

# MITR PHOL LAND GRAB

Inclusive Development International, together with Equitable Cambodia and LICADHO, have been supporting 712 families in Oddar Meanchey province, who were forcibly displaced and dispossessed to make way for sugar plantations owned by Thai sugar giant, Mitr Phol Group. We have assisted the communities to file complaints against Mitr Phol with the Thai National Human Rights Commission, the Complaint Resolution Mechanism of Bonsucro, a multi-stakeholder sustainability initiative for sugarcane to which Mitr Phol belongs, and the Thai courts.

In late 2013, the Coca Cola Company disclosed that Mitr Phol was one of its top three global suppliers. At the same time, Coca Cola has committed to “zero tolerance for land-grabbing” in its supply chain. We have called upon Cola to honor its pledge to use its leverage with Mitr Phol and take concerted action to bring about redress for those affected.

In March 2015, all three Mitr Phol land concessions were cancelled and the company withdrew from its operations in Cambodia. It has yet to compensate and rehabilitate the families whose lives were destroyed as a result of its business activities in Cambodia between 2008-2015.

## THE FACTS

In January 2008, the Ministry of Agriculture, Forestry and Fisheries (MAFF) granted three 70-year economic land concessions (ELCs) for industrial sugarcane production in the Samrong and Chongkal districts of Oddar Meanchey province. The concessions were granted to three companies directly linked to Mitr Phol: (1) *Angkor Sugar Co. Ltd.*, (2) *Tonle Sugar Cane Co. Ltd.*, and (3) *Cane and Sugar Valley Co. Ltd.*

The three concessions together total more than 19,700 hectares and are all clearly connected. Conscious of the illegality of owning concessions larger than 10,000 hectares, the company issued [a statement \(http://www.business-humanrights.org/media/documents/company\\_responses/mitr-phol-cambodia-response-24-jul-2012.doc\)](http://www.business-humanrights.org/media/documents/company_responses/mitr-phol-cambodia-response-24-jul-2012.doc) in 2012, explaining that “Mitr Phol owns one company and is partnering with two other companies not owned by Mitr Phol.” Nevertheless, all three companies applied for the concessions on the same day, received approval from the Council of Ministers on the same day (and in the same letter), and signed the concession contract on the same day. The directors of each of the three companies are or were all senior figures in Mitr Phol:

- Buntoeng Vongkusolkiet (Managing Director),
- Krisda Monthienvichienchai (President), and
- Tat Wanakornkul (Vice-President).

According to a letter issued in 2007 by provincial authorities, 31 villages occupying an area of 4,500 hectares in three communes were located within the boundaries of the proposed concessions. Community representatives report that in May 2007, the land concessions were demarcated and villagers were warned to stop using the land that overlapped with the concessions. In April 2008, the company started clearing the land.

Throughout 2008-2009, more than 800 smallholder families in Kon Kriel commune were forced to give up their land for the Angkor Sugar concession. Affected households lost extensive rice fields, plantation/orchard land, and grazing land as well as the associated crops that sustained their livelihoods. Crops including rice, watermelon, fruit, vegetables, maize, cassava, sweet potatoes, and soybean were lost. Sampled households interviewed by Equitable Cambodia lost five hectares of rice fields on average. Annual market-related losses from rice crops averaged \$1,570 per family. Compensation provided for these losses was generally a plot of inferior land that was much smaller than what they lost and often already owned by others.

Common property resources, including community-managed forests, were also lost or degraded as a result of Mitr Phol’s plantation development. The Angkor Sugar concession effectively reduced the size of the pending Ratanak Rukha / Rattanak Sambak Community Forest from 28,772 to 12,872 hectares, affecting the livelihoods of thousands

of people in 16 villages. The company has engaged in extensive illegal logging of old growth, high-value timber within the concession.

The most grave human rights violations occurred in O'Bat Moan village in Kon Kriel commune, which was entirely destroyed to make way for Mitr Phol's plantations. In April 2008, 154 homes in the village were forcibly demolished by Angkor Sugar Company staff under the guidance of local authorities. Further evictions occurred in October 2009, when around 100 homes were burned to the ground by approximately 150 police, military police and hired demolition workers. Most affected families lost all of their possessions during the evictions and were left landless and homeless. Even their rice crops, which they were about to harvest, were reportedly looted by company staff and security forces, leaving them without essential food and income in the immediate aftermath of the evictions. These forced evictions were preceded by arrests and an assault on the former village chief. Two community leaders were sentenced to two years in jail on charges of 'clearing State forest', while two others were released after serving over six months in pre-trial detention. One was pregnant at the time and gave birth during her eight months of imprisonment.



