaching both the Superwood and You Ry Sako concessions. None of these logs bore any hammer stamps, and were being collected by Superwood for onward transport. Given that these logs were spread out over a significant stretch of the road it is safe to assume that they originated from a nearby forest, rather than the legal

coupe 1. This assertion is borne out by the severely degraded nature of the forest over an extensive area. An aerial survey on the 26th May 2000 showed particularly severe destruction (UTMs 0365806/1349050 0357005/1342758 and 0353588/1343505). The neighbouring GAT coupe 11 was also devastated by logging (UTM 0340159/1345274) but it is unclear who was responsible for this.

It is clear that neither provincial nor district authorities reported the high levels of unstamped logs discovered by Global Witness. By July 2000 there were reports that all of Superwood's Khmer staff were dismissed in early July, except for a few security guards, and that expatriate staff had left the area. According to these reports ten Thai staff, headed by Peak Seng Than of Thai/Khmer nationality, took over the facility. Japanese and Singaporean nationals were also observed¹⁰³.

Banteay Meanchey

Samdech Hun Sen was reported in March 2001 to have refused to authorise a furniture export from Poipet, instead ordering an investigation as to where the company concerned obtained the timber. A MAFF investigation determined that the timber was illegally felled around Pailin and Samlot¹⁰⁴. It is to be hoped that the company will be prosecuted for this breach, but in any event the prevention of such exports will act as a disincentive to illegal loggers and timber exporters.

Table of land concessions

Land Concessions (as of 23.3.2001)					
Name of Company	Date of contract	Province	Land area (ha)	Purpose of land concession	Comments
Pheapimex	8th Jan 2000	Pursat	138,963	To grow trees (eucalyptus plantations) and agro-industrial crops	Involves clearance of large amounts of natural forest on which local people are dependent. Possible drying up of water table and infertility of soil caused by eucalyptus plantations. Pollution of waterways by proposed pulp and paper mill
Pheapimex	?	KP Chhnang	176,065?	To grow trees (eucalyptus plantations) and agro-industrial crops	
Cam Chi International Agricultural Development	3rd Mar 2000	KP Thom	26,500	To raise crops such as cassava, corn and fruit crops and animal raising	
Flour Manufacturing.	13th Sept 1999	Stung Treng	7,400	To create a teak and cashew tree plantation	Clearance of evergreen forest inside and outside concession area, possible illegal export of logs across the border to Laos
Henan (Cambodia) Economics and Trade Development Zone	29th July 1999	KP Speu	4,200	To create an agro-industrial plantation	600 ha of land concession over laps into Kirirom National Park. Proposed clearance of natural forest within park boundaries
Ratana Visal	?	Pursat	3,000	To grow cashew trees	Operating since 1997. Clearance of dry open forest (300 ha so far)
Committee to Auction Concessions for Firewood and Sapling Trees (DFW)	Auctions for concessions, 4th - 20th Jan 2001	K.Chhnang, K.Speu, K.Thom, Kratie, Stung Treng, Kampot.	Unknown	Commercial exploitation of wooded land for collection of firewood and saplings	Large-scale commercial firewood/sapling collection could result in clearance of forest, affects interests of local communities who use areas for subsistence
Ly Kamsay	Apparently not approved	KP Thom	900	To grown rubber and cashew trees	400 ha illegally clear-cut in planned community forest
Possible Land Concessions (as of 23.3.2001)					
Name of Company	Date of contract	Province	Land area (ha)	Purpose of land concession	Comments
Pheapimex	?	Battambang, Pursat	100,000 - 150,000 approx.	To extract naturally growing bamboo	Unclear if contract awarded. Will possibly use local villagers to clear bamboo forest
United National Development of Cambodia, Kobelco (Japan), Yamaguchi Nobuyuki Shoten Ltd, USEC Engineering and Construction.	?	Monduliri	50,000	To extract naturally growing bamboo to produce fibreboard in exchange for road and bridge infrastructure and other facilities such as power stations and water supplies	First heard of this in June 2000, unclear if it has the go ahead
Cam Chi International Agricultural Development	Land requested but concession not awarded.	Pursat	103,680	Agricultural and industrial interests	Mainly forested land that is now part of the Pheapimex land concession
Phnom Trorp	Request approved 15th Sept 1999	(Sampov Meas) Pursat	4,000	Agricultural and industrial development	Forested site not suitable for agriculture. Land now part of Pheapimex land concession?
Phnom Trorp	Land requested 2nd Oct 1999 but Concession not awarded.	(Kravang) Pursat	10,000 ha	To cultivate and process rice and cassava	Forested site not suitable for agriculture. Now part of Pheapimex land concession?
Khmer Community Development	Request approved 15th Sept 1999	Pursat	2,800 ha	To cultivate and process rice and cassava	1000 ha of forest illegally cleared prior to approval. Now part of Pheapimex land concession?



