
Thailand: Sino-Thai eucalyptus project facing opposition

Thailand's villagers are fighting to prevent a 120,000 hectares (ha) eucalyptus plantation project that would lead to widespread forest clearance and threatens the farming livelihoods of hundreds of rural communities in eight eastern and northeastern provinces.

In February 2000, Thailand's Cabinet gave approval in principle for the US\$ 1 billion joint venture between the Chinese government and Advance Agro Company. Thailand's Royal Forestry Department (RFD) will provide 40,000 ha of "degraded" forest reserves and the Agricultural Land Reform Office another 80,000 ha for the project.

The company will give money to villagers settled in the forest reserves to vacate their land for a 30-year lease. Villagers with legal titles under the Agricultural Land Reform Office (ALRO) will be contracted by the company to plant eucalyptus. The RFD will set up a working committee, comprising representatives of the RFD and the company, that will survey the targeted areas, draw up a land-use map and request final approval from the Cabinet.

Forestry officials at Kao Ang Ruenai Wildlife Sanctuary in Chachoengsao province state that the project will lead to widespread forest clearance as there is no land left for farmers to resettle on. Many of the villagers say they have lived on the land for generations. Most of the villagers have been fighting for decades to get some kind of land ownership document or "sor por kor" but have failed.

Few of them are willing to accept compensation to leave their lands for eucalyptus because there is no vacant land available for them to buy and resettle. For most of these communities, it is not worth selling their land because the project only lasts for 30 years.

Wiboon Khemchalerm, well-known organic farmer from Chachoengsao province, states that many villagers would be forced to accept money from the company and sell their rights to the land. "However, once the money is gone, and there's no more land to work on, where will these people go?" he asks.

Established by the Soon Hua Seng (SHS) group in 1993, the Advance Agro Company is Thailand's first and largest integrated pulp and paper manufacturer. SHS holds the majority of Advance Agro shares, while the rest are held by Stora Enso of Finland (19.9 percent) and Oji (five percent), Japan's largest paper producer. The company presently operates two pulp mills producing 450,000 tons of paper per year. The joint venture will include a third mill requiring 3.5 million tons of eucalyptus to produce 700,000 tons of paper, mainly for export to China.

The Soon Hua Seng (SHS) group already owns an estimated 32,000 ha (200,000 rai) of eucalyptus plantation in Chachoengsao province, arguably one of the largest contiguous plantation areas of eucalyptus in Thailand.

The SHS group has amassed much of this land using a variety of strong-arm tactics over the past several years. Without official land titles and no recourse to legal assistance, villagers have been

forced to sell their lands and forest commons to the company for prices ranging from 1,200-1,500 baht per rai (about US\$31-39 per rai; 1 hectare is equal to 6.25 rai). As the eucalyptus trees encircle their farmlands, villagers are left with little choice; many take up contract farming of eucalyptus while others sell their lands and find work in the plantations and the pulp mill.

Sombun Khamkaew of Ban Khao Kluay Mai in Chachoengsao province started growing eucalyptus on 4.8 hectares of land six years ago. Since then, the ponds and streams around his community began to dry up. He states that the money he made from selling the first crop after four years was not worth the investment and his efforts.

“I got only 40,000 baht (about US\$1052) after four years of waiting and not counting how much I put in. And its too expensive for me to have the roots dug up and destroyed,” he says.

Ms Lum Jumchai, 60 years old and single mother of ten children, fought a six-year legal battle with the company to reclaim 4.5 ha of land in Laemkowchan village in Chachoengsao province. When Ms. Lum refused to part with her land, the SHS group filed a lawsuit for encroachment on private property and provincial police repeatedly threatened to dismantle her house. Assisted by lawyers from the Bangkok-based human rights group, Union for Civil Liberty (UCL), Ms. Lum finally obtained a court ruling asserting rights to her land.

“I plant cassava now. After the court order, the company does not harass me anymore,” she says. But she faces problems with her cassava crop because the surrounding eucalyptus plantation is drying the underground water sources and hardening the soil.

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