*Villages watch their farm house burn during forced evictions in O Bat'Moan village, Kon Kriel commune, October 2009.*

Only 14 families from O'Bat Moan village received compensation in the form of a 1 ha plot of forested land in a remote area. The shelters that these families have rebuilt there are rudimentary and do not provide sufficient protection against the elements. They lack access to sanitation and drinking water. Transportation is difficult to arrange, time consuming, and costly due to the remote location and poor conditions of the access road. Thus, access to health care, education and the outside community is severely limited. The closest school, for example, is 10 kilometers away.

Many affected people resorted to illegal migration to Thailand after they lost their land to the sugar concessions.

The facts indicate that Mitr Phol colluded with Cambodian authorities to breach a host of Cambodian laws and regulations, including the Constitution, Land Law, Forestry Law, Sub-Decree on Economic Land Concessions, Labor Law, Penal Code and Civil Code, as well as Cambodia's international human rights treaty obligations.

The company's acts and omissions also violate the UN Guiding Principles on Business and Human Rights, which hold that businesses must respect the Universal Declaration on Human Rights, ensure they are not involved in violations of human rights, and provide an effective remedy to people whose rights have been violated as a result of their business activities. These responsibilities apply to business activities no matter where they occur, and include a responsibility to conduct human rights due diligence, particularly in situations where there is a significant risk of human rights violations, such as involvement in economic land concessions in Cambodia.

## **COCA-COLA AND OTHER MITR PHOL BUYERS**

In November 2013, the Coca-Cola Company issued a [statement](https://www.coca-colacompany.com/content/dam/journey/us/en/private/fileassets/pdf/2013/11/proposal-to-oxfam-on-land-tenure-and-sugar.pdf) (<https://www.coca-colacompany.com/content/dam/journey/us/en/private/fileassets/pdf/2013/11/proposal-to-oxfam-on-land-tenure-and-sugar.pdf>) in response to Oxfam's Behind the Brands Campaign, acknowledging its responsibility to take action and use its influence to help protect the land rights of local communities affected by its sugar suppliers. The soft drink giant committed to zero tolerance for land grabbing in its supply chain. Specifically, the company committed to the following steps:

- Conduct third-party social, environmental and human rights assessments of its suppliers, beginning in Brazil, Colombia, Guatemala, India, Philippines, Thailand and South Africa.
- Disclose within three years all sourcing countries for cane sugar and the names of all its direct cane sugar suppliers (Mitr Phol was disclosed at the time as one its top three cane suppliers globally).
- Adhering to the principle of Free, Prior and Informed Consent across its operations and requiring its suppliers to adhere to this principle.
- Requiring respect for and prohibition of the violation of the land rights of communities and traditional peoples in its Sustainable Agriculture Guiding Principles.

- If a supplier fails to uphold any aspect of the SGP requirements, the Coca-Cola Company will “work with the supplier on corrective action. If such action is not taken, the supplier relationship will be terminated.”

Inclusive Development International and other members of the Clean Sugar Campaign coalition wrote to Coca-Cola (<https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Letter-to-Coca-Cola-re-Mitr-Phol-Nov-22.pdf>) to applaud the company on its commitment and urge it to implement the pledge with respect to Mitr Phol by taking the following steps:

- Conducting a credible and transparent third-party social, environmental and human rights impact assessment of Mitr Phol’s operations in Cambodia.
- Working with Mitr Phol to develop a time-bound remedial action plan, based on the findings of this assessment, meaningful consultation with the affected people and in accordance with IFC Performance Standard 5.
- Notifying Mitr Phol that if it does not cooperate in this process, the supply relationship will be terminated.

While Coca-Cola took some initial steps to investigate the allegations and engaged with Mitr Phol on the concerns, it failed to use its leverage to compel the company to provide redress to the victims in Cambodia. In 2018, Coca-Cola informed Inclusive Development International that it no longer sources sugar from Mitr Phol, but it has not reported the termination of the supply relationship publicly.

