Clean Sugar Campaign Public Statement

Commencement of Cambodian 'blood sugar' reparations process a crucial step towards justice

December 7, 2014

The Clean Sugar Campaign welcomes the commencement of a joint EU-Cambodia process to assess displacement claims pertaining to sugarcane plantations in Cambodia. This development represents a pivotal step towards justice for thousands of Cambodian people who have suffered enormously at the hands of the sugar industry.

The European Commission has announced a tender for the procurement of independent experts to design a process for identifying, assessing and redressing legitimate claims of displacement impacts and losses resulting from the development of sugarcane plantations in Cambodia. The objective of the assessment, which has been agreed to by an Inter-Ministerial Committee of the Royal Government of Cambodia (RGC), is to "ensure redress for...compensation deficits" and "the restoration of pre-project living standards and income levels" for affected people.

The announcement came in response to the long-standing call by coalition members of the Clean Sugar Campaign for the EU to investigate companies benefiting from the Everything But Arms (EBA) preferential trade scheme that are implicated in land-grabbing, forced evictions and other human rights abuses. The coalition has pressed for the withdrawal of the sugar industry's trade preferences until affected communities are granted effective remedies, including the return of illegally acquired land and fair compensation for other losses. A comprehensive, independent assessment to determine and assess the value of specific household and communal losses has been a key demand of the campaign.

Following the release of the tender, Clean Sugar Campaign coalition members wrote to EU High Representative for Foreign Affairs Federica Mogherini to welcome this long-awaited development and call upon the EU to establish clearly defined deadlines and benchmarks for the provision of redress to affected communities.

In order to ensure effective progress on the ground for affected people, the Clean Sugar Campaign urges the EU to tie the audit process to the withdrawal of trade preferences for sugarcane, under Article 19 of the Generalized System of Preferences regulation, if time-bound performance indicators are not met.

Background

Cambodia's sugarcane industry has been fraught with controversy over allegations of illegal land grabs, forced displacement and other human rights abuses. A <u>human rights impact</u> assessment of the sugar industry in <u>Cambodia</u>, published by Equitable Cambodia and Inclusive Development International in 2013, found that violent forced evictions were carried out to clear land for sugarcane plantations in the provinces of Koh Kong, Kampong Speu and Oddar Meanchey provinces.¹ At least two villages were totally destroyed and thousands of hectares of rice fields and orchards belonging to over 2500 families was seized. Thousands

¹ Equitable Cambodia and Inclusive Development International, *Bittersweet Harvest: A human rights impact assessment of the EU's Everything But Arms Initiative in Cambodia*, September 2013, available at: http://www.inclusivedevelopment.net/wp-content/uploads/2013/10/Bittersweet_Harvest_web-version.pdf

more hectares of community forest and environmentally protected areas were also destroyed to make way for the sugar plantations. Many families suffered the destruction of their crops, livestock and personal possessions, as well as access to communal productive resources.

Despite significant loss of housing, land, property and resources supporting livelihoods, compensation was generally not provided. When compensation was given, losses were undercounted and undervalued, and the process was characterized by a lack of participation, threats and corruption. No efforts were made to rehabilitate the displaced.

As a result, after the evictions, affected people suffered a severe retrogression in their enjoyment of economic and social rights, including the human rights to adequate housing, food, work, education and health. Over 1000 men, women and children were left homeless and landless, while others were provided with small plots of non-arable land. The majority of affected households have reported increased food insecurity, deterioration of livelihoods and loss of income-earning opportunities. In some cases, the displacement led to extreme hunger and, in at least one case, starvation.

Since 2011, the Clean Sugar Campaign coalition has called upon the EU to investigate and revoke EBA trade preferences from the sugar industry in Cambodia until it provides reparations to the displaced communities. The campaign's demands have received support from the European Parliament, which passed two resolutions in 2012 and 2013 calling upon the Commission to act.

On February 10, 2014, an important step forward was taken when several senior ministers of the RGC met, along with representatives of the sugar firms and the EU, and agreed to resolve the protracted land conflicts "to the satisfaction of all concerned parties." It was agreed in this meeting that it may be necessary to bring in a third party to assist in this process.

In late November 2014, the European Commission announced a tender to recruit two independent experts to prepare an inception report for the first phase of process. The experts' task is to "define a methodology, to be based on the application of Cambodian law, and relevant international standards, to be used in the identification and assessment of claims, the development and recommendation of eventual corrective actions, and the evaluation of their adequate redress."

The Clean Sugar Campaign is a coalition of affected communities and civil society organizations working to:

- Stop human rights abuses and environmental damage caused by the sugar industry in Cambodia
- Bring about just redress for the individuals and communities that have been harmed by the industry
- Ensure that the agricultural development and trade policies benefit smallholder farmers and local communities.

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