



global witness

Thursday 28th August 2014

Dear All,

We are writing to inform you about an announcement on 16th July 2014 by the Vietnam Rubber Group, which we believe is important for your work.

Global Witness has been in dialogue with the Vietnam Rubber Group (VRG) since the publication of our report Rubber Barons in May 2013. We have been discussing how the company and its subsidiaries can improve the situation for local communities living in or near its twenty-one rubber plantations in Cambodia and Laos.

What is being proposed?

In the 16th July 2014 announcement (formally known as Directive 314, see attached to this letter in English, Vietnamese, Lao and Khmer) VRG's head office in Ho Chi Minh City, Vietnam, established a feedback, petition and information disclosure mechanism. This mechanism opens a direct channel of communication between affected communities (and their supporting civil society organisations) and the company in order to agree and work towards some kind of remedy. A list of all the rubber plantations covered by this Directive is provided in the annex of these attachments.

This mechanism was a recommendation to VRG by Global Witness. It aims to change the current situation - that when communities submit complaints to VRG companies about the rubber plantation taking their land, clearing the forest or being responsible for other violations, there is very rarely any formal response from the company.

The full Directive is attached but it's worth noting the following key elements of the mechanism:

- It includes a focus on compliance with national laws. It lists the key laws in Cambodia and Laos which all VRG investment projects must comply with (Article 1)
- The mechanism is applicable to all of VRG member companies' rubber plantations in Cambodia and Laos (Article 1). See Annex 1 of the Directive for the full list
- Complaints or enquiries can be submitted in English, Vietnamese, Lao or Khmer to either the plantation office or the national level offices of VRG (Article 2)
- When a submission is made, the VRG representative office or member company office will issue a receipt to the individual or organisation, with a unique reference number, which can then be used to track the progress of the request (Article 3)
- However, VRG will not respond to requests or complaints in the following cases (Article 4):
 - if local government prohibits VRG from responding or disclosing the information
 - issues beyond the rights and/or responsibilities of foreign investors (as outlined by national laws)
 - anonymous letters with no information or address from the sender

- requests for information that don't relate to the rubber plantation project
- VRG will respond within 30 days to the request. In the case of more complex requests, an update will be given before 30 days on progress which will include an estimated timeframe for when a full response can be provided (Article 6)
- If VRG cannot respond for any reason, then the company will reply to explain why (Article 6)
- VRG offices in Cambodia and Laos must publicly disclose information about this mechanism in local languages by 16th August 2014 (Article 8)
- If there are any problems with the mechanism, VRG should be informed. The company has committed to respond by adjusting the mechanism where necessary.

What will monitoring the implementation of this mechanism achieve?

There are four possible objectives for monitoring the implementation of this mechanism:

- a) To ensure VRG fully implements it;
- b) For NGOs / CSOs / NPAs in Cambodia and Laos to get actively involved in using this mechanism to support affected local communities while building their capacity in using non-judicial complaints mechanisms;
- c) To give Global Witness (and others) the evidence base to be able to call for VRG to make additional revisions and changes to the mechanism to improve it over time;
- d) To pilot such a complaints mechanism in order to assess whether this could be proposed as a good model for other companies operating in Cambodia and Laos (and other countries where the rule of law doesn't function).

What is Global Witness doing?

However, we are not confident that VRG will be able to implement this mechanism across all its investments in Cambodia and Laos. Therefore we are very glad that the company has agreed to work with Global Witness for the next two years. Our role will firstly be to monitor how well the mechanism is being implemented and secondly to make revisions to improve it.

How can you get involved?

We would like to ask for your help to monitor how VRG is responding to enquiries and complaints through the following steps:

- a) Monitoring if the mechanism has been announced as agreed by VRG
 - a. Has the details of the mechanism been published locally, as agreed?
 - b. It is available in Khmer and / or Lao, as agreed?
 - *Can your organisation, networks and/or the communities you work with tell us about your experience of this? Has there been any information disseminated about this mechanism at the local level, and if so, how?*
- b) Testing the functioning of the mechanism on the ground with actual enquiries and complaints relating to ongoing advocacy targeted at VRG rubber plantations:
 - *Can your organisation, networks and/or local communities try to use the mechanism for their own work (to either ask questions, submit complaints or other ...)?*
 - *Can each request submitted to VRG also be sent on to Global Witness or forwarded on for our records? Please send information to and/or copy in VRGmonitor@globalwitness.org into all communications.*

- *Can your organisation, network and/or the local communities record what happens afterwards – did you get a receipt with a reference number? Did you get a response from VRG within the agreed 30 day period? If so, what did the response say? Can your organisation or network feedback this information about the response from VRG?*
- *Can your organisation, network and/or the local communities provide detail on what remedy actions were considered, what actually happened?*
- *Can your organisation, networks and/or the local communities give any general recommendations to Global Witness (and directly to VRG if they want) about how the mechanism can be improved?*

Global Witness will do the following with this information to feedback to VRG on a regular basis:

- a) Keep records of any incidents where the launch and disclosure of the mechanism was not as agreed in the Directive.
- b) Build and maintain a database of each case of organisations, networks and/or the local communities attempting to use the mechanism, including: recording the name of the concession in question; the date; the details about who submitted the request; which of the steps VRG met (or didn't meet); the result etc.
- c) Regularly feeding this information back to VRG in reports and in person, and following up afterwards on any changes introduced to the mechanism.

What next?

Please can you let us know if you would be interested in participating in this mechanism and helping us to monitor VRG? Or if you have any additional questions or suggestions as to how the mechanism, or our monitoring systems, could be improved?

We are happy to discuss this over email or on Skype. We will also be visiting Cambodia and Laos soon and are happy to meet in person to discuss this with you in more detail.

With thanks

Megan and Josie

PS.

For those of you in Laos, VRG is also a shareholder in the following rubber concessions: Dau Tieng Viet-Lao Rubber Group (Bachieng, Sanasombuon, Champasak Province, and Laongman, Saravane Province); SGS Rubber JS (Noong District, Savannakhet Province); Ho Chi Minh Rubber JSC / Ho Chi Minh Youth Company (Champasak Province); and Dak Lak Company (Champasak, Saravane and Attapeu Provinces). At the moment, senior VRG officials have told us that this Directive and mechanism does not apply to any of these concessions. We disagree and are hoping to be able to convince them to include these four additional areas in the future. Therefore, if you have any information from communities facing problems as a result of any of these plantations on the ground, please do not hesitate to send it to us, and we will pass it on to VRG.