Other Mitr Phol buyers, past and present, include PepsiCo, Nestle, Mars Wrigley and Corbion. Inclusive Development International calls upon all of Mitr Phol’s industrial buyers to use their leverage to ensure that Mitr Phol remediates the violations it caused in Cambodia.

## **DEMANDING ACCOUNTABILITY**

On January 31, 2011, a complaint (<https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Annex-1-Original-Complaint-to-BSCI-re-Mitr-Phol-Jan-31>) was submitted on behalf of affected communities to Bonsucro, a multi-stakeholder ‘sustainability initiative’ for sugarcane that Mitr Phol had joined. The complaint details widespread violations of Cambodian law, human rights and the core principles of Bonsucro’s Code of Conduct. The complaint was accepted (<https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Annex-2-Bonsucro-Letter-to-Bridges-Across-Borders-Cambodia-28-June-2011-.pdf>) as within the remit of Bonsucro’s Complaints and Grievances Committee (CGC) and the organization attempted to establish a Complaints Resolution Mechanism to “resolve the complaint in a manner that is mutually agreeable to all parties involved.” However, rather than engaging in the complaint resolution process, Mitr Phol withdrew from its membership in Bonsucro in June 2011.

In May 2013, local NGOs filed a complaint (<https://www.cambodiadaily.com/archives/second-sugar-firm-taken-to-thai-human-rights-commission-28445/>) with the Thai National Human Rights Commission on behalf of 602 families alleging that Mitr Phol’s Cambodian subsidiaries are implicated in serious human rights violations in relation to its land concessions in Oddar Meanchey. The complainants called upon the Commission to recommend appropriate remedies, including return of forcibly seized lands and payment of damages to victims for abuses they suffered due to the company’s actions or negligence.

In October 2015, the Thai National Human Rights Commission issued its investigation report ([https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Thai-Human-Rights-Commission-Report\\_Mitr-Phol\\_Unofficial-translation-.docx](https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Thai-Human-Rights-Commission-Report_Mitr-Phol_Unofficial-translation-.docx)), finding Mitr Phol Group in serious breach of its responsibility to respect human rights under the United Nations Guiding Principles on Business and Human Rights. Importantly, the Commission found that, although Mitr Phol has since ceased its operations in Cambodia and relinquished its economic land concessions there, the company has an ongoing responsibility to provide compensation and other appropriate remedies for the losses and human rights impacts suffered by people in Bos, O’Bat Moan, Taman, Trapaing Veng and Ktum villages as a direct result of its previous business activities

In June 2015, Mitr Phol quietly rejoined Bonsucro but was not required to reengage in the complaint resolution process, despite an express written commitment in 2012 by the then-chair of the Complaints and Grievances Committee that engagement in the resolution process would be a condition of readmission should the company choose to join Bonsucro again.

In light of this development, in February 2016, Inclusive Development International, Licadho and Equitable submitted a new complaint (<https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Amended-Complaint-to-Bonsucro-re-Mitr-Phol-Group-05-February-2016.pdf>) to Bonsucro on behalf of the 712 families. The complaint

requests that Bonsucro appoint a competent and impartial mediator to attempt to bring about a resolution of the case through the provision of adequate compensation to affected households, and if such a resolution cannot be reached, to expel Mitr Phol from the organization for breaching its Code of Conduct.

In April 2018, frustrated by Bonsucro's inaction, with Inclusive Development International's assistance, the families filed a landmark class-action lawsuit (<https://www.inclusivedevelopment.net/wp-content/uploads/2019/03/Mitr-Phol-Class-Action-Case-Brief.pdf>) against Mitr Phol in the Thai courts. Filed by Thai lawyers representing a class of approximately 3,000 people from five villages, the complaint was the first ever class-action lawsuit filed in the Thai courts by plaintiffs from another country for abuses committed by a Thai company outside of Thailand. In September 2018, the Thai court ordered the parties to attempt mediation. This failed because Mitr Phol refused to engage with the process. The case is now set to enter formal litigation.

In March 2019, Inclusive Development International, Licadho and Equitable lodged a complaint (<https://www.inclusivedevelopment.net/wp-content/uploads/2019/03/UK-NCP-Specific-Instance-Bonsucro-FINAL.pdf>) against Bonsucro with the UK National Contact Point for the OECD Guidelines on Multinational Enterprises, arguing that the multi-stakeholder initiative has breached its human rights responsibilities under the OECD guidelines and UN Guiding Principles on Business and Human Rights.

