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## Firm Logging in Wildlife Sanctuary Granted 'Unofficial' Concession

By **Aun Pheap** and **Ben Woods** - November 19, 2013

The Ratanakkiri provincial governor on Monday revealed that a private agro-industry firm accused of logging protected, luxury-grade hardwood on a huge scale inside the province's Lumphat Wildlife Sanctuary has been granted an "unofficial" land concession inside the protected zone.

Local officials and ethnic Lao villagers living in Lumphat province's Chey Uddom commune last week discovered thousands of numbered and identically sized logs stockpiled inside a sawmill belonging to Daun Penh Agrico Co. Ltd., which was granted an 8,825-hectare economic land concession (ELC) inside the 250,000-hectare sanctuary in 2011.



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Commune chief Chim Phak claimed Sunday that the logs—many of which were rosewood and marked with the letters “AH”—were, however, logged outside the firm’s official 2011 ELC at another location in the Lumphat sanctuary.

Lumphat district governor Kong Srun supported the commune chief’s claims, saying that he is powerless to stop what he described as illegal logging in the Lumphat Wildlife Sanctuary, which is administered by the Ministry of Environment.

Asked to comment on the logging, Ratanakkiri governor Pao Ham Phan said that Daun Penh Agrico was recently awarded a second, unofficial concession in the sanctuary, and the logging of the protected tree species was merely the normal clearing of forest in preparation for growing cash crops.

“This is not an official concession.... The government provided a part of the [wildlife] sanctuary to the company for investment,” Mr. Ham Phan said, declining to specify who in the government gave the company permission to log protected forest, when the “unofficial” concession was issued, where it is located, or how much land it covers.

“The company has to cut the trees and clear the land for cultivating cassava and rubber,” the provincial governor continued, adding that as long as the company pays tax on the trees it fells, its actions are legal.

According to the country’s Forestry Law, logging inside a designated forest area is illegal in all cases.

Kim Eang, a representative of Daun Penh Agrico, who declined to give her official title, confirmed that the company had leased a new zone in the Lumphat Wildlife Sanctuary about five months ago.

“I just received word from my superiors that the villagers have no right to protest [the logging of the sanctuary] because the company has purchased the land from the government, and the documents are already with the government authorities,” Ms. Eang said, declining to name her “superiors” and saying only that the firm was Vietnamese-owned.

If the company was indeed awarded the “unofficial” land concession this year, it would contravene Prime Minister Hun Sen’s announcement in May 2012 that a moratorium would be placed on the granting of any new ELCs, which have been blamed for the country’s rapid deforestation and mass evictions.

According to the company’s website, Daun Penh Agrico is a subsidiary of the Daun Penh (Cambodia) Group, which is part of AZ Group, founded in 1993 by Ing Bun Haow, a former CPP secretary of state at the Ministry of Public Works and Transport, and is overseen by his wife, Heng Sokha.

Neither Mr. Bun Haow nor Ms. Sokha could be reached for comment Monday, and it is not known if the couple are still the owners of Daun Penh Agrico.

Chhay Thy, Ratanakkiri provincial investigator for local rights group Adhoc, said that Daun Penh Agrico has been working with Vietnamese-owned Hoang Anh Lumphat Co. Ltd., which holds a 9,173-hectare ELC also in the sanctuary.

Hoang Anh Lumphat is a subsidiary of Vietnamese conglomerate Hoang Anh Gia Lai, or HAGL, which a Global Witness report released in May accused of rampant logging and land grabbing in Ratanakkiri.



In February, well-known businessman and land concession operator Try Pheap was given the right to purchase all wood felled in Ratanakkiri.

Villagers and human rights workers in Ratanakkiri complained earlier this year that Try Pheap's monopoly on wood purchases in the province would increase illegal logging as trees illegally felled in protected areas could more easily be laundered as legally-felled wood.

Adhoc's Mr. Thy said that he spoke with boatmen on the Srepok River on Wednesday who were using a crude catamaran to ferry rosewood logs across the river and who said they worked for Try Pheap. The logs are then placed on a truck and transported to Vietnam, the boatmen told Mr. Thy.

Representatives of the Try Pheap company could not be reached for comment Monday.

The logs, which were photographed by Adhoc on the river, were all the same dimensions as those seen inside Daun Penh Agrico's sawmill, Mr. Thy said.

Thun Sarath, spokesman for the Forestry Administration, confirmed Monday that Mr. Hun Sen's moratorium on ELCs is still in force, adding that even if it were not, the government cannot lease state land to private firms without a sub-decree signed by the prime minister.

Without such a document, "they cannot develop the area," said Mr. Sarath, who referred further questions about logging inside the Lumphat Wildlife Sanctuary to the Environment Ministry.

Sao Sopheak, cabinet chief at the ministry and assistant to Environment Minister Say Sam AI, said he knew nothing about Daun Penh Agrico's "unofficial" concession inside the sanctuary.

"I don't know about this logging," he said.

Chou Sopheak, chief of Ratanakkiri's provincial department of the environment, declined to comment.

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