Land grabbing in Chi Kha Leu commune, Srae Ambel district Koh Kong Province, to make way for “blood sugar” plantations

The people of Trapeang Kandaol, Chi Kha, Tani and Chhuk villages in Chi Kha Leu commune, Koh Kong province, have lived on the land for several decades, although they were temporarily displaced during the Khmer Rouge regime. Many of the families have letters from the local authorities recognizing their possession of the land, and some have land sale agreements.

However, in May 2006, commercial interests accompanied by regular and military police violently seized over 5,000 hectares of farmland in the area, belonging to approximately 549 families, by bulldozing rice fields and fruit plantations. The companies involved were Kong Kong Sugar Industry Co Ltd. (formerly known as the Agriculture Duty Free Shop Development Company) and the Koh Kong Plantation Co. Ltd. (“KKP”), who were readying the land for commercial sugar cane production. Both companies were formed out of a partnership between Thai-owned Koen Kaen Sugar Industry Limited (“KSL”), VeWong Corporation of Taiwan, and KKP, owned by tycoon Ly Yong Phat. KKP reportedly sold its shares to KSL in January 2010.

In early August 2006 – three months after attempts to forcibly clear the villagers' land began – both companies were awarded concessions totaling 19,100 hectares in the disputed area.1 It appears that the two concessions were awarded, rather than just one, in order to circumvent the 2001 Land Law, which restricts land concessions to a maximum of 10,000 hectares.

Villagers’ attempts to resist the land grabbing have been met with intimidation and violence, prompting the villagers and observers to label the sugar grown on the plantations as “blood sugar”. For example, on 19 September 2006, when villagers tried to resist being evicted by Ly Yong Phat’s company, police fired their guns into the ground and assaulted the villagers. One woman was shot in the foot and another man in the arm. Five other villagers were reportedly injured during the incident. On 15 December 2006, Mr. An In, who had been actively protesting the land concession was found murdered, his body bearing multiple axe wounds and dumped inside the village. The police say the death was related to a personal matter, and not the land dispute. However, there are indications that the police – in an apparent attempt to use the death to frighten villagers into giving up their land – sought to falsely blame the killing on one of the leaders of the villagers' campaign to keep their land.

In response to the villagers’ protests, both companies, since early July 2006, began negotiations with the villagers, however in many cases the company representatives, supported by local authorities, forced the affected people to accept improper compensation – between USD 24 and USD 120 per plot of land, significantly lower than market price.

---

The company representatives and authorities threatened the affected people that if they did not accept the deal, they would receive nothing, and accused the families of living illegally on State land. In this round of ‘negotiations’, 225 families refused to accept the compensation, instead demanding the return of their land. In 2013, another 25 families accepted compensation of USD 2,000 each.

The affected families have filed a number of complaints to relevant institutions in Cambodia. In addition, in 2010 they filed complaint to the National Human Rights Commission of Thailand, requesting they intervene in the land dispute, given the involvement of a Thai company.

In March 2013, 200 villagers filed a complaint in England against Tate & Lyle and T & L Sugars Limited (“TLS”). Tate & Lyle had entered into a five-year contract to buy sugar with KSL and KKP in 2009, and then had sold its sugar refining business to TLS, a subsidiary of American Sugar Refining in September 2010. In the complaint, the villagers maintain that they remain the legal owners of the land on which the companies grew the sugar, and therefore they are the rightful owners of the crops grown on their land; and are claiming compensation for the profit from selling the sugar.²

In November 2013, community representatives were invited to Thailand by KSL to negotiate and offered the community replacement land. However the land offered was far from the village, located on a rocky hillside, and therefore was difficult to farm. The current offer on the table is 1.5 hectares of land per family, which is much less than what they had previously owned.

The loss of land has had devastating impacts on the families’ livelihoods and they have suffered a significant loss of earnings. In Chhuk village, NGOs have calculated that the average yearly income of the victims has over halved, dropping from $1,083.82 to $484.92.

An October 2014 trial date for the Tate & Lyle and TLS case was delayed to allow parties to engage in further negotiations with an aim to reach a settlement out of court. The community has told CCHR that since December 2015 a compensation deal is being processed, however one of the conditions of the deal imposed by Tate & Lyle is that they do not reveal any of its details to external parties. They have yet to receive the compensation.

---