

Recommendations contained on pages 1 & 2



global witness

# Taking a Cut

**Institutionalised Corruption and Illegal Logging  
in Cambodia's Aural Wildlife Sanctuary**

**A Report by Global Witness. November 2004**

## RECOMMENDATIONS

### THE ROYAL GOVERNMENT OF CAMBODIA (RGC) SHOULD:

#### Systemic Corruption

1. Translate recent renewed pledges to combat corruption into immediate action. Officials and RCAF officers involved in corruption and misappropriation of state assets should be prosecuted and punished in accordance with the law. Senior officials and military officers should be made accountable for the actions of their subordinates.

2. Ensure full disclosure of documents of public interest concerning the forest sector, for example concession boundaries, investment agreements, details of ownership of the companies concerned, permits for cutting, transportation, collection, export of forest products etc. These documents should be published online, while printed copies should also be made available through the Forest Administration<sup>1</sup> Public Affairs Unit.

3. This sector-specific measure should be underpinned by the introduction of an Anti-Corruption Law that imposes severe penalties on officials found guilty of corrupt practices, including misappropriation of state assets. This law should encompass the following elements:

- Creation of a register of business interests of politicians, government officials and Royal Cambodian Armed Forces officers to be published online and in print and updated on a quarterly basis. This register should include declaration of any close familial links between these officials/officers and private sector operators whose activities fall within their jurisdiction. It should be published in Khmer and English in an accessible format.
- Provisions guaranteeing the Cambodian public right of access to information relating to the management of all state assets.
- Requirement that all contracts/agreements between the government and private sector operators concerning land use, harvesting rights or transfer of ownership, on areas of state property larger than 100 hectares, be publicly announced.

- Requirement that all private sector operators holding concessions on state property publicly disclose the payments they make to the RGC in the form of taxes, royalties, signature bonuses etc.

- Requirement that the RGC publicly disclose all taxes, royalties, signature bonuses etc. generated from concessions on state property.

4. Establish an independent body comprising ministers, international donors and civil society representatives to monitor usage of Cambodia's natural resources and revenues generated. This independent body should perform the following functions:

- Monitor, document and scrutinise management and sustainable use of Cambodia's natural resources. Publish findings on a quarterly basis. Establish a secretariat to carry out these functions.
- Monitor investigation by National Audit Office into all outstanding timber royalties owed to the Cambodian state; monitor future payment of royalties and other fees and payments related to timber and other natural resources. Publish findings on a quarterly basis.

#### The Royal Cambodian Armed Forces

1. Withdraw all military units stationed inside or on the boundaries of protected areas.

2. Disclose the location and legal status of all the Military Development Zones. Terminate all such zones that are situated on forestland, in protected areas, or are otherwise contrary to the law.

3. Alleviate the threat to Cambodia's forests posed by an oversized and largely redundant military. Cancel the recently announced plans to re-introduce conscription for men aged 18-30. Embark on wide-ranging reform of the Royal Cambodian Armed Forces. Principal outcomes of this reform process should be:

- i) the creation of a professional military that meets Cambodia's defence needs and
- ii) demobilisation of all troops surplus to these requirements.

#### Reform Forest Management

1. Terminate the forest concession system, in line with Recommendation D/21 of the 2004 Independent Forest Sector Review commissioned by the RGC and donors.<sup>2</sup>

2. Maintain the existing moratoria on logging and transportation of logs, until the following steps have been completed:

- Completion of a new national plan for sustainable management of the forests, in line with Article 59 of the Cambodian constitution.<sup>3</sup> This national plan should be based on the recommendations of the Independent Forest Sector Review.
- Completion of all outstanding sub-decrees and directives required under the 2002 Forestry Law, including delineation of the permanent forest estate and forest reserve. All draft sub-decrees and directives should be made publicly available prior to passage, allowing sufficient time for public comment.
- Completion of all outstanding sub-decrees and directives in the 2001 Land Law relating to reduction in area of land concessions larger than 10,000ha. These draft sub-decrees and directives should be made publicly available prior to passage, allowing sufficient time for public comment.
- Disclosure of full details of all agro-industrial land concessions. Termination of all such concessions that are situated on forestland, in protected areas, or are otherwise contrary to the law, for example: APP / Green Elite in Koh Kong; Pheapimex in Pursat and Kompong Chhnang; Wuzhishan LS Group in Monduliri; Green Sea in Stung Treng.

3. Complete the draft Protected Areas Law. The draft law should be made publicly available prior to passage, allowing sufficient time for public comment.

4. Impose a moratorium on the construction of roads on forestland, in line with Recommendation D/32 of the 2004 Independent Forest Sector Review commissioned by the RGC and donors.

#### Law Enforcement

Establish an inter-agency authority independent from forest management functions to monitor forest crimes and undertake law enforcement operations. This agency could be supported by civil society organisations and financed by a trust fund managed by the international donor Working Group on Natural Resource Management.

### INTERNATIONAL DONORS SHOULD:

At the Consultative Group meeting, Cambodia's international donors should link disbursement of non-humanitarian aid to demonstrable progress in implementing these reforms in accordance with set time-lines.



<sup>3</sup>Article 59 of the 1993 Cambodian Constitution, which has never been implemented, states that: "The State shall protect the environment and balance of abundant natural resources and establish a precise plan of management of land, water, air, wind, geology, ecological system, mines, energy, petrol and gas, rocks and sand, gems, forests and forestry products, wildlife, fish and aquatic resources."

## CONTENTS

1	RECOMMENDATIONS	1-2	8	MILITARY REGION 5 (MR5)	29
2	FOREST CRIMES IN AURAL WILDLIFE SANCTUARY BY INSTITUTION:	4	8.1	Brigade 14	29
3	INTRODUCTION	5-8	8.2	Pursat Provincial Military Sub-Operation	29
3.1	The Role of Donors in Combating Corruption in Cambodia's Forest Sector	5-7	9	OTHER MILITARY UNITS	29 -33
3.2	Hard Talk or Hot Air? The World Bank's Variable Perception of Corruption in Cambodia	8	9.1	Division 1, Kompong Chhnang	29
			9.2	RCAF Military Intelligence Division	30
			9.3	Hun Sen's Bodyguard Unit B-70	31
			9.4	Military Police	31-33
			10	FOREST ADMINISTRATION	34-36
			10.1	Phan Pheary and "Om Yentieng's Third Wife"	35-36
			10.2	Forest Administration	
				Mobile Task Force	36
			11	MINISTRY OF ENVIRONMENT	36
			12	POLICE	37
			13	LOCAL GOVERNMENT	38
			14	TIMBER DEALERS	39-42
			14.1	Peng Ly	39
			14.2	Mr Tong	39
			14.3	Hear Seng	39
			14.4	Sao Sokhoeurn	39
			14.5	Yeay Bong	39
			14.6	Mr Kat	39-40
			14.7	Ta Kreum	40
			14.8	Li Kea	40
			14.9	Mr Reach	41
			14.10	Mr Ton	41
			14.11	Mr Yong	41
			14.12	Srey Oan	41
			14.13	Srey Peou	41
			14.14	Mr Hok	41
			14.15	Eng Youry	41-42
			14.16	Timber traders transporting wood from Aural district in 2004	42
			14.17	Timber Traders operating sawmills in Aural district in 2004	42
			15	CONCLUSION	43-44
			16	APPENDIX 1: FOREST LAW ENFORCEMENT AND GOVERNANCE EAST ASIA MINISTERIAL DECLARATION	45-46
			17	APPENDIX 2: INTERPOL RESOLUTION ON ADOPTING GLOBAL STANDARDS TO COMBAT CORRUPTION IN POLICE FORCES/SERVICES	47-50
			18	REFERENCES	52

## GLOSSARY

CI	Conservation International	MP	Military Police
CPP	Cambodian People's Party	MR3	Military Region 3
FA	Forest Administration	MR5	Military Region 5
FFI	Flora and Fauna International	NGO	Non-Governmental Organisation
FLEG	Forest Law Enforcement and Governance process	RCAF	Royal Cambodian Armed Forces
MoE	Ministry of Environment	RGC	Royal Government of Cambodia
		SAC	Structural Adjustment Credit

## 2 FOREST CRIMES IN AURAL WILDLIFE SANCTUARY BY INSTITUTION:

## Royal Government of Cambodia

Hun Sen, Prime Minister of Cambodia

## Ministry of Defence and RCAF National Command

General Tea Banh, Co-Minister of Defence

General Nhek Bun Chhay, Co-Minister of Defence

General Ke Kimyan, Commander in Chief, RCAF

General Pol Saroeun, Deputy Commander in Chief, RCAF

General Meas Sophea, Deputy Commander in Chief, RCAF; Commander, Army

## Military Region 3 Personnel

Major-General Keo Samuan, Commander, MR3

Brigadier-General Srun Saroeun

Brigadier-General Kong Bunthan

Major In Sokhear

Colonel Sort Suy

Major Tep Sambath

## RCAF Military Intelligence Division

Lieutenant-General Mol Roeup, National Commander

Lieutenant-General Dom Hak

Chan Chao, Military Intelligence Unit operational in Aural

## Hun Sen's Bodyguard Unit B-70

Major-General Hing Bun Heang, Commander

Brigadier-General Mao Sophann

Colonel Mao and Colonel Maorong

## Military Police

Lieutenant-General Sao Sokha, National Commander

Men Sibon, Deputy Commander, Kompong Speu Province

Saom Puthdara, Commander, Aural District

## Ministry of Agriculture, Forestry and Fisheries (MAFF)

Chan Sarun, Minister, MAFF

## Forest Administration

Ty Sokhun, Director

Ieng Saveth, Head of Forest Crime Monitoring

Roath Sovannara, Head of Mobile Task Force

Ta Nang, Deputy-Head of Mobile Task Force

Phan Pheary, Head, Sangke Sartob Section

## Ministry of Environment

Mok Mareth, Minister of Environment

Chay Samith, Director, Dept. Nature Conservation &amp; Protection

Ty Tola, Ranger, Aural Wildlife Sanctuary

## Ministry of Interior

Sar Kheng, Co-Minister of Interior

Prince Norodom Sirivudh, Co-Minister of Interior

## Police

General Hok Lundy, National Director-General

Nob Oeun, Commander, Kompong Speu Province

Chea Daro, Economic Police, Kompong Speu Province

Dos Sim, Commander, Aural District

## Local Government

Ou Bun, Governor, Kompong Speu Province

Yim Sokhom, Deputy Governor, Kompong Speu Province

Chem Sarim, Governor, Aural District

Key = Command responsibility for subordinates involved in forest crime, = Receives payments levied through extortion  
 = Provides armed protection to timber traders, = Participates directly in illegal timber trade



### 3 INTRODUCTION

*“We need to work on further improvements in governance if we are to make more than a dent in poverty,”*<sup>3</sup> Hun Sen, Prime Minister, Consultative Group meeting, 2002

*“We’ve been told that corruption is a major hindrance to development. But did Enron or WorldCom prevent America from being rich?”*<sup>4</sup> Ty Sokhun, Director, Forest Administration, 2004

Six years after the Cambodian government pledged to reform the country’s forest sector, the main obstacle to real change – corruption – has not been addressed. Cambodian functionaries and soldiers charged with suppressing forest crime use their office as a basis for extortion, rather than law enforcement. They are encouraged, even compelled to do so by senior officials in Phnom Penh who control the opaque patronage networks that substitute for a system of governance in Cambodia.<sup>5</sup>

Global Witness and others have highlighted the extent of corruption in Cambodia’s forest sector over almost a decade. The government and international donors have refused to confront the issue, however, with the result that Cambodia’s forest sector reform process has not realised its objectives. Cambodia remains completely dependent on foreign aid. Meanwhile, the costs of weak forest sector governance, in terms of lost revenues, destruction of rural livelihoods and environmental damage, continue to mount.