On September 25, 2019 the UK National Contact Point ruled the complaint admissible. (<https://www.gov.uk/government/publications/uk-ncp-initial-assessment-complaint-from-idi-ec-and-licadho-against-bonsucro-ltd>) The decision establishes that London-based Bonsucro is bound by OECD standards on responsible business conduct and does not operate in a human rights vacuum. The UK National Contact Point will now offer the parties an opportunity to mediate the issues, or if mediation fails, it will examine further the claim that Bonsucro's actions are inconsistent with the OECD Guidelines.

#### Eviction and resistance in Cambodia



## CASE DOCUMENTS

Thai National Human Rights Commission Final Investigation Report – Unofficial Translation (Oct 2015). ([https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Thai-Human-Rights-Commission-Report\\_Mitr-Phol\\_Unofficial-translation-.docx](https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Thai-Human-Rights-Commission-Report_Mitr-Phol_Unofficial-translation-.docx)).

Complaint Against Mitr Phol to Bonsucro (Feb 2016) (<https://www.inclusivedevelopment.net/wp-content/uploads/2016/09/Amended-Complaint-to-Bonsucro-re-Mitr-Phol-Group-05-February-2016.pdf>).

Bonsucro Public Notification of Decision on the Complaint Against Mitr Phol (Dec 2018). (<https://www.bonsucro.com/public-notification-of-decision-idi-ec-licadho/>).

Thai Civil Litigation Case Brief (2018). (<https://www.inclusivedevelopment.net/wp-content/uploads/2019/03/Mitr-Phol-Class-Action-Case-Brief.pdf>).

Complaint Against Bonsucro to the UK National Contact Point (<https://www.inclusivedevelopment.net/wp-content/uploads/2019/03/UK-NCP-Specific-Instance-Bonsucro-FINAL.pdf>).

Decision: Initial assessment by the UK National Contact Point for the OECD Guidelines for Multinational Enterprises: complaint from IDI, EC and LICADHO against Bonsucro Ltd (<https://www.gov.uk/government/publications/uk-ncp-initial-assessment-complaint-from-idi-ec-and-licadho-against-bonsucro-ltd/initial-assessment-by-the-uk-national->

[contact-point-for-the-oecd-guidelines-for-multinational-enterprises-complaint-from-idi-ec-and-licadho-against](#)).

## **MEDIA AND UPDATES**

[Cambodian farmers battle in landmark lawsuit against Thai sugar firm – Reuters, June 11, 2019](#)  
(<https://www.reuters.com/article/us-cambodia-landrights-court/cambodian-farmers-battle-in-landmark-lawsuit-against-thai-sugar-firm-idUSKCN1TD00P>).

[Cambodian farmers take Thai sugar giant to court – Al'Jazeera, June 11, 2019](#)  
(<https://www.aljazeera.com/amp/ajimpact/190612123127160.html>).

[Land dispute hits Thai court – Phnom Penh Post, September 7, 2018](#)  
(<https://www.phnompenhpost.com/national/land-dispute-hits-thai-court>).

[Rights in poorer nations must be upheld as Thai firms go abroad, activists say – Reuters, April 9, 2018](#)  
(<https://www.reuters.com/article/us-thailand-landrights-lawsuit-analysis/rights-in-poorer-nations-must-be-upheld-as-thai-firms-go-abroad-activists-say-idUSKBN1HH02Q>).

[In 'historic lawsuit', Oddar Meanchey villagers take sugar giant Mitr Phol to court in Thailand – Phnom Penh Post, April 3, 2018](#) (<https://www.phnompenhpost.com/national/historic-lawsuit-oddar-meanchey-villagers-take-sugar-giant-mitr-phol-court-thailand>).

[Cambodian farmers sue Thai sugar group Mitr Phol over alleged land grab – Reuters, April 2, 2018](#)  
(<https://www.reuters.com/article/us-cambodia-thailand-sugar/cambodian-farmers-sue-thai-sugar-group-mitr-phol-over-alleged-land-grab-idUSKCN1H90P6>).

[The sugar industry has been catastrophic for Cambodia's poor, so why are companies being honoured? Thomson Reuters Foundation, June 22, 2016](#) (<http://news.trust.org/item/20160622152147-nz9qj>).

