

When rubber companies are competing for land..

Local arrangements in Thakhek District



In Thakhek district, Khammouane province, rubber was first introduced by a logging company operating under the Ministry of Defence. Since then, numerous foreign investors from China, Thailand and Vietnam have come, in the search for concession land. The villagers, companies and government agencies are learning their way in the midst of complex land negotiations.

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Many private companies in search of land



In 1992, the leaders of Phatthana Ketphoudoi Group, a public company of the Ministry of Defense sent some staff to Southern Thailand for a rubber training course. Then, the company promoted rubber plantation with local farmers, but with little success. Thakeak district, really engaged in the rubber only recently, 2004-2007, with the arrival of three foreign companies.

Lao-Thai Hua Rubber Company is a joint venture between Thai (Thai Hua Rubber Public Company 45%), Japanese (Honda 35%) and Chinese (Jieng Xieng: 20%) interests. It is working in Thakeak since 2006 under two schemes: concession and 2+3 contract farming.

Jong Ji Hong Ching Company first lent farmer's land to set up a rubber nursery on 2 ha, then sold seedlings to farmers who are interested in rubber plantation. In 2008, the company started a rubber concession on 82 ha.

Thai-Vietnamese Plantation Company is working in Ban Koktong since 2004 (which is sharing its border with Ban Khamboun). This company also promotes fruit tree and industrial tree plantation such as jatropha and rubber.

The lands on which concessions were initially established were state propriety. In 1996, a decree of the Prime Minister allocated protected forest in Thakeak district to the Army Provincial Authorities for income generating purpose. In 2006, Lao-Thai Hua Company requested this military land to set up a rubber concession under a long-term lease agreement. But the villagers complained as land allocation did not clearly delineate their village land and they feared the company would take more than the military land. The company requested the Land Authority to delineate the village and the concession boundaries.



Multiple pathways to land acquisition in Khamboun village



Ban Nakhom is hosting a rubber concession, but no villager around knows what is going on in the concession. Interactions between the concession and the villagers are limited to the occasional hiring of labor.

Ban Khamboun presents a mix of rubber arrangements with several companies operating under presented rubber plantation and other plantation under contract farming scheme, with the presence of smallholder and some daily work in concession.

“The negotiations take place with either the province or the central government” said the manager of a rubber company. The type of agreements depends of the attitudes of the local authorities: “The governor of Province A is not the same than Province B”. But, **“the real thing happens in the villages”**. The head of the village is then a privileged counterpart. The problem is that the village “doesn’t have any data on land-use. **We have to accompany local farmers through all stages of land allocation procedure**” before getting into a contract with them.

In 2004, a company brought the village headman on a study tour to rubber plantations in Savannakhet. The result of this first contact with rubber was a meeting where the village heads presented to farmers the benefits of this crop. Several farmers further invested in rubber through contract farming .

