
Oil Palm Plantation in Cambodia

In early 1999, the Phnom Penh Municipal Authority moved 99 families from a squat behind the Russian embassy in Phnom Penh to Monorom 1, a newly constructed village 150 kilometres away. With the promise of work on an oil palm plantation, new houses and two hectares of palm plantation each many of the squatters were willing to move. A billboard put up by the Phnom Penh authorities announcing that part of the squatters' area was to be made into a park further encouraged people to move.

Monorom 1 consists of 99 wooden houses built in rows, half with blue roofs and half with red roofs, each on its own small plot of land. The Phnom Penh authorities also constructed a market and a school.

The company that established the plantation, Mong Reththy Investment Cambodia Oil Palm Co. Ltd., is a joint venture between Mong Reththy and three foreign partners. Mong Reththy, one of Cambodia's richest businessmen, holds 60 per cent of the company, while the rest is shared between Borim Universal Co. Ltd. (South Korea, 20%), Kim Tat Send Group Pte. Ltd. (Singapore, 10%) and Lavanaland Sdn. Bhd. (Malaysia, 10%).

The US\$12 million investment consists of 3,800 hectares of oil palm plantation and a processing factory due to be completed by 2002. Seventy per cent of the factory's output will be for export, largely to China and South Korea, with the remainder going to local soap manufacturers.

In February this year Mong Reththy told Reuters that the plantation would employ 3,000 workers. The people relocated from Phnom Penh to work on the plantation tell a different story.

Long Saran, one of the villagers who moved to the new village was laid off in April this year. He said, "When the 99 families moved from Phnom Penh about 50 people got jobs with the company. The Government had told us we would all work for the company." Now less than ten people from Monorom 1 work on the plantation according to another villager.

None of the villagers have received the promised two hectare palm oil plots. In any case the company would not have given the two hectare plots freely. Instead they provided the company with a means to chain villagers to the company. Villagers began life in Monorom 1 with a debt to the company of US\$4,430. According to the Mong Reththy company, the company would keep 30 per cent of the income from villagers' two hectare oil palm plots until this debt was repaid.

In October 1998, before the villagers were relocated, Pho Vuthy the plantation manager told the Phnom Penh Post that crops like rice, beans and corn could be grown between the rows of oil palm to supplement villagers' income in the first three years. In fact after one year the company prohibited this on the grounds that it could lead to fires in the plantations.

The villagers want Chea Sophara, the Phnom Penh Governor, and Prime Minister Hun Sen to visit Monorom 1 and learn about their problems. "The Government should practise its policy and provide

jobs as it promised. Solutions can be found through debate with the people here. If there is no resolution, villagers will make a complaint to the Government to resolve the problem," said Long Saran.

The Mong Reththy company established its oil palm plantation on land that was either forest or already in use by people living in one of the four villages in the area. For example, almost all the 300 families in Tanei village lost land to the company's plantations. The village has now moved to an area adjacent to Highway 4, the main road between Phnom Penh and Sihanoukville, and many of the people try to earn a living from selling drinks and fruit from the small shops lining the road.

Many villagers feel tricked by the company into giving up their land. One villager who lost his land to the company and has never received any compensation explained, "The chief of the commune asked us to give our thumb prints on a statement, but so far we haven't received anything. The government has given money to the company, but every month the company tells us it will pay us next month. Now one year has passed." Other villagers from Tanei that did receive compensation only received money for land, and nothing for the trees they had planted on the land.

In July, Mong Reththy told the Phnom Penh Post that his company still intended to provide land for the villagers. "We will provide land for them when they have money to buy seed to grow crops. We will give land to whoever wants to grow crops and has the money to plant," he said.

Meanwhile, most of the families in Monroe 1 are unemployed and are either collecting firewood from the nearby forests to sell in Phnom Penh, or are moving back to Phnom Penh to look for work there.

By: Chris Lang.