[Dogged by abuse allegations, Mitr Phol pulls out of Cambodia – Bangkok Post, May 11, 2015](#)  
(<https://www.bangkokpost.com/business/news/557827/dogged-by-abuse-allegations-mitr-phol-pulls-out-cambodia>).

[Thai human rights body says plantation stole land – Cambodia Daily, August 14, 2014](#)  
(<https://www.cambodiadaily.com/archives/thai-human-rights-body-says-plantations-stole-land-66456/>).

[Clean Sugar Campaign Message to Coca-Cola Company, November 13, 2013](#)  
(<http://www.boycottbloodsugar.net/2013/11/12/message-to-the-coca-cola-company/>).

## **NEWS & UPDATES**

### **Guinea: CAO Refers CBG Sangaredi Mine Project Complaint to Dispute Resolution**

(<https://www.inclusivedevelopment.net/guinea-cao-refers-cbg-sangaredi-mine-project-complaint-to-dispute-resolution/>).

The Compliance Advisor Ombudsman (CAO) of the International Finance Corporation (IFC, the World Bank's private-sector arm) has referred a complaint lodged by communities in Guinea to mediation. This is a big step forward for residents of 13 villages in the



**MORE ► ([HTTPS://WWW.INCLUSIVEDEVELOPMENT.NET/GUINEA-CAO-REFERS-CBG-SANGAREDI-MINE-PROJECT-COMPLAINT-TO-DISPUTE-RESOLUTION/](https://www.inclusivedevelopment.net/guinea-cao-refers-cbg-sangaredi-mine-project-complaint-to-dispute-resolution/))**

### **UK Government Body Accepts OECD Complaint against Sugar “Sustainability” Body**

(<https://www.inclusivedevelopment.net/uk-government-body-accepts-oecd-complaint-against-sugar-sustainability-body/>)(<https://www.inclusivedevelopment.net/uk-government-body-accepts-oecd-complaint-against-sugar-sustainability-body/>)

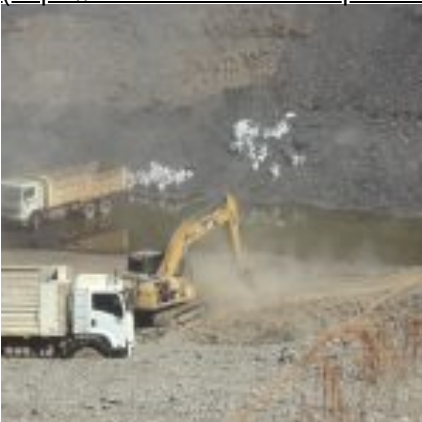


A Win for Corporate Accountability and Displaced Cambodian Communities (September 25, 2019) – The UK National Contact Point for the OECD, a government body that monitors the operations of British businesses overseas, has ruled admissible a landmark complaint against the sugar industry’s

**MORE ► ([HTTPS://WWW.INCLUSIVEDEVELOPMENT.NET/UK-GOVERNMENT-BODY-ACCEPTS-OECD-COMPLAINT-AGAINST-SUGAR-SUSTAINABILITY-BODY/](https://www.inclusivedevelopment.net/uk-government-body-accepts-oecd-complaint-against-sugar-sustainability-body/))**

### **NO MORE GREENWASHING: PRINCIPLES MUST HAVE CONSEQUENCES**

(<https://www.inclusivedevelopment.net/no-more-greenwashing-principles-must-have-consequences/>)



(<https://www.inclusivedevelopment.net/no-more-greenwashing-principles-must-have-consequences/>)

CIVIL SOCIETY STATEMENT ON THE NEW PRINCIPLES FOR RESPONSIBLE BANKING (September 23, 2019) – Inclusive Development International joins 21 civil society organizations in calling on signatories to the new Principles for Responsible Banking (PRB) to commit to immediately end all

**MORE ► ([HTTPS://WWW.INCLUSIVEDEVELOPMENT.NET/NO-MORE-GREENWASHING-PRINCIPLES-MUST-HAVE-CONSEQUENCES/](https://www.inclusivedevelopment.net/no-more-greenwashing-principles-must-have-consequences/))**

### **In Solidarity with the People of the Narmada Valley**

(<https://www.inclusivedevelopment.net/in-solidarity-with-the-people-of-the-narmada-valley/>)



(<https://www.inclusivedevelopment.net/in-solidarity-with-the-people-of-the-narmada-valley/>)