17. CAMBODIA'S NEIGHBOURS—THAILAND

Information on illegal exports to Laos, Vietnam and other exports to Thailand can be found in the relevant province sections.

IN 1998 THAI CUSTOMS caught a boat that had been hired by GAT International, in what it believed to be Thai territorial waters, with a cargo of logs from Cambodia. GAT claimed that the boat was en route for its processing facility in Sihanoukville when it broke and started drifting. The boat would have had to have drifted a very long way off course in order to end up where it was found by Thai customs. This, coupled with the fact that the boat was exactly where the Thai customs informant said it would be days earlier, leads Global Witness to believe that GAT was attempting to export logs illegally to Thailand.

On the 18th February 1998 Thai customs officials received information that a boat carrying illegal logs from Cambodia would soon be entering Thai territorial waters¹¹¹. At 0930 hrs on the 25th February it was confirmed that the boat would be entering Thai waters between 2000 hrs and 0300 hrs that evening¹¹². According to the Thai customs' source the logs were destined for Samut Sakorn in Thailand¹¹³. It is thought that the logs had been bought by Mr Nontee Anarmnarot for sale to a processing factory in Ayuthaya. Mr Nontee Anarmnarot's company Veenturee Export Import Company has offices in both Trat and in Koh Kong¹¹¹.

As a result of the information received Thai customs sent a team out to intercept the boats. On the 25th February 1998 at 0000 hrs Klong Yai customs officers from Trat province impounded the log boat Merit Metro No. 2 together with the tugboat Merit Metro No. 1 on suspicion of carrying logs illegally exported from Cambodia¹¹⁴. According to Thai customs the boat was seized in Thai territorial waters less than 12 nautical miles off Plai Laem Tien Ging on Koh Gud, a Thai island off the Trat coast.

Both boats had been hired by GAT International from the Merit Metro Company on the 20th December 1997 for a period of three months, starting the 1st January 1998. The majority of the 449 logs found on the Merit Metro No. 2 were mai yang but small quantities of mai ta kien srai, mai ta kien tong, mai tang han and mai kra barg were also found. Both boats, the logs and equipment, including a Hitachi crane, were confiscated and ten crew, comprising five Indonesian and five Malaysian nationals, were arrested.

Initially all ten crew members were taken to court by Thai customs (Trat court case number (Black) 1567/2541). The men were accused of smuggling and entering Thailand illegally. The number of defendants was subsequently reduced to one, the captain Mr Amhad Reefai.

Mr Somsak Luprasongjit, head of the investigation division (Trat customs) testified that the Merit Metro had been stopped at N 11° 30.5' E 102° 30.8', inside Thai territorial waters. Mr Amhad Reefai contended that the arrest had taken place at N 11° 33.5' E 102° 33.8' outside

Thai waters, after the Merit Metro had broken down and drifted off course. The dispute was settled in favour of GAT by an expert witness from the Meteorological Department of the Royal Thai Navy.

On the 11th February 2000 the provincial court judge Ms Pira Saengtong ruled that the Merit Metro had been improperly arrested outside Thai territorial waters and therefore dismissed the case before the substantive matter of guilt or otherwise and the merits of the case itself were dealt with (case closed (Red) 247/2543). The judge subsequently ordered that all property including the ship, logs and fuel should be returned to the company. The Thai authorities estimated the total value of the confiscated items to be 21 million baht; \$583,333 at the time.

245 of the logs were moved from Chong Kao Wong village, Ban Klong Yai, Klong Yai district to Laem Chabang port in Chonburi province at the beginning of 1999. In November 2000 GAT was in the process of suing Thai customs for compensation and for the return of the confiscated boats, logs and machinery¹¹⁵.

On the 14th November 2000, and again on the 19th December 2000, Global Witness wrote to the director of GAT International in Cambodia, Mr Goh Chieh, asking him if GAT had attempted to export round logs to Thailand in 1998 and if the company was involved in legal proceedings against the Royal Thai Customs Department. GAT did not respond to Global Witness' enquiries.

Merit Metro Nos. 1 and 2, Koh Kong; 1998



18. CONCLUSION

ILLEGAL LOGGING AT CURRENT LEVELS represents a direct loss to the treasury of thousands of dollars each year but the true cost of this destruction is even higher. For instance, severe flooding¹¹⁶ in Cambodia in late 2000 caused \$156,655,456 worth of damage¹¹⁷. There are also more localised social and economic costs associated with illegal logging such as the loss of resin trees in Kompong Thom, not to mention potentially losing out on a developing market for environmentally conscious tourists.