This report presents the findings of a series of Global Witness investigations into illegal logging in Aural Wildlife Sanctuary in southwestern Cambodia in 2004. Conditions in Aural precisely illustrate the institutionalised corruption prevalent across the country and the government’s conspicuous failure to address it.

Among the many serious issues the Aural case highlights, is the role of the Royal Cambodian Armed Forces (RCAF). Cambodia faces no imminent external threats, yet the government spends approximately 25% of its meagre budget on a bloated army of around 110,000. In addition to these actual personnel, RCAF is augmented by some 32,000 dead or fictitious “ghost soldiers”, whose names are maintained on the payroll so that commanders can pocket their salaries.<sup>6</sup> In the absence of a strategic imperative, RCAF devotes its energies to black economy business ventures, notably illegal logging operations, which are founded on its capacity to threaten and use armed force. The institution’s overall profile is that of a vast organised crime network.

A US\$18 million demobilization programme funded by the World Bank collapsed in 2003 amid allegations of high level corruption and has not been revived.<sup>7</sup> The Cambodian government, meanwhile, displays little interest in reforming RCAF and turning it into a force

tailored to Cambodia’s defence needs. Indeed, in September 2004, the government adopted a draft law re-introducing conscription for men aged 18–30 – a measure that, if passed, is likely to inflate RCAF ranks and senior commanders’ power yet further. Without a radical change in approach, Cambodia will continue to bear the burden of a military whose core capacity is theft of the country’s natural resources, rather than protection of its borders.

Aural also testifies to the lack of government commitment to preserving the country’s protected areas, where cutting of trees is prohibited under any circumstances. The wildlife sanctuary’s centerpiece, Aural Mountain, is Cambodia’s highest peak and an important part of the country’s natural heritage. In the absence of rule of law, however, Aural is not only subject to innumerable logging operations, but also plays host to a substantial downstream timber-processing industry.

The government’s failure to tackle the problem contravenes national law, notably the 2002 Forestry Law, which demands the fining and imprisonment of officials who fail to take action against forest crime. It also places Cambodia in breach of international commitments under the 2001 East Asian Ministerial Declaration on Forest Law Enforcement and Governance (FLEG), as well as the 2002 Interpol resolution on combating corruption in police forces/services. Both these documents are reproduced as appendices of this report.

The systemic corruption which the Aural case exemplifies thrives on the utter lack of transparency within Cambodia’s forest sector. Basic information concerning government decisions that have far reaching impacts on the country’s forests and the rural population are not made available, much less justified, to those affected. The identity, location and purpose of economic concessions, coupes and military development zones, not to mention RCAF units, is not disclosed. This culture of secrecy reflects the government’s desire to avoid accountability for poor decisions based on the political and financial interests of those in power.

#### 3.1 The Role of Donors in Combating Corruption in Cambodia’s Forest Sector

In recent years multilateral donors such as the World Bank, IMF, Asian Development Bank and European Union, as well as influential bilateral donors, have made governance reform and eradication of corruption a key part of their overall policy agenda.<sup>8</sup> At the same time, donor countries have supported the introduction of international agreements addressing these issues, notably the OECD Anti-Bribery Convention (signed 1997) and the recent UN Convention against Corruption (signed December 2003).

With specific reference to the forest sector, themes of governance and anti-corruption form the bedrock of

the aforementioned East Asia FLEG agreement and the subsequent Africa FLEG process (launched October 2003). Both these processes have been supported by the World Bank and other major donors.

A small number of cases have shown that donor anti-corruption rhetoric can be translated into action. In May 2004, concern at high-level government corruption prompted the IMF to suspend disbursement of a US\$35 million loan to Kenya. A new date for disbursement (December 2004) was only agreed after the Kenyan government introduced substantive measures to combat the problem.

The IMF’s own internal guidelines call for “greater attention by the IMF to governance issues, in particular through: An even-handed treatment of governance issues in all member countries”.<sup>9</sup> However, the Fund has shown little inclination to take a similarly robust stand on corruption in Cambodia.

Cambodia’s donors are universally aware of the damaging impact of corruption on the development agenda that they claim to support. Few, however, are willing to publicly acknowledge this state of affairs and none are prepared to insist on measures to address it. The donor institution that has been arguably most vocal on the subject of corruption in Cambodia is the World Bank. Upon being confronted with the extent of the problem in the forest sector, however, the Bank has retreated from its initial insistence on comprehensive reform; undermining the forestry reform process and its own credibility in the process.

Initiated in 2000, the World Bank’s US\$30 million Structural Adjustment Credit to Cambodia incorporated a range of conditions concerning forest sector management. The Cambodian government would be required to fulfil these in order to trigger release of the loan’s second tranche of US\$15 million. While by no means comprehensive, the SAC conditions encompassed structural and regulatory changes critical to the success of forest sector reform.

The vested interests of senior officials ensured that several of these conditions were never met.<sup>10</sup> Despite this, in December 2003, the World Bank released the second and final tranche of US\$15 million. The most likely explanation for the Bank’s climb-down was its urge to disburse the SAC and proceed to another round of less conditional and less contentious loans to Cambodia. However, the Bank sought to justify itself by arguing that the RGC had honoured its commitments. This completed a shift that saw the Bank moving from a firm stand on forest sector reform in Cambodia to endorsing breaches of its own lending conditions.

One of the World Bank’s more implausible justifications for releasing the SAC money was its claim that the RGC had “achieved satisfactory progress” in combating corruption.<sup>11</sup> The Bank reached this conclusion at the end of a year in which its own Poverty and Investment Climate Survey

(PICS) showed that Cambodia was suffering from “weak rule of law, bureaucratic costs and corruption”. Companies participating in this survey cited corruption as their main constraint.

Six months after releasing the US\$15 million tranche, moreover, the Bank’s own *Implementation Completion Report* on the SAC appeared to contradict its previous position, concluding that the “outcome of the activities achieved so far is strenuous and fragile at best with some possible risks for backtracking, especially in expenditure management, forestry sector management and governance and fighting corruption.”<sup>12</sup> To complete the impression of studied inconsistency, in October 2004, the Bank released a statement on forest sector policy in Cambodia, which noted that “without improved governance... we are not likely to overcome the obstacles posed by corruption”.<sup>13</sup>

This debacle typifies the pattern of RGC-donor relations established over several years. A tough line from the donors on governance, corruption and forest sector reform is routinely parroted and then disregarded by the government. The RGC is never held to account for failing to meet its commitments, the aid continues to flow and the status quo prevails. Does this benefit Cambodians outside the entrenched elite?



World Bank office, Phnom Penh



The conclusions of the UNDP's 2004 Human Development Report would suggest otherwise:

*"Cambodia remains the worst performer in East Asia and the Pacific when it comes to its Human Poverty Index, which focuses on the most deprived in multiple dimensions of poverty to include the proportion of people below a threshold level in respect of longevity, access to education and a decent standard of living. Significant challenges remain in advancing gender equality in key areas of economic and political life."*<sup>14</sup>

Meanwhile, in the words of the Japanese government aid agency, JICA:

*"Good governance has been deficient in Cambodia and some Cambodian people have little confidence in the government due to a chronic shortage of revenues, an inefficient and ineffective administrative system, rampant corruption and a distrust of military and police organizations."*<sup>15</sup>

It is surely no coincidence that, after a decade in which billions of dollars of donor money have accounted for half Cambodia's national budget year after year, there is mounting evidence that, in terms of development, remarkably little has been achieved.

So far as donors have addressed the issue of corruption in Cambodia, this has revolved around internal safeguards to protect their own disbursements of aid. As the case of the World Bank-funded demobilisation programme shows, these are sometimes less than effective.

While important, internal safeguarding of aid disbursements does little to improve Cambodia's system

of governance. Yet it is invariably external, governance-related conditions that ultimately determine aid interventions' success or failure. However well-audited aid programmes are, their benefits are inevitably limited if their outputs are obstructed or misappropriated through corruption and weak governance. Amidst the proliferation of expensive aid interventions, it is worth noting that some basic measures to improve governance, for example mandatory public disclosure of information relating to the management of state assets, would carry little, if any, additional cost.

Forests constitute, in the words of the World Bank, *"Cambodia's most developmentally important natural resource"*<sup>16</sup>, but they are being steadily degraded, primarily as a result of corruption and deficiencies in governance. Destruction of the forests directly threatens a large section of the rural population who depend on non-timber forest products for their livelihoods. The secondary impacts are potentially equally severe. The soil erosion that typically results from deforestation is already damaging Cambodia's agricultural and fisheries sectors. Both of these are areas that the RGC and donors have identified as pivotal to rural development.

The Consultative Group (CG) meeting scheduled for December 2004 offers a critical opportunity for government and international donors to address these issues and the overall setbacks in forest sector reform. Donors must demand tangible, timetabled progress in combating corruption, increasing transparency and strengthening forest sector governance and link this to any further disbursements in non-humanitarian aid. The alternative amounts to rewarding practices that are destroying Cambodia's natural heritage and undermining the country's long-term development.

### 3.2 Hard Talk or Hot Air? The World Bank's Variable Perception of Corruption in Cambodia

*"The Bank explicitly considers in its lending decisions the extent to which the quality of governance and the magnitude of corruption affect a borrowing country's economy."* The World Bank's Anti-Corruption Strategy<sup>17</sup>

*"The World Bank views good governance and anti-corruption as central to its poverty alleviation mission."*  
The World Bank<sup>18</sup>



World Bank office, Phnom Penh

1. **February 2000:** The World Bank says that *"formulating and implementing a strategy on enhancing governance and fighting corruption"* is one of the three areas in which its Structural Adjustment Credit (SAC) aims to help Cambodia.<sup>19</sup>

2. **May 2000:** The Bank releases the results of a survey that paints a gloomy picture of corruption in Cambodia. Urban citizens and foreign companies view *"corruption in the public sector"* as the most serious problem in the country. (For rural citizens and domestic firms, *"corruption in the public sector"* is the second most frequently cited problem.) Foreign enterprises report that they have to pay bribes in 68% of dealings with public officials. 66% of survey participants believe that corruption is *"much worse"* than it was three years ago. Nobody thinks that it is *"much better"*.<sup>20</sup>

3. **June 2002:** Prime Minister Hun Sen promises that an anti-corruption law will be passed by the National Assembly before June 2003.<sup>21</sup>

4. **June 2003:** The anti-corruption law deadline passes without any law being adopted. In fact, the law has still not been passed today.