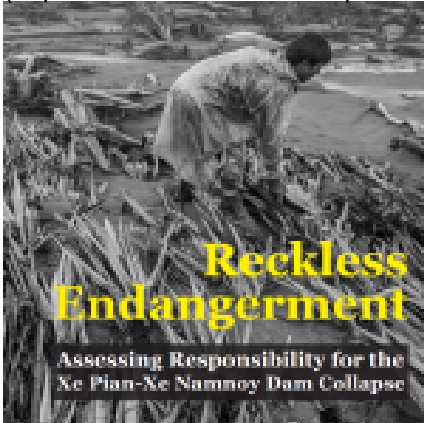
(August 31, 2019) – When India's Prime Minister Narendra Modi tweeted his happiness earlier this week that water levels at the Sardar Sarovar (Narmada) dam had "reached a historic 134.00 meters," and encouraged the public to visit, he failed to



**MORE ► ([HTTPS://WWW.INCLUSIVEDEVELOPMENT.NET/IN-SOLIDARITY-WITH-THE-PEOPLE-OF-THE-NARMADA-VALLEY/](https://www.inclusivedevelopment.net/in-solidarity-with-the-people-of-the-narmada-valley/))**

### **New Report: Backers of Collapsed Laos Dam Must Be Held Accountable**

(<https://www.inclusivedevelopment.net/new-report-backers-of-collapsed-laos-dam-must-be-held-accountable/>)



(<https://www.inclusivedevelopment.net/new-report-backers-of-collapsed-laos-dam-must-be-held-accountable/>)

A joint report released today by International Rivers and Inclusive Development International finds that one year after the devastating collapse of saddle dam D of the Xe Pian-Xe Namnoy hydropower project in southern Laos, none of the entities backing and

**MORE ► ([HTTPS://WWW.INCLUSIVEDEVELOPMENT.NET/NEW-REPORT-BACKERS-OF-COLLAPSED-LAOS-DAM-MUST-BE-HELD-ACCOUNTABLE/](https://www.inclusivedevelopment.net/new-report-backers-of-collapsed-laos-dam-must-be-held-accountable/))**

### **Opinion: Can the World Bank clean up its fossil fuel problem? | Devex**

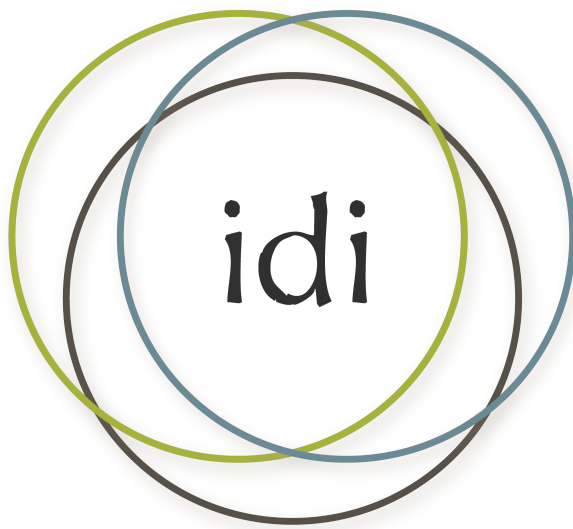
(<https://www.inclusivedevelopment.net/opinion-can-the-world-bank-clean-up-its-fossil-fuel-problem-devex/>)



(<https://www.inclusivedevelopment.net/opinion-can-the-world-bank-clean-up-its-fossil-fuel-problem-devex/>)

The IFC's Green Equity Strategy could be a pivotal engine for transformation — if it truly rises to the challenge. Inclusive Development International's David Pred and Bank Information Center Europe's Nezir Sinani explain.

**MORE ► ([HTTPS://WWW.INCLUSIVEDEVELOPMENT.NET/OPINION-CAN-THE-](https://www.inclusivedevelopment.net/opinion-can-the-))**



inclusive  
development  
international

9 SW Pack Square, Suite 302 Asheville, NC 28801  
USA

[info@inclusivedevelopment.net](mailto:info@inclusivedevelopment.net) (<mailto:info@inclusivedevelopment.net>)

Tel: +1 (828) 505-4340

**DONATE NOW** [\\_\(/contribute/\)](#)



**CONNECT**

**(<https://www.facebook.com/inclusivedevelopmentinternational>)**

Tweets by [@inclusivedevt](#)