The sad and untimely death of HE Chhea Song leaves a large gap at the MAFF that will need to be filled. It is to be hoped that the new minister will build on the substantial reforms that are already in place. A broad vision for the forest sector is desperately needed. This should include combination non-production forests, forests managed by local communities and timber companies practising sustainable forest management.

The RGC has all but ended the rampant anarchic logging of the late 1990s although the major problems of corruption and impunity persist. Good governance is key to reform of the forest sector. This issue will be difficult to address but there are certain measures that, given the appropriate political will, could be put in place relatively simply and would have a dramatic effect on the industry.

The government should be commended on the substantial progress that has been made so far and it is to be hoped that Samdech Hun Sen will be supported in his efforts to take forest reform onto a new level, particularly by the donor community at the June CG in Tokyo.

**Cambodia;
January 2001**



APPENDIX

In the News

Headline

Crack Down On Illegal Checkpoints But Illegal Forest Checkpoints Created [Road 4]
Illegal Logging In Phnom Vor Forest
Illegal Logging In Battambang Continues After Big Trees Come Small Trees And Bamboo
Deap Piry, Khem Kheang, Kao Chheng Huor, Hak Puthy, and Ly Kamsay [Kompong Thom Officials] Do Illegal Logging On 400 Hectares Of Forest For Cashew Plantation
Train Does Good Business With Illegal Timber Transports
Flooded forests [of Tonlé Sap lake] in Battambang being logged
In Kompong Cham, forestry official demands \$700 [bribe] from man illegally transporting 70 wooden columns
Timber yard owners in Mong Russey district, Battambang, collude with authorities to import logs secretly!
Along Cambodian-Laotian border in Preah Vihear, Cambodian authorities collude with illegal loggers
Forest in Ratanakiri logged illegally
300 Logs Exported To Vietnam Through Satum Border Crossing, Memut District
High-Quality Wood In Preah Vihear Crosses River Into Laos
High Quality Wood Still Exported, Fuel Still Imported Secretly And Openly In Pailin
Aural Mountain Area Has Serious Forest Crimes
Chain Saws Secretly Enter Forest Again, And Beng [tree with high quality wood] Trees Are Dug Up [Kompong Thom]
Samling Company Destroying Forest in Mondulkiri
Trees in Memut [Kompong Cham] Cut, 40 Trucks Export Logs to Vietnam
Trees at Phnom Vor and Phnom Kep Destroyed by Subordinates of Kep Deputy Governor
Forest Lawlessness Continues in Pursat
15 Illegal Sawmills Not Yet Closed [Kompong Chhnang, Pursat, Kompong Speu]
Wood Still Transported in Trucks from Samlot District [Battambang]
Koah Kralo, Samlot District [Battambang], and Veal Veng District [Pursat] are Places Where Timber is Illegally Exported
Logs Exported from Mondulkiri Using Licences for Tree Stumps
Log Rafts Go Through Kompong Cham Every Night
Neang Vith, the Man of Chhay Kim Son [Kompong Cham deputy police superintendent], Mut Van and Mut Phan, Cousins of Mut Khieu [advisor to Hun Sen], and Uy Kea, Deputy of Kompong Cham Provincial Military, All Cut Trees Contrary to Prime Minister's Speech
Log Rafts of over 15,000 m³ go through Tonlé Bet River to Vietnam Today

Newspaper

Toussanak Khmer: 17th-23rd July 2000
Koh Santepheap: 28th July 2000
Rasmei Kampuchea: 14th-15th Aug 2000
Khmer Amatak: 5th-6th Sept 2000

Koh Santepheap: 23rd Sept 2000
Phkay Proek: 28th Oct-1st Nov 2000
Chakraval: 30th-31st Oct 2000
Samleung Polroth Khmer: 30th-31st Oct 2000
Khmer Amatak: 8th Nov 2000
Koh Santepheap: 12th Dec 2000
Damneung Thmei: 21st-22nd Dec 2000
Rasmei Kampuchea: 25th-26th Dec 2000
Damneung Pel Ngeach: 26th-27th Dec 2000
Rasmei Kampuchea: 28th Dec 2000
Cheat Yeung: 29th-30th Dec 2000
Moneaksekar Khmer: 1st Jan 2001
Koh Santepheap: 4th Jan 2001
Sethakech: 5th-6th Jan 2001
Rasmei Kampuchea: 14th Jan 2001
Rasmei Kampuchea: 24th Jan 2001
Rasmei Kampuchea: 4th Feb 2001
Damneung Pel Ngeach: 8th Feb 2001
Rasmei Kampuchea: 9th Feb 2001
Khmer Ekareach: 22nd Feb 2001
Ponleu Cheat Khmer: 14th-15th Mar 2001