5. **2003:** A World Bank survey on Cambodia's investment climate reveals a picture of *"weak rule of law, bureaucratic costs, and corruption"*. Cambodian firms identify corruption as their leading constraint, with approximately three-quarters of firms identifying the problem as *"moderate"*, *"major"* or *"very severe"*. Four-fifths of survey participants acknowledge the necessity of paying bribes, and 71% of large firms report that these payments are frequent.<sup>22</sup>

6. **December 2003:** Disregarding the results of its survey, the government's failure to pass the promised anti-corruption law and evidence of pervasive corruption in the forest sector, the World Bank releases the second tranche of the SAC, worth US\$15 million. The Bank declares that Cambodia has *"achieved satisfactory progress"* in *"enhancing governance and fighting corruption"*.<sup>11</sup>

7. **June 2004:** Despite claiming that Cambodia had *"achieved satisfactory progress"* on corruption only a few months earlier, the World Bank reverts to saying that the *"outcome of the activities achieved so far is strenuous and fragile at best with some possible risks for backtracking, especially in expenditure management, forestry sector management, and governance and fighting corruption"*. It acknowledges that *"corruption was perceived as widespread in Cambodia and undermined the country's development efforts"*.<sup>12</sup>

8. **August 2004:** The Bank unveils its Investment Climate Assessment and Reform Strategy, based on the results of its 2003 investment climate survey. The report emphasises the extent of institutionalised corruption in Cambodia.<sup>23</sup>

9. **August 2004:** This is followed by a statement on Cambodia's forest sector saying that *"The forestry sector in Cambodia is badly affected by corruption and, unless properly managed, will not only fail to deliver adequate resources to the people of the country but could actually make the poor even worse off"*.<sup>24</sup>

10. **October 2004:** The Bank publishes comments on the Independent Forest Sector Review, noting that *"without improved governance... we are not likely to overcome the obstacles posed by corruption"*.<sup>13</sup>



## PART ONE – BACKGROUND & INDUSTRY STRUCTURE

### 4 AURAL – A SANCTUARY FOR LOGGERS?

*“The uplands of Mount Aural sequester one of the most expansive and pristine forests of Indochina. They also sequester a natural ecosystem and ‘biodiversity hotspot’ that is still virtually unknown to science. From the air, one observes a dissected terrain that is formed by a labyrinth of variously angled slopes and hidden valleys. Each of these is linked to another by an unbroken canopy of trees. Above 500 m, there is hardly a trace of roadcuts or footpaths. Invasive roads and evidence of illegal logging activities are commonly observed, however, at the base of the mountain, and seem to portend trouble for Aural’s pristine core regions. One can only hope that the mountain range and its unique biota are spared the same fate as disturbed mountainous landscapes in Thailand and Vietnam.”*<sup>25</sup> Dr J. Andrew

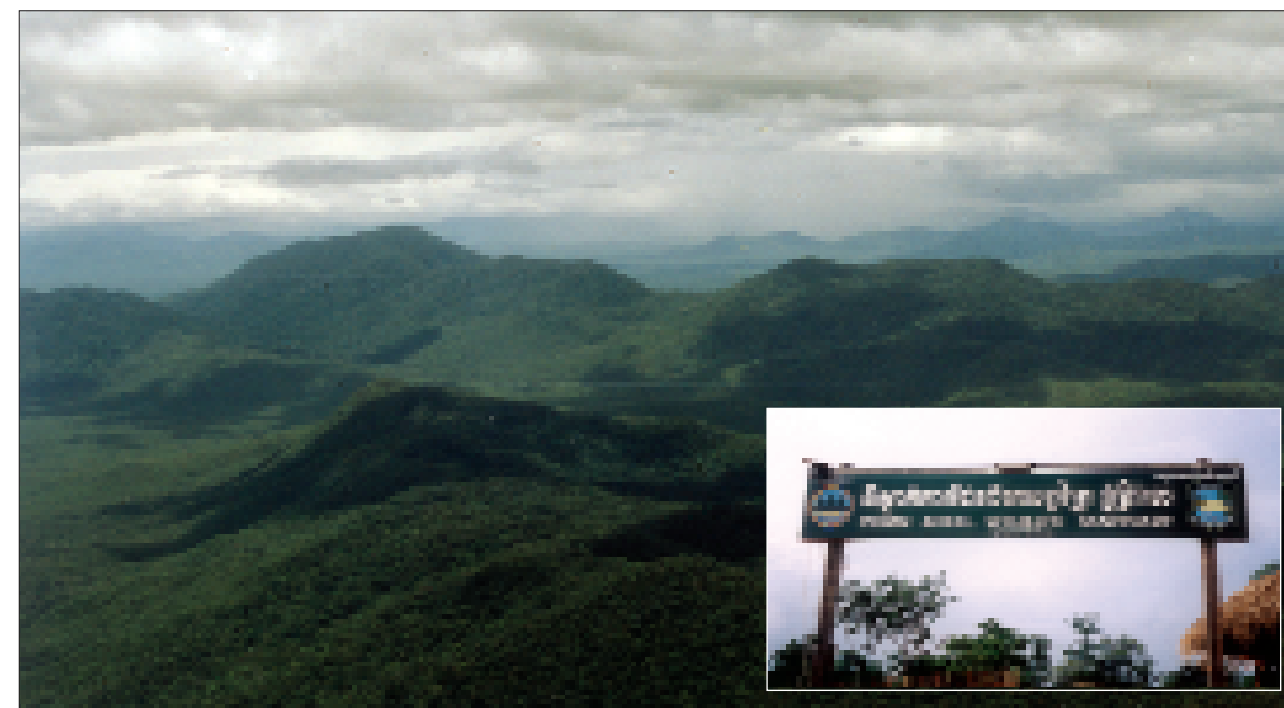
McDonald, Plant Resources Center, University of Texas at Austin, 2004

Aural Wildlife Sanctuary was given protected status under the 1993 Royal Decree on Protected Areas, at a time when the area was still contested by Khmer Rouge and government forces. Its designation as a wildlife sanctuary reflected not only its high conservation value, but also the willingness of the government of the time to grant protected status to regions that it did not fully control.



Fighting in Aural ended in 1995. Under the terms of the peace agreement between Royal Cambodian Armed Forces (RCAF) and Khmer Rouge commanders, the Khmer Rouge troops were integrated into RCAF and stayed in Aural. So did many of their former adversaries on the government side.

The end of the conflict in Aural drew a line under the area’s isolation. During the mid 1990s, an international NGO paid for the upgrading of Route 42 between Route 4 and Kantuot, thus reducing travel time from Phnom Penh to around two and a half hours. The road enabled easy access to land and timber resources in Aural and accelerated migration into the area.



Aerial view of Aural Wildlife Sanctuary

Despite these changes, Aural remained very much a military fiefdom, with a local system of governance skewed by the presence of large numbers of soldiers answering to the RCAF command structure rather than civil authorities. In common with most RCAF units, the soldiers remaining in and around Aural had no meaningful military function. Post-conflict, their main preoccupation became generation of income for themselves and their commanders, principally through illegal logging.

Although the government staged a series of highly publicised crackdown operations against illegal loggers in 1999-2000, military-supported logging operations in Aural continued. Following the suspension of cutting in Cambodia’s forest concessions in January 2002, a combination of factors stimulated the expansion of the timber industry in Aural:

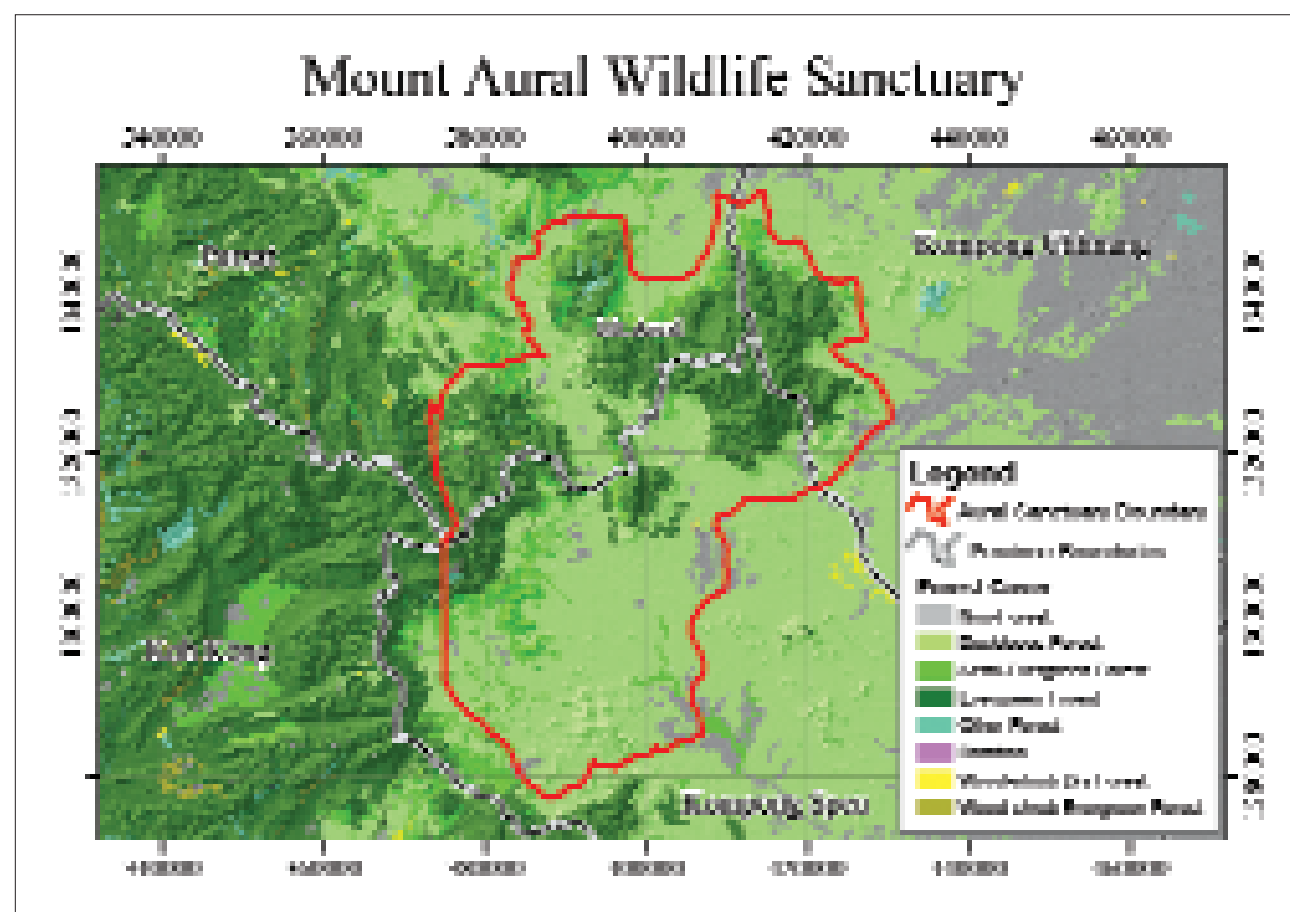
- The area was dominated by RCAF, an institution that had a stake in the illegal timber industry and the capacity to protect it.
- The principal focus of the donor-driven forest sector reform process was curbing illegal activities by logging companies operating concessions, with less attention paid to protected areas.
- Within southwestern Cambodia, meanwhile, international NGO-supported law enforcement operations in the Central Cardamoms Protected Forest, adjacent to Aural, had made logging there more difficult. Few measures had yet been taken to turn Aural’s protected status into reality, however.
- Thanks to the improved road access, Aural was within close reach of important markets, such as Phnom Penh, major provincial towns and

Vietnam. The improved communications also enabled timber traders to move equipment and personnel into the area with ease.

As Aural became an increasingly attractive place to do business, more timber traders moved into the area, setting up depots and other downstream facilities in villages such as Kantuot and Spean Daik in the heart of the wildlife sanctuary. Here they could take advantage not only of a resource, but also an ample supply of labour. This consisted of the locally-based RCAF soldiers, as well as residents of other districts of Kompong Speu, such as Borseth, Thpong, Samraong Tong and Oudong. In addition, people from neighbouring provinces, including Takeo, Prey Veng and Svay Rieng, moved to Aural to find jobs and profit in the timber trade.

Some of these local migrants, notably people from Takeo province, came to the area because of their links with military personnel stationed in Aural. Many of the soldiers fighting the Khmer Rouge in Aural during the 1980s and 1990s were drawn from Takeo. With the end of the conflict, they demobilised and returned home, but kept up links with former comrades who remained in the area. Facing difficulties finding land and livelihood in Takeo, some made their way back to Aural to work in the timber business.

As Aural’s timber industry has expanded, however, so has the range of stakeholders involved. Aural has become a honey pot not only for locally-based RCAF troops, but also special military units and other state agencies, for whom reaping a share of the spoils is as easy as setting up a checkpoint and waiting by the side of the road. This creates a vicious circle – the greater the number of soldiers and officials profiting, the more the industry is protected from outside attempts to curb it.







Soldier at cutting site in Aural Wildlife Sanctuary, 2004

Tensions in Aural between some of these groups have become increasingly apparent over recent months. Considering the abundance of competing protection rackets, however, the number of open conflicts between them has been arguably rather low. Generally speaking, there has always been room for one more snout in the trough.

Efforts to clamp down on illegal logging in Aural have centred around conservation programmes supported by two international NGOs. Floral and Fauna International (FFI) works with Ministry of Environment (MoE) officials responsible for managing the wildlife sanctuary, while Conservation International (CI) cooperates with officials from the Forest Administration (FA) and military police across the Cardamom Mountain range in southwestern Cambodia.

A sequence of law enforcement operations led by these groups in early 2004 disrupted Aural's timber trade and contributed to severe friction between soldiers and Ministry of Environment rangers based in Aural. This culminated in a series of armed confrontations over the weekend of 19-21 March. In the worst of these, two people – a villager and a military policeman working with Conservation International – were shot and wounded. In the aftermath, FFI suspended their activities in Aural and their Ministry of Environment counterparts likewise withdrew from the area. At this point, efforts to enforce the law within the wildlife sanctuary effectively ceased.



Evergreen forest, Aural Mountain

## 5 AURAL'S ILLEGAL TIMBER INDUSTRY

*"There is no more illegal logging in Cambodia... we have brought everything under control. We have very good, fundamental conditions for sustainable forest management in Cambodia."*<sup>26</sup> Ty Sokhun, Director, Forest Administration, 2003

The timber industry in Aural focuses on extraction of commercial grade wood for use in construction and also luxury timbers used to make furnishings. Much of the luxury timber and a proportion of the commercial grade wood cut in the wildlife sanctuary are exported to Vietnam. Many of the timber businesses operating in Aural target both, however there are ways in which these different types of timber are extracted and taxed which are distinct from one another.

The logging, processing and timber transporting operations in Aural are all illegal under the 1994 Ministerial Prakas (Decision) on Protected Areas and Chapter 15 of the 2002 Forestry Law; including Article 98, which carries penalties of one to five years in prison and fines of US\$2,500-25,000.

There is a wide spectrum of operators in Aural and the majority work on a much smaller scale than the big timber dealers. A large number of military, police and civilians own chainsaws and sawmills and either work

with the main wood traders or run their own businesses. The roles of many of these actors are overlapping – police and soldiers who have their own timber businesses, also extort money, for example.

The industry operates around informal networks, is flexible, and adapts very quickly to changes in circumstances. This fluidity makes definitive information on numbers of operators and machines rather elusive. An impression is offered, nonetheless, by estimates provided by officials and soldiers for communes within Aural district:

### Trapeang Chou commune, April 2004:

120 chainsaws  
5 sawmills operating band saws  
6 sawmills operating large fixed circular saws  
3 sawmills operating small, portable circular saws<sup>27</sup>

### Am Leang commune, May 2004:

65 chainsaws  
3 sawmills operating large fixed circular saws  
6 sawmills operating small, portable circular saws<sup>27</sup>

### All communes in Aural district, April 2004:

450 chainsaws  
65 sawmills operating band saws  
35 sawmills operating large fixed circular saws<sup>28</sup>



Sawmill on boundary of wildlife sanctuary

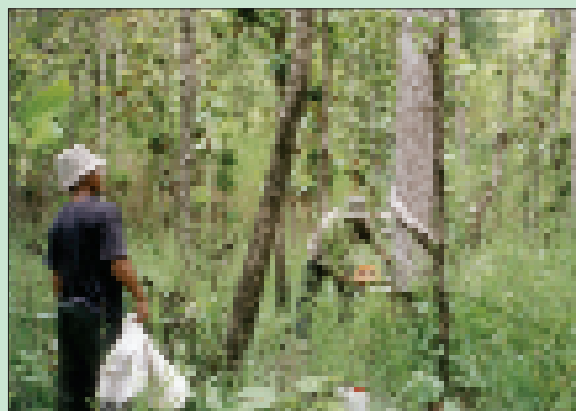




Timber village Kantuot



Sawmills in valley west of Aural Mountain



### 5.1 Sawn Timber

There is now a high concentration of wood traders based in the timber villages of Kantuot and Spean Daik in the centre of Aural, sourcing wood from the forests on and around the slopes of Aural Mountain and areas of forest towards the western and southern edges of the wildlife sanctuary. Che'en village, closer to the slopes of the mountain, is also emerging as an important hub. These timber businesses most heavily exploit grade one and two tree species and they frequently employ local people who know the forest well to identify prime cutting locations.<sup>29</sup>

Most dealers focus on providing buyers in Cambodia and Vietnam with timber that has already been processed into planks using chainsaws or sawmills. This is in part because a high proportion of their customers require sawn timber for construction, rather than logs for plywood or veneer manufacture. The sawn timber focus also reflects patterns in the illegal wood business across Cambodia.<sup>30</sup>

While large quantities of timber continue to be logged and transported across Cambodia, the cutting and transportation moratoria imposed in 2002 have had some impact nonetheless. Following the May 2002 moratorium on log transportation, transporting round wood is now generally perceived by timber traders as too conspicuous a violation to be worth risking. There are important exceptions to this pattern, moreover it should be stressed that the risk stems less from the likelihood of being prosecuted, than the exorbitant fees which foresters, police and others would demand in order to turn a blind eye.<sup>30</sup>

Timber dealers thus find it easier to move wood that has already been sawn into planks and can be passed off as recently processed “old logs”.<sup>31</sup> Within Aural Wildlife Sanctuary, where, on the one hand, the timber traders enjoy a high degree of impunity, and on the other, all timber extraction and processing is illegal anyway, this is less of a consideration. However, once the wood is transported outside Aural, it is more likely to be confiscated before reaching the customer if it is unprocessed round logs.

#### 5.1.1 Sawmills

The emphasis on sawn timber has encouraged a significant expansion in the number of sawmills operating in Aural over the past two years. Some of these are set up in yards and compounds in and around villages such as Kantuot and Spean Daik. Others, probably the majority, are assembled in or on the edge of patches of forest, close to cutting sites. Many are situated in valleys, however, as the timber source recedes, more are being established in the sanctuary's montane forest within the Aural Mountain complex.<sup>30</sup>

In 2004, several of the largest sawmills have been located in the northern part of the valley running north-south on the west side of Aural Mountain; inside Pursat and Military Region 5 (MR5) and close to the wildlife

sanctuary's northern and western boundaries. The main means of access to these sawmills is the road running from Bamnak through Reang Khvav village. Another track starting near Bamnak, follows a more southwesterly direction to the slopes of Aural Mountain.

Most of the sawmills consist of rotary band saws mounted on rails, are operated by four to five people and are highly mobile. They can be quickly dismantled and moved, in the event of law enforcement operations or the source of timber becoming exhausted.<sup>32</sup>

#### 5.1.2 Timber Extraction and Processing

The timber traders do not usually retain a large workforce and tend to hire people as loggers on a casual basis. They also buy wood directly from chainsaw owners who arrange processing and extraction of timber by themselves. Aside from soldiers from units such as Battalion 313, a high proportion of those involved in actually felling trees are local migrants. Many of the cutters rent their equipment from the timber traders clustered in Kantuot and Spean Daik, who also supply them with fuel.

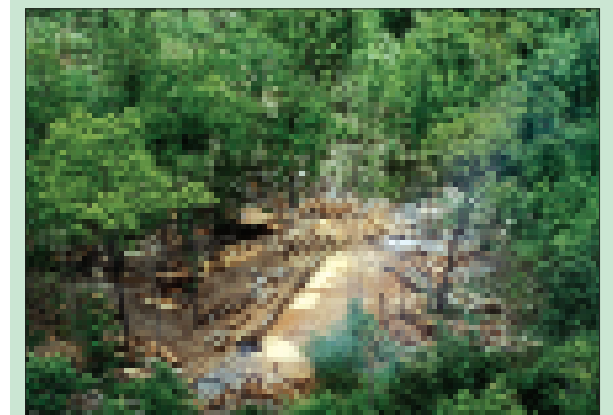
Cutting sites are selected according to accessibility. Once all trees of commercial value have been cut in one location, the loggers push further into the mountain complex in search of more. The end result is the removal of all mature trees of commercial species from an expanding swathe of forest around the base of Mount Aural.<sup>33</sup>

The loggers and timber dealers typically commission locally based ox-cart owners to transport timber from cutting sites to sawmills and then back to the dealer's depot. There are around 400 ox-carts operating in Aural in this capacity.<sup>34</sup>

Timber businesses that pay bribes to the right officials are able to operate fairly openly in Aural. However, there remains a residual threat posed by occasional enforcement operations lead by international conservation NGOs, which deters them from maintaining large stocks of timber in depots within the wildlife sanctuary, where they could be confiscated or destroyed.<sup>32</sup>

The nature of the business is therefore dictated by orders placed by clients. Orders prompt businesses to commission cutting and processing of timber. In the absence of orders, they would not necessarily go on accumulating stocks of timber. In practice, the level of demand and the absence of law enforcement ensures that illegal logging and processing continue at a high intensity. However, the order-driven nature of the system means that timber felled and processed in Aural is transported out of the area to the customer with minimum delay.<sup>32</sup>

Interviews with workers in Aural suggest that the large and medium sized timber businesses typically follow a cycle of activities triggered by receipt of an order from a client:



Sawmill near the northern boundary of the wildlife sanctuary, UTM 382677 1345584



Sawmill near the northern boundary of the wildlife sanctuary, UTM 385559 1342884



Sawmill in the core area of the Mount Aural massive, UTM 407527 1337015



Sawn timber transported by ox-cart convoy

1. The timber dealer commissions chainsaw operators to cut. Frequently, the dealer rents out their own cutting equipment for this purpose. Chainsaw operators are paid US\$2.5 per day for labour, or according to the number of m<sup>3</sup> they harvest. The trader may also provide the fuel for the chainsaw.
2. Either the timber business or the loggers arrange the rental of ox-carts for transportation of the timber from cutting site to sawmill and from sawmill out of the forest once processing is completed. The ox-cart owners are paid according to the volume they transport.
3. Once the chainsaw operators have felled the requisite number of trees, the ox-carts transport the logs to one of the numerous sawmills around the slopes of Aural Mountain. The timber trader may own their own sawmill or they may pay an independently owned mill to process the wood. The rate for this service is usually around US\$40 per m<sup>3</sup> of sawn timber processed. The price is higher if the wood is luxury grade, which is denser and more difficult to cut.
4. Once processed, the ox-carts carry the sawn timber out of the forest back to the timber trader. Ox-carts leaving the forest are obliged to pay bribes at the numerous checkpoints along the way. If the loggers are not soldiers themselves, the timber trader may hire RCAF personnel to escort the timber. This ensures that the convoy pays less at the checkpoints. Hiring two soldiers to accompany 15-30 ox-carts can cost the timber trader around US\$100.

There are a number of variations on this pattern. For example, when there are fewer sawmills in operation, more of the trees felled are processed into planks at the cutting site, using chainsaws. Processing by hand with a chainsaw is difficult, time consuming and wasteful of timber. Loggers in Aural report that timber dealers often cite poor standards of processing as grounds for paying them less than the sum originally agreed on.<sup>33</sup>

The cost of the fees and bribes which the timber trader has to pay to expedite this process is passed on to the client, who is required to pay as much as 50% of the agreed price up front.<sup>32</sup>

### 5.1.3 Timber transports from Aural

Once in Kantuot or Spean Daik, trucks carry the timber out along one of at least four roads connecting with the main arteries Route 4 and Route 5. Destinations for the wood are most commonly Kompong Speu, Oudong, Phnom Penh, and Vietnam. A certain amount of the timber leaving Aural is transported north by ox-cart as far as the railway line – a journey of as much as two days. From here, it is loaded into passenger carriages and transported south to Bat Deung and other stations close to Phnom Penh.<sup>34</sup>



Nocturnal timber transport along Route 42

Timber transports from Aural to Vietnam are secretive and hard to quantify. Anecdotal evidence suggests, however, that these exports have expanded significantly in the past two to three years and are a significant driver of the deforestation process in Aural.<sup>34</sup> Vietnam's role as an importer is in direct contravention of its commitments under the international FLEG (Forest Law Enforcement and Governance) process. Vietnam and Cambodia both endorsed to the Ministerial Declaration issued at the FLEG East Asia Ministerial Conference of September 2001. As such, they committed to *“Undertake actions, including cooperation among the law enforcement authorities within and among countries, to prevent the movement of illegal timber”* also to *“Take immediate action to intensify national efforts, and to strengthen bilateral, regional and multilateral collaboration to address violations of forest law and forest crime, in particular illegal logging, associated illegal trade and corruption, and their negative effects on the rule of law.”*<sup>35</sup>

In practice, Vietnam currently imports a large proportion of the timber being cut illegally in Cambodia, through a variety of border crossings. These include hundreds of truckloads of round logs illegally felled by Cambodian border police Battalion 1, commanded by Phonn Sophat, in Virachey National Park in Ratanakiri in April to May 2004. This operation, which was commissioned by Vietnamese timber companies, netted Phonn Sophat approximately US\$20,000. The failure of the Vietnamese authorities to intercept a cross border operation of this scale suggests either complicity or a spectacular level of incompetence.<sup>26</sup>

Prior to the departure of Ministry of Environment rangers and FFI staff at the end of March, trucks carrying timber out of Aural typically began their journeys between three and four am.<sup>37</sup> This would allow them to avoid most checkpoints and arrive at their destination – whether Phnom Penh or even Vietnam – before midday. Since the end of March the pattern has become much less defined,

because trucks are able to travel by day without interference (beyond the usual fees to officials) and are now operating around the clock. Some indication of the level of timber traffic departing Aural is offered by the demise of one of the bridges along Route 42, which collapsed under the weight of timber trucks at the end of March.

In April, conservation workers estimated that there were five trucks permanently based in Kantuot and more than 20 in Spean Daik.<sup>37</sup> Subsequent investigations suggest that by June there were approximately 20-40 trucks carrying timber out of the wildlife sanctuary each day.<sup>34</sup> These vehicles vary in size. Most are small three ton trucks capable of transporting around 3-5 m<sup>3</sup> of sawn timber, although some businesses use much larger models with a capacity of around 35 m<sup>3</sup>.

This increase in timber transports forms part of the overall upsurge in illegal activities since the end of March 2004. Logging has rapidly increased, as has the number of sawmills. The timber industry anticipates that Ministry of Environment and FFI staff will fully resume activities in the coming months and has therefore gone into overdrive to take advantage of the absence of law enforcement.<sup>38</sup> As one RCAF officer put it, *“Since FFI and the MoE rangers pulled out, no children attend school in Aural, because their families have sent them all to the forest to help with the logging activities.”*<sup>28</sup>

### 5.2 Luxury Timber

In addition to extracting commercial grade wood for construction, Aural's illegal timber industry also revolves around the cutting of luxury grade species used in the manufacture of furnishings. Many of these woods are listed as rare or endangered in a recent study undertaken by the Forest Administration in conjunction with the Danish government.<sup>39</sup> They are protected by Cambodian law and may not be cut under any circumstances.

Many of the main players involved in the extraction, processing and transportation of commercial grade wood also play a role in the sourcing of luxury species. Despite the overlaps



Tumloap luxury-grade timber



Transportation of luxury-grade timber: Neang Nuon



Luxury timber slabs in converted saloon car





Transportation of luxury-grade timber: Tumloap

however, the huge difference in availability of the wood and its price – hundreds of dollars more per m<sup>3</sup> – gives the luxury wood trade a distinct profile.

In the context of a ban on commercial harvesting of wood in Cambodia, illegal logging has increasingly focused on luxury tree species. Even small quantities of rare wood can generate very high returns and the lower volumes involved make it much easier to cut, transport and sell without detection. At the same time, the demand for these woods, both within Cambodia and in the region, is on the rise. Accounts from timber dealers in the southwest and other parts of Cambodia suggests that large quantities are being transported to China, another country which has pledged to implement the 2001 FLEG agreement, via Vietnam.<sup>32</sup>

These factors have encouraged the involvement in the rare wood trade of high-ranking government officials and elements of the military – the same groups that dominate other lucrative sectors of Cambodia’s black economy, such as the trafficking of fuel, drugs and people. The other main players are large wood businesses that specialise in the supply of luxury timber. In Cambodia’s southwest, the trade is dominated by RCAF and a relatively small group of businessmen and women, who source much of the rare wood they sell from protected areas in Kompong Speu, Koh Kong and Pursat provinces.

As with the trade in commercial grade wood, the luxury timber dealers in Aural sub-contract location and felling of trees to soldiers or civilian workers. They often pay these groups in advance and on occasion accompany them to the cutting site to select trees to be felled. The valuable part of the tree is its dark-coloured

core and the logging crews often make holes in the tree trunks to assess the core’s diameter before cutting.

Once the trees are felled, the loggers usually cut off and discard the pale outer wood that surrounds the core, to leave square logs or slabs. These are transported out of the forest by ox-carts accompanied by armed guards, to a rendezvous point with the timber dealer. The timber dealer then transports the wood to depots in Kompong Speu and Phnom Penh, or exports it directly to Vietnam.

The trucks carrying the wood are often escorted along the main roads by military police or soldiers in groups of up to 60. The timber dealers do not always use trucks, however. Currently fashionable are saloon cars that have been converted to accommodate slabs of wood up to two metres long.

Highly sought after luxury *black wood* species such as Tumloap, are priced according to the dimensions of the piece of timber. One dealer informed associates that for Tumloap of diameter 15–30 cm, he would pay US\$700 per m<sup>3</sup>, while a piece of 60–85 cm diameter could command as much as US\$3,500, although trees of this size are now extremely rare as a result of over-exploitation by illegal loggers.<sup>40</sup> The larger diameter pieces are more valuable by volume because they can be fashioned into a much wider array of products.

Tumloap cut in Aural and other areas of the southwest is almost all initially exported to Vietnam, where it commands exceptionally high prices. Much of it then appears to be re-exported to China. Timber dealers reported that the Tumloap exports were temporarily interrupted in June however, because



Ox-cart convoy loading luxury timber

Vietnamese officials had become more aware of the value of the trade and were demanding much higher bribes than before. This posed difficulties for Vietnamese importers, who thus scaled back their orders to suppliers in Cambodia.

The prices for Tumloap and other luxury woods fluctuate according to availability and market demand. According to one timber dealer sourcing wood from Aural, the prices in July per m<sup>3</sup> for four other types of luxury wood were as follows:

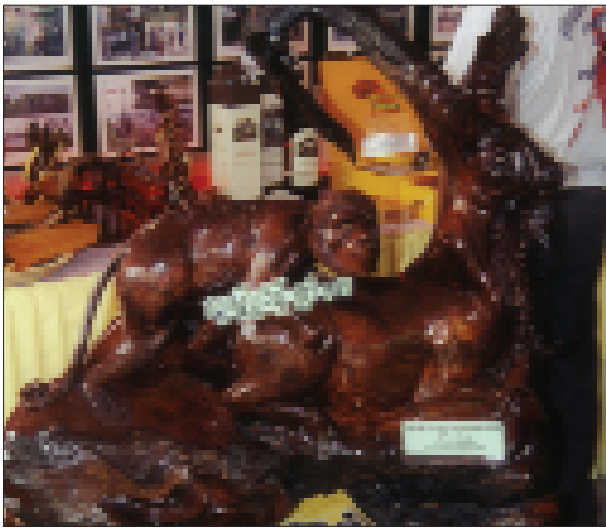
Species of tree	Price at cutting site	Price in Phnom Penh
Beng	US\$300 per m <sup>3</sup>	US\$600 per m <sup>3</sup>
Neang Nuon	US\$400 per m <sup>3</sup>	US\$750 per m <sup>3</sup>
Thnong	US\$280 per m <sup>3</sup>	US\$500 per m <sup>3</sup>
Kranhung	US\$350 per m <sup>3</sup>	US\$700 per m <sup>3</sup>

Other sources provide similar estimates, which differ from these figures by a margin of up to 20%.

As in other areas of Cambodia, years of illegal logging have taken a heavy toll on luxury timber species in Aural. With few mature trees left standing, cutters are targeting ever-smaller specimens. The decline in the populations of these trees has prompted the Forest Administration and the Danish government to make several of them the focus of its Conservation of Forest Genetic Resources Project.<sup>39</sup> Tentative recognition of the problem has not afforded the trees any greater protection however. In Aural and other forest areas, corruption within the Forest Administration and other institutions ensures that they continue to be logged intensively.



Freshly logged Beng wood



Sculptures made from illegally logged Beng and Thnong luxury timber on display at Ministry of Agriculture trade exhibition, April 2004



## 6 EXTORTION

The timber trade in Aural flourishes because it is protected by military units and other state agencies, such as the police. This protection comes at a price, however, and wood traders are required to pay bribes at every stage of the timber extraction process. Those who do not pay are “*cracked down on*” – meaning that they have their equipment and timber stocks destroyed or confiscated.

It is not only armed agencies such as RCAF and police units that milk the wood business, however. Over the past year, the Forest Administration has expanded its illegal collection of fees in and around Aural and has quickly earned a reputation as the most grasping and avaricious of the various groups involved.

The district and provincial authorities are similarly implicated, and in some instances play a quasi-regulatory role in their registering of illegal operators. It is a reflection of just how well-established the illegal industry and payments system is, that Aural now has a shadow taxation regime built around extortion.

The 2002 Forestry Law Article 100 categorises the participation or complicity in forest crimes of military, police and other agencies as a class II offence:

*“Any activities carried out by local authority officials, police officers, Royal Cambodian Armed Forces or other authorities that directly or indirectly allow forest exploitation or other activities contrary to the provisions of this law...shall be subject to one to five years in prison and fines of 10 million to 100 million Riel (US\$2,500–\$25,000).”*

Under Article 101 of the Forestry Law, Forest Administration staff involved in or allowing forest crimes to take place are subject to the same penalties. To date, neither Article 100, nor Article 101 has ever been enforced, despite regular public exposure of officials and soldiers commissioning, participating in or profiting from forest crimes.

In this regard, it is important to emphasise that there is no lack of awareness of the law; the issue is its implementation. In Aural and across Cambodia, the Forestry Law is used by Forest Administration, police and the military as a basis for extorting money from perpetrators of forest crimes. The same actors often play more than one role, moreover, and many of those officials who demand bribes also run their own illegal timber operations. These two sets of activities complement each other well, as timber and equipment which is confiscated can then be sold or put to use as part of the confiscating party’s own business venture.

In Aural, anyone trying to break the timber industry is not only going up against well-connected businesses, but also the full spectrum of official institutions profiting

through informal taxation. The latter are much more powerful than the businesses and in most cases they are armed.

The high profits that officials and RCAF personnel generate through extortion give them as strong a stake in the illegal timber industry as the wood traders themselves. It is not only those present in Aural, however, who have an interest in the industry’s survival. Extortion in Aural and elsewhere in Cambodia, is carried out within the parameters of patronage networks that are ultimately controlled by senior officials and generals in Phnom Penh. Junior functionaries and soldiers are expected to collect bribes and pass a high proportion of the takings up the chain of command. In return, their superiors ensure that they are protected from law enforcement under Articles 100 and 101 of the Forestry Law.<sup>41</sup>

### 6.1 Levies on machinery operators and wood traders

Illegal taxation of the industry takes two main forms. One is collection of fees from traders and equipment operators, a process dominated by those agencies with a permanent presence in Aural – Military Region 3 officers, military police, police, local government officials and Forest Administration staff.<sup>42</sup>

The system is so well-established that some of these groups use a register of illegal operators to keep a track of the groups and individuals they tax, based on the items of equipment they possess. One such register drawn up by the Aural district authorities in December 2003 lists 96 individuals by name, sex, profession, address, items of equipment (numbers of chainsaws and sawmills) and zones of operation.<sup>43</sup>

This document illustrates a detailed knowledge of criminal activities occurring in the wildlife sanctuary. Rather than employing it as basis for suppressing crimes, however, the district authorities and the police

‘Aural District Environment Agency Office list of Forest and Wildlife Crime perpetrators’, dated 18 December 2003

use it to levy bribes from the perpetrators. Registering and extorting from offenders is not unique to Aural and Global Witness investigations have uncovered similar systems operating in other areas of the country.<sup>44</sup> Such practices exemplify the manner in which state structures in Cambodia operate as vehicles for the illegal enrichment of officials, rather than the service of its citizens.

Wood traders, who typically own a certain amount of equipment themselves, are charged supplementary fees on a monthly basis. Within Aural district, businessmen and women are summoned to monthly meetings by local officials, at which they are then called upon to open their wallets. The district officials claim that the fees collected are used to support the salaries of civil servants and to underwrite public services, such as construction of schools.<sup>45</sup>

Groups not permanently based in Aural – notably special RCAF units – also send teams into the wildlife sanctuary to extort money from loggers and sawmill operators on a more occasional basis. The frequency with which these fees are collected and the rate charged varies considerably. From the perspective of the operator, the extortion is unpredictable and usually involves a process of negotiation.<sup>32</sup>

### 6.2 Levies on transportation

The same range of groups also levy fees on transports of wood through checkpoints along tracks in the forest and the roads leading out of Aural.

Ox-carts carrying commercial grade timber out from the forest, for example, are required to make payments of US\$2.5, in the case of small ox-carts, and US\$5 for large ox-carts. Checkpoints targeting ox-carts are generally manned by soldiers from Battalion 313 and the Kompong Speu Provincial Military Sub-Operation.<sup>46</sup> Both these units are under the command of Military Region 3, which is headed by Major-General Keo Samuan.

Richer pickings are offered by the truck transports of wood leaving Aural. Taxing of trucks demands no registration of operators and merely requires a roadside checkpoint and some firearms. It is one of the main draws for military and other groups that are based outside Aural. The rates charged on trucks vary according to the quality and quantity of the wood and the group demanding the fees.

A typical tariff for a small Korean-made truck, with capacity of around 3-5 m<sup>3</sup>, is US\$12.5 per load of commercial grade sawn timber. Medium-sized vehicles may be charged US\$25 per journey and the largest trucks, carrying around 35 m<sup>3</sup>, a higher rate still.

If the wood is luxury category, however, fees for the same quantity are very much higher, and are generally calculated by volume. Aural district chief Chem Sarim, for example, takes US\$20 per m<sup>3</sup>, while the Forest Administration Mobile Task Force takes US\$50 per m<sup>3</sup>.<sup>47</sup>



### 6.3 Conflicts

Aural’s timber taxation regime is exacting and operators complain of being charged as many as five times per day. The system of informal taxation offers wood businesses few guarantees and the fluctuating number of groups involved makes the system arbitrary.

However much resented, it appears that the systems of fee collection are well established and do not usually generate open conflict between the operators and the extortionists. Timber traders and loggers told Global Witness that they did not perceive extortion by the military and other groups as a threat to their businesses, which remained profitable despite the hefty expenditure on bribes. The only groups interviewees cited as a threat were law enforcement teams led by international NGOs.<sup>48</sup>

An exception to this relatively harmonious picture is the relationship between soldiers based in Aural, notably troops from Battalion 313, and staff from the Forest Administration. Battalion 313 troops sit at the bottom of the pecking order of military units profiting from the timber trade. Many are directly involved in logging and transporting for themselves or on behalf of others, and this brings them into conflict with the foresters, who try to tax them.

There are also some conflicts between the different groups collecting fees. This is most apparent in the case of the district military police and police in Aural, although here the friction appears to be more an extension of a nationwide rivalry than competition over the source of funds.

Given the range of armed groups operating in Aural, however, the number of clashes has been relatively small. This most probably relates to current scale of the timber industry and the high profits being made. Were the trade to be suppressed, it is doubtful that it could support the full complement of groups that currently feed off it. Some would probably be forced to scale back their operations or leave altogether.

## PART TWO – KEY PLAYERS

### 7 MILITARY REGION 3 (MR3)



The Royal Cambodian Armed Forces report to the Ministry of Defence, which is led by Co-Ministers General (four stars) Tea Banh and General (four stars) Nhek Bun Chhay. RCAF itself is commanded by General (four stars) Ke Kimyan. The two deputy-commanders are General (four stars) Pol Saroeun and General (four stars) Meas Sophea.

The Cambodian army's devotion to black economy business ventures and extortion has been established since the early 1980s.<sup>49</sup> Since the end of the civil war in 1998, income generation has become its principal *raison d'être*.

Cambodian soldiers' pay is woefully inadequate, however the large-scale illegal logging operations in which many take part are not geared towards their subsistence needs. Conversely, they are a function of well-established patron-client relationships dedicated to filling the pockets of the generals. This patronage system, which more or less corresponds to RCAF's command structure, requires troops to participate in criminal activities in order to profit their commanders. Its effectiveness as a money-making system is illustrated by senior officers' conspicuous expenditure on fleets of Toyota Landcruisers and Phnom Penh real estate.

Military Region 3 (MR3) encompasses six provinces and administrative units in southwestern Cambodia: Takeo, Kampot, Kep, Sihanoukville, Kompong Speu and Koh Kong. Its structure and portfolio of activities exemplify the role that RCAF plays in forest crime across Cambodia.

#### 7.1 Command structure and revenue collection

Military Region 3 Commander Keo Samuan is a two star major-general, who previously worked as a secretary to Prime Minister Hun Sen. His immediate subordinates are the four deputy commanders who make up the MR3 General Staff committee: Brigadier-Generals Bun Som (logistics), Kong Bunthan (administration), Som Naren (training) and former Khmer Rouge commander Keo Pong (combat operations). All are based at the MR3 base in Chbar Morn, near Kompong Speu town. Another Brigadier-General who is not on the Military Region 3 General Staff committee is Srun Saroeun, whose Brigade 31 is responsible for special operations across MR3. Brigade 31 is based in Srai Khlong on Route 4.

The main duties of these senior commanders concern fundraising for MR3. Fundraising activities follow an irregular pattern set by requests from Keo Samuan for money for "*parties*" and "*meetings*".<sup>50</sup> These requests are more frequent during the dry season when MR3 is particularly active in illegal logging and

other business activities. Revenue from logging operations and extraction of bribes from wood traders forms a major part of the MR3 income.<sup>50</sup>

Under the 2002 Forestry Law Article 78, military units are charged with assisting in enforcement operations against forest crimes. Such operations are generally treated as an extension of RCAF's usual pattern of extortion. In early June 2004, following a speech by Prime Minister Hun Sen calling for the suppression of forest crimes, Kompong Speu authorities and MR3 organised a "*crackdown operation*" in Aural. A report from the area summarised this as follows:

*"The crackdown force of Kompong Speu soldiers not only took time to crack down, but also used their own sawmills to process timber... soldiers of Military Region 3 cracked down, asked for money from businessmen, and used their own sawmills to process the confiscated timber."*<sup>51</sup>

As in other Military Regions, MR3 is split into different sectors in which particular commanders take the lead in collecting money. Aural Wildlife Sanctuary straddles two such zones, one of which is controlled by Brigadier-General Srun Saroeun, commander of Brigade 31, and the other by Colonel Sort Suy, who is deputy to the Military Region 3 General Staff.<sup>52</sup> Although the delineation between the two is not precise, it approximates to a line running northwest to southeast; between Phnom Kravanh in Pursat province and Kantuot village, at the southern end of Aural Wildlife Sanctuary. Areas west of this line are under the sway of Srun Saroeun, with Sort Suy overseeing the territory to the east. Srun Saroeun is the more powerful of the two and is able to send troops into Sort Suy's zone; conversely, Sort Suy's influence ends at the border with Srun Saroeun's zone.<sup>52</sup>

#### 7.2 Battalion 313

Battalion 313, based in Kantuot, inside Aural Wildlife Sanctuary, comprises former Khmer Rouge soldiers of Khmer Rouge Battalion 37. Although the commander of Battalion 313, Lieutenant-Colonel Somrith Reang, asserts that his troops are responsible for security in Aural, their main function is in fact servicing the timber industry.<sup>46</sup>

Soldiers from Battalion 313 are major suppliers of timber to the wood businesses based in Aural; cutting trees in the forest and then transporting them out by ox-cart. Aside from extracting wood that they have cut themselves, Battalion 313 soldiers also escort cartloads of timber out of the forest on behalf of the timber businesses. The presence of soldiers helps to reduce the amount the ox-cart drivers have to pay to checkpoints along the way, which, not infrequently, are manned by other members of Battalion 313.<sup>38</sup>

Battalion 313 troops also provide armed escorts to larger vehicles carrying timber out of Aural. On May 31 2004, a group of around 60 soldiers from Battalion 313 accompanied three trucks carrying approximately 10 m<sup>3</sup>

of Tumloap from Kantuot to Trapeang Kraleng Market in Phnom Sruoch district on Route 4.<sup>53</sup> This took place two days after soldiers were observed transporting several m<sup>3</sup> of square-cut Tumloap logs from Tadak Pong airfield in Sre Ambel district, Koh Kong, in the direction of Aural, using a six-wheeled Chinese-made military truck belonging to timber dealer Peng Ly – almost certainly part of the same operation.<sup>54</sup>

In line with the unofficial taxation regime operating in Aural, Battalion 313 soldiers are not required to pay bribes to the local authorities for the right to use chainsaws, although they do have to pay fees for the wood that they cut.<sup>41</sup> A copy of the register of illegal operators held by the Aural district governor, dated 18 December 2003, lists 14 members of Battalion 313 operating chainsaws, and three owning sawmills.<sup>43</sup> Information from other sources suggests that these figures substantially underestimate the number of Battalion 313 members involved in the wood trade.<sup>55</sup>

Battalion 313 troops' role in logging and transporting wood within Aural brings them into conflict with the foresters, whom the soldiers regard as the most avaricious of the various agencies demanding bribes. Members of Battalion 313 complain that they have to pay the foresters for all timber, firewood, charcoal and wildlife they take from the wildlife sanctuary. They resent what they perceive as the foresters enriching themselves at the expense of poor soldiers and villagers.<sup>28</sup>

Several Battalion 313 troops interviewed, claimed that Lieutenant-Colonel Somrith Reang is not involved in the timber trade and that soldiers running logging and processing operations try to prevent him hearing of their activities. Instead, they say that they notify Reang's deputies, Majors Sai Vor and Chuon Chorn, who, in exchange for money for "*beer and cigarettes*" can generally be relied upon to turn a sympathetically blind eye.<sup>28</sup>

According to colleagues, Somrith Reang believes that his unit is being scape-goated for all forest crimes in Aural. He is also reported to have claimed that he will arrest any of his troops caught logging or extorting

money.<sup>28</sup> In a document sent to local authorities, the Forest Administration, FFI and Conservation International on 1 June, Somrith Reang lists the names of seven soldiers dismissed "*because they did not stop forest crimes in line with the orders and leadership of the Commander of Brigade 31 (Brigadier-General Srun Saroeun) and Battalion 313 (Somrith Reang)*".<sup>56</sup>

MR3 sources also report disagreements between Somrith Reang and his superior, Colonel Sort Suy, about the latter's levying of fees from the timber industry.<sup>28</sup> Reang himself has a history of taxing sawmills in Aural, however, which goes back to 2001, if not earlier.<sup>57</sup> The Military Region 3 regime demands that its commanders collect and pass money to the higher echelons and it seems unlikely that he would somehow be exempted from such duties. Officers from another RCAF unit have recently accused Somrith Reang of collecting fees from two sawmills near Spean Daik, although they provided few details and this allegation has not been validated.<sup>28</sup>

Whatever his personal role in extorting money, Somrith Reang appears to have a keen sense of his troops' interests with respect to issues of law enforcement. Reang, police chief Dos Sim and district governor Chem Sarim have all claimed that they cannot guarantee the security of Ministry of Environment rangers and FFI staff if they return to the wildlife sanctuary.<sup>58</sup> (In Cambodia, professed inability to guarantee someone's security often translates as a threat.) Such a guarantee would only be forthcoming if MoE and FFI agreed to inform the authorities and security forces before going on patrol – i.e. provide loggers time to conceal their activities before the rangers' arrival.<sup>58</sup>

#### 7.3 Colonel Sort Suy

Colonel Sort Suy is head of the Military Region 3 committee to combat illegal logging in Aural and, as such, plays a leading role in extorting money from the timber industry inside the wildlife sanctuary. A former Khmer Rouge officer, Sort Suy was given the rank of Brigadier-General and sent to work in the MR3



Soldiers escorting truckload of Tumloap luxury timber, May 2004



headquarters at Chbar Morn following his defection in the mid 1990s. Fellow RCAF officers claim that he subsequently requested demotion and transfer back to Aural in order to cream off a share of the profits from the timber trade.<sup>50</sup>

Sort Suy controls a zone of informal taxation covering the northern and eastern parts of Aural Wildlife Sanctuary, abutting the sector dominated by Srun Saroeun. Sort Suy's area thus encompasses the main centres of Aural's downstream timber industry in Spean Daik and Kantuot as well as roads that carry the timber to destinations east of the wildlife sanctuary.<sup>52</sup>

Aside from extracting money from the timber trade, Sort Suy's main preoccupations are drinking and karaoke. These interests are interlinked and residents of Aural report that the Sort Suy taxation regime is at its most exacting ahead of one of the Colonel's frequent parties. Sort Suy often demands that payments are made to him in quantities of beer or petrol, rather than cash.<sup>52</sup>

Some reports suggest that Sort Suy's persistent intoxication makes him a less efficient taxman than some of his peers. Nonetheless, the Colonel extracted maximum advantage from the 15-day military crackdown on forest crimes at the start of June; local sources reporting *"Sort Suy spent his time cracking down by asking for money from the ox-cart and sawmill owners"*.<sup>51</sup>

Although concentrating on collecting fees from the wood trade, Sort Suy has recently started his own business transporting charcoal from Aural to Kompong Speu, using a pair of blue three ton Korean trucks.<sup>28</sup>

#### 7.4 Veng II

Sort Suy subcontracts the collection of fees to two civilians named Voeun and Veng II. Veng II's brother, Veng I, runs an illegal timber business out of Sre Ambel in Koh Kong. His other brother is Kompong Speu wood trader Peng Ly. Veng II owns his own sawmill and co-operates on luxury timber deals with his brothers. He also extorts money from other sawmill owners around Kantuot and Sangke Sartob commune. Most of this he passes to Sort Suy, although he occasionally collects bribes on behalf of military police commander Saom Puthdara, district police chief Dos Sim and district governor Chem Sarim as well.<sup>59</sup> Sort Suy generally calls on Veng II's fund-raising capabilities when he needs money for a party.<sup>38</sup>

#### 7.5 Voeun

Voeun was previously a member of Battalion 313, but demobilised some years ago. He likes to give the impression that he is still on active service, however, and usually wears an RCAF uniform, which he admits having purchased at the military market in Phnom Penh. Voeun operates as a tax farmer on behalf of Sort Suy and collects fees in Trapeang Chou commune and areas close to Aural Mountain.<sup>52</sup>

Reports from Spean Daik identify Voeun as the most active fee-collector for the military in the area. He works

through a series of checkpoints and pays soldiers to collect money on his behalf.<sup>28</sup> Ox-carts are charged US\$5 each time they are intercepted by soldiers working for Voeun. On the same basis, Voeun collects a share of the bribes paid by truck drivers at military checkpoints.<sup>50</sup>

Voeun also levies fees from sawmills and chainsaw owners on a regular basis, usually demanding sums of US\$100 and US\$25 respectively. Those who do not pay can expect to have their equipment confiscated or destroyed. Voeun provides loggers and sawmill operators with the two-way radio frequency 14333 that he uses and gives them advance warning of any law enforcement operations.<sup>38</sup>

One of Voeun's key associates is a former soldier based in Kompong Speu town, whose name is Hai. Hai left Battalion 313 three years ago, but continues to wear his military uniform. It is not clear whether Hai is still a member of any regular RCAF unit; however he is often seen with Chan Chao, head of the RCAF military intelligence unit responsible for extorting money in Aural.<sup>60</sup>

Voeun and Hai regularly transport illegally logged luxury wood out of Aural in the latter's Toyota Camry saloon car, which has been customised to carry pieces of timber up to two metres long. The two men were stopped by Ministry of Environment rangers in Spean Daik on suspicion of carrying Beng wood in Hai's car on the night of 19 March 2004. The rangers claim that Hai and Voeun threatened them and said that they would return to *"test (the rangers') strength"*.<sup>37</sup> Later that evening the rangers' checkpoint was attacked by around 60 people associated with the Aural timber industry.

#### 7.6 Brigadier-General Srun Saroeun

Brigadier-General Srun Saroeun, the commander of Brigade 31, is a key player in the timber industry on the western side of Aural Wildlife Sanctuary, exercising control over a zone that extends into the former Superwood and Samling timber concessions. This area's eastern extent is Spean Daik and Kantuot. Some reports suggest that the boundary of Srun Saroeun's zone is defined by the Steung Prey Thnaot stream flowing south out of the Aural Mountain complex. Srun Saroeun is one of the most powerful commanders in MR3, however, and in practice this boundary does not place any definitive limit on his influence.<sup>52</sup>

In Aural, soldiers commanded by Srun Saroeun engage in the standard pattern of logging, protection of timber transports and collection of fees through checkpoints. They are particularly active in the western half of the wildlife sanctuary, including areas inside Pursat province and Military Region 5.<sup>46</sup> In 2004, Brigade 31 troops have provided protection for four sawmills belonging to timber businessman Eng Youry. These sawmills have been operating in the Pursat part of Aural, close to the wildlife sanctuary's northern and western boundaries. Srun Saroeun's soldiers are also active in areas of Aural where Colonel Sort Suy nominally holds

sway and they periodically set up checkpoints along Route 42 between Kantuot and Route 4.<sup>38</sup>

Brigade 14 is active in illegal logging across the southwest and in May 2004, Srun Saroeun was reported to be orchestrating logging operations in Koh Kong province; notably Kamlot, Trapeang Rung, Andoung Teuk and Chhay Reap.<sup>50</sup> On 26 May, he organised the transportation of a quantity of Kranhung and Tumloap luxury wood from Sre Ambel, Koh Kong province, in co-operation with timber traders Peng Ly, Veng I and Veng II.

Some of this wood was assembled into a raft and towed by boat to a rendezvous point near Dong Tong, close to the border with Thailand. Simultaneously, two small Korean-made trucks transported 9-10 m<sup>3</sup> between them from Sre Ambel to Phnom Penh along Route 4. In Kompong Speu town the trucks stopped at Peng Ly's house, where they were joined by three Toyota Camry saloon cars each carrying 0.5 m<sup>3</sup> of Tumloap.<sup>61</sup> From here the vehicles continued as a convoy to Phnom Penh where they delivered the wood to luxury timber shops located in the Boeung Trabek area of the city. The price of the timber was reported to be US\$950 per m<sup>3</sup>.<sup>61</sup>

Srun Saroeun commands altogether 1,800 soldiers, who are based in Koh Kong, Trapeang Rung, Andoung Teuk, Koh Slar, Kampong Saom and Aural. Outside Aural, he has business interests in all six provinces within MR3 except Takeo, and he controls illegal transports of goods along the length of Route 4 from his base in Srai Khlong. In this capacity, Srun Saroeun was previously a pivotal figure in the Route 4 wildlife trade, however he has reportedly scaled back these activities in response to pressure from Prime Minister Hun Sen.<sup>50</sup>

Much earlier in his career, Srun Saroeun served as a bodyguard to Hun Sen and spent extended periods studying in Vietnam. He is a friend of military intelligence chief Lieutenant-General Mol Roeup and a contemporary of military police commander Lieutenant-General Sao Sokha, with whom he maintains close relations.<sup>50</sup> During the late 1980s and early 1990s, Srun Saroeun was a member of one of the so-called *A teams* – elite counter-insurgency forces set up by the Ministry of Interior. These groups were tasked with special combat operations and harassment of opposition politicians, up until their dissolution in 1994. Srun Saroeun's unit, A-3, was responsible for activities in Kompong Speu and along Route 4.<sup>62</sup>

In 1993, Srun Saroeun was transferred from RCAF headquarters in Cham Chao, to Chbar Morn in Kompong Speu. He became actively involved in the illegal logging business around about 1995. During the mid 1990s, he developed a close association with General Pol Saroeun, and also found favour with other senior figures in the RCAF command through his role in brokering land deals. Srun Saroeun provided parcels of forested land to Lieutenant-General Moeng Samphan, whose son is married to Hun Sen's daughter, in Chamkar Kor in Kompong Speu in 2000. He also obtained forestland for Generals Pol Saroeun,



Logging operation by members of Brigade 31



General Ke Kimyan, Commander-in-Chief, RCAF



General Meas Sophea, Deputy Commander-in-Chief, RCAF



General Pol Saroeun, Deputy Commander-in-Chief, RCAF



Lt-General Moeng Samphan, Head of RCAF Procurement Department

Ke Kimyan and Meas Sophea along Route 4 close to Pich Nil, as well as locations near Sre Ambel and Kompong Saom.<sup>50</sup> Srun Saroeun continues to cultivate Pol Saroeun and Moeng Samphan as patrons and presents them with expensive gifts several times a year.<sup>50</sup>

Srun Saroeun's CPP-controlled Battalion 44 (now re-named Brigade 31) was involved in heavy fighting with Funcinpec troops commanded by Nhek Bun Chhay in the Thai border area of Thmar Da following the CPP coup in July 1997. His troops are alleged to have murdered several Funcinpec military commanders around this time.<sup>63</sup> Srun Saroeun also stands accused of a series of kidnappings of ethnic Chinese businessmen in the late 1990s.<sup>50</sup>



### 7.7 Major-General Keo Samuan

Major-General Keo Samuan sits at the apex of the Military Region 3 revenue collection system. As such, he does not often get directly involved in logging deals himself, however he oversees the patronage system which drives them. Keo Samuan's demands for payments take the form of requests for money for "parties" and "meetings". These are passed to the MR3 deputy commanders through his secretary, Major In Sokhear.<sup>50</sup>

In Sokhear finds it prudent to stay on good terms with Keo Samuan's wife and keeps her informed as to the sums the Major-General is expecting to receive. Mrs Keo Samuan usually claims around half of each tranche and ensures that her share is diverted before the cash reaches her husband. She is also known and feared within the MR3 officer corps for the control she exercises over their career development. Officers seeking promotion often find their prospects improve following representations and generous offerings to Mrs Keo Samuan.<sup>50</sup>

In addition to receiving funds generated by the regional networks of the deputy commanders, Keo Samuan also benefits from the informal taxation system run by In Sokhear, who targets luxury wood traders in the southwest, including Aural.<sup>50</sup>

### 7.8 Major In Sokhear

As Major-General Keo Samuan's secretary, In Sokhear is a key broker in the MR3 patronage system. He exploits this role for personal advantage as much as the enrichment of his boss and extorts large sums from traders such as Peng Ly, Peng Leang, Yeay Bong and Veng I. In Sokhear is known within the southwest as a "strongman", who does not hesitate to suppress the activities of those that refuse to pay him off. This ruthlessness is exemplified by his recent efforts to take over the timber business run by deputy commander of MR3, Brigadier-General Kong Bunthan.<sup>50</sup>

In Aural, In Sokhear delegates fee collection duties to Tep Sambath, of the Kompong Speu Provincial Military Sub-Operation, based in Kompong Speu.<sup>50</sup>



Military vehicle used for timber transports

In Sokhear claims that the money he collects is for Keo Samuan, however most he keeps for himself. In Kirirom National Park, to the south of Aural, he charges timber dealers US\$50 for each m<sup>3</sup> of luxury timber they transport and MR3 sources estimate that this alone earns him around US\$3,000 per month.<sup>50</sup> While his combined earnings are not known, they are evidently sufficient to cover his recent purchases of a new house and a luxury car.<sup>50</sup>

### 7.9 Brigadier-General Kong Bunthan

Kong Bunthan was previously a member of the Military Region 3 committee charged with suppressing illegal logging in the southwest of Cambodia. In common with other members of this committee, notably Sort Suy, Kong Bunthan appears to have interpreted this office as licence to extort money from loggers. At the same time, he continued to run his own business illegally cutting luxury timber species in Kirirom National Park and parts of Koh Kong province.<sup>61</sup>

Those timber traders Kong Bunthan works most closely with include Peng Ly, Peng Leang, Mr Nee (Military Sub-Operation, Kompong Speu), and Mr Puon (RCAF tank regiment, based in Phnom Sruoch on Route 4).<sup>61</sup> Others reportedly connected with Kong Bunthan include Ta Kreum, Khong Thong, Mr Pove (Military Sub-Operation, Kompong Speu) and MR3 officer Sim Hor, who is known as "Ta 100".<sup>50</sup>

Kong Bunthan was formerly a key link in the MR3 upward chain of illegal payments and known to siphon off a substantial portion for himself. However, his timber business has fallen on hard times in recent months, following a turf war with In Sokhear, and his capacity to collect money also appears to have diminished.<sup>50</sup>

In early 2004, Kong Bunthan was despatched on a training course in Vietnam for three months. Taking advantage of his absence, In Sokhear, in cooperation with Ta Nang of the Forest Administration Mobile Task

Force, sought to take over his business. Between 17-18 April, In Sokhear's troops and the FA Mobile Task Force seized Beng and Kranhung wood from soldiers under Kong Bunthan's command who were transporting it from Kirirom to Kompong Speu. In Sokhear and Ta Nang subsequently sold the seized timber to businessman Peng Ly.<sup>61</sup>

Upon his return from Vietnam around one week later, Kong Bunthan unsuccessfully sought the intervention, on his behalf, of Military Region 3 commander Keo Samuan. Meanwhile, his troops became

involved in an armed confrontation with the In Sokhear group, which came close to erupting into a firefight.<sup>50</sup> Following this series of setbacks, Kong Bunthan's influence appears to have been significantly reduced and he reportedly spends increasing amounts of time away from MR3 headquarters, tending chickens at his house near Chbar Morn.<sup>50</sup>

### 7.10 Brigadier-General Keo Pong

Keo Pong was a senior Khmer Rouge commander in the southwest until he joined the government side in 1995. During the civil war he directed operations from his base in Kantuot. Already a major player in illegal logging prior to his defection, Keo Pong continued to broker logging deals in the area. In 1996, he began separate negotiations with Korean and Taiwanese companies to provide them with logging concessions inside the wildlife sanctuary.<sup>50</sup> According to MR3 colleagues, when representatives of these two companies arrived to close their deals and make initial payments, Keo Pong murdered them and kept the money.<sup>50</sup>

Keo Pong serves as one of the four deputy commanders of Military Region 3 and was recently transferred from a base in Koh Kong to Chbar Morn. He remains instrumental in illegal logging deals in the southwest and is one of the main revenue collectors for MR3.<sup>50</sup> Keo Pong retains his ties with Aural, where he enjoys playing the role of local benefactor: promising money for schools and pagodas and periodically visiting to donate rice, sarongs, and cash to villagers. His business ventures in the area include cassava plantations along Route 42.<sup>29</sup>

### 7.11 Major Tep Sambath, Kompong Speu Provincial Military Sub-Operation

The Kompong Speu Provincial Military Sub-Operation is under the command of Men Nim, and has around 1,000 troops based in seven locations in Kompong Speu province. One of these detachments is stationed in Aural district, close to Kantuot, under the command of Mr Sokhon. Two members of this group are recorded as chainsaw operators by the Aural district authorities in their register of illegal operators dated December 2003.<sup>43</sup>

However, it is troops based in Kompong Speu town under the command of Tep Sambath and Men Vey who take the lead in collecting bribes in Aural. Tep Sambath works on behalf of Keo Samuan's secretary, In Sokhear, but also pays a share of the fees he collects to Men Nim. Provincial Military Sub-Operation troops commanded by Tep Sambath are reported to have become increasingly active in Aural over recent months – logging and transporting timber and operating checkpoints in the forest.<sup>64</sup>

Within Aural, the Tep Sambath group is known by Sambath's radio call sign, number 22. Men Nim's call sign is number 19.<sup>61</sup>

### 7.12 Military Development Zone

RCAF effectively became the largest land concession holder in Cambodia after the government granted it control over 700,000 hectares of so called Military Development Zone land in the early 1990s. The nature of this agreement has never been disclosed and even the location of the different areas that comprise the 700,000 plus hectares has not been made public.<sup>6</sup> The existence of the Military Development Zones has serious implications for Cambodians living in these areas, who, in the absence of information about the zones' legal status, have limited scope for holding the military and the government to account. The secrecy that surrounds the entire scheme typifies the lack of transparency that blights efforts to reform forest and land management in Cambodia. Given RCAF's track record of illegal logging, the allocation of Military Development Zones is likely to represent a death sentence for forests that fall within their boundaries.

