China reaps concession windfalls

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ABOUT half of the land concessions granted since 1994 are in the hands of Chinese companies, according to data released yesterday by the Cambodian Center for Human Rights.

Ouch Lang, CCHR land reform project coordinator, said that from 1994 to 2012, the Cambodian government granted 4,615,745 hectares in concessions to 107 Chinese-owned firms. Of that total, 3,374,328 hectares were forest concessions, 973,101 hectares were economic land concessions and 268,316 hectares were mining concessions.

"Chinese companies control about a quarter of the 17 million hectares of agricultural land and forest available in Cambodia. Because of these concessions, many villagers have lost their homes and land," he said.

In all, more than 8 million hectares have been granted to 368 companies, according to CCHR data.

Ouch Lang questioned the business sense of the concessions, saying that such leases only earn the government about US$10 to $20 per hectare per year, compared to a potential $100 to $150 per hectare per year if the land was rented to villagers.

He also suggested that villagers may ultimately be footing the bill for Cambodia's increasingly warm relationship with China.

"The reason that our government has granted a lot of land to Chinese companies is because it is thankful to the Chinese, who give a lot of loans to our country. But who takes responsibility for the payment of those loans?" he said.

Government officials have given contrasting estimates on Cambodia's debt to China, ranging from $2 billion to $6 billion.

China is also Cambodia's largest investor, with the Council for the Development of Cambodia putting investments made from 1994 to 2011 at $8.8 billion.

Cambodian People's Party lawmaker Cheam Yeap downplayed the percentage of concessions going to Chinese companies, noting that there were investors from "other countries like Thailand, Malaysia and Vietnam."

He said the government had taken the impact to villagers into account when making decisions about concessions, and some land disputes were the result of outside agitation, making it difficult to find resolutions.

"If the people knew how the government worked [in approving concessions], they would not be angry with the government," he said.

Sam Rainsy Party lawmaker Yim Sovann echoed Ouch Lang's belief that the government would earn more if land was left to villagers.

"Villagers are lacking land for planting, but the government is taking over their land to rent to private companies, to destroy forests and natural resources," he said.