Samleung Yuvachun Khmer: 28th Mar 2001

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- 34 Global Witness investigations; September 2000
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- 88 Letter number 564 Sor Chhor Nor dated 5th April 2000
- 89 Letter number 2134 Kor Sor Kor Nor Ror Bor dated 19th May 2000
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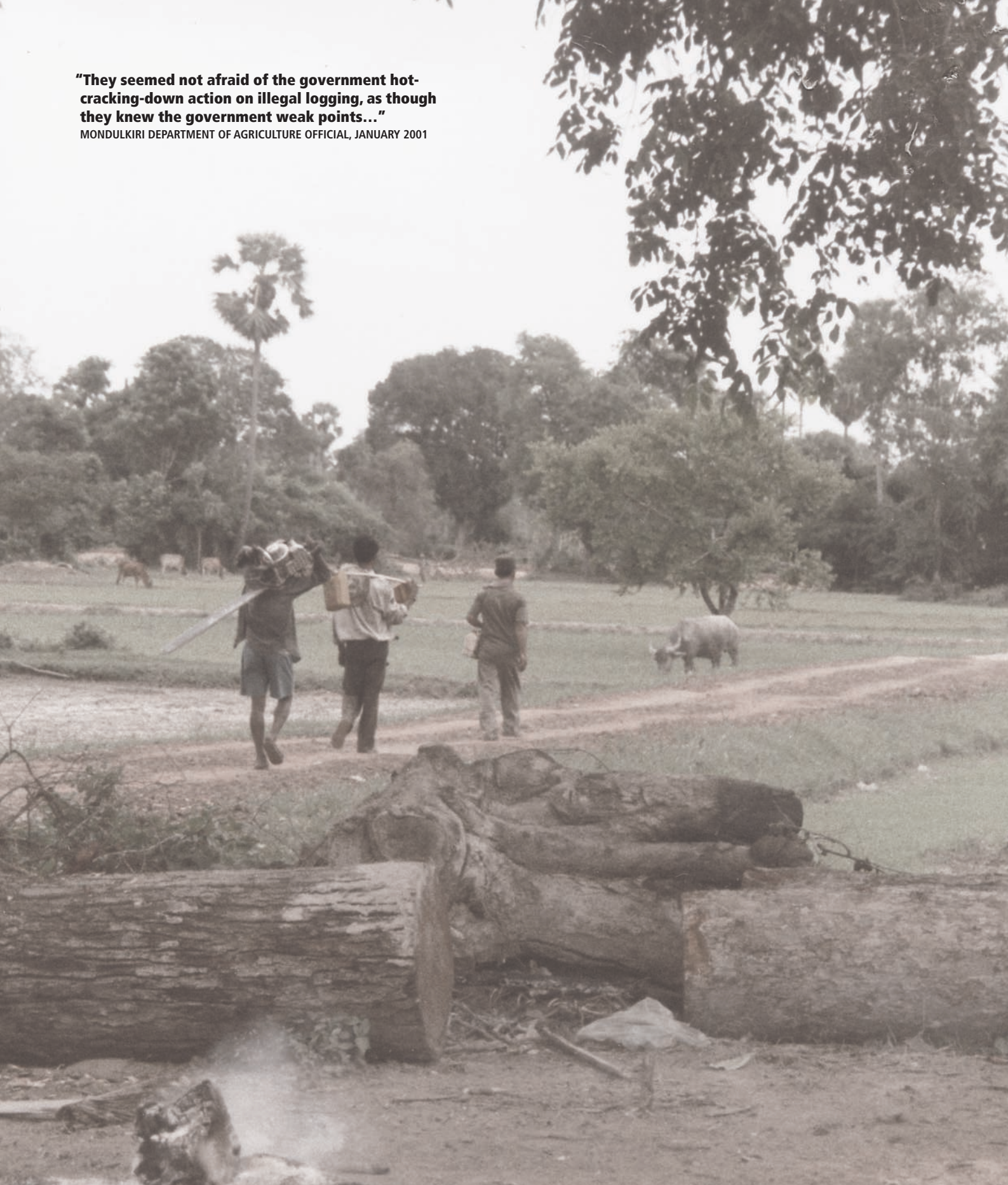
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"They seemed not afraid of the government hot-cracking-down action on illegal logging, as though they knew the government weak points..."

MONDULKIRI DEPARTMENT OF AGRICULTURE OFFICIAL, JANUARY 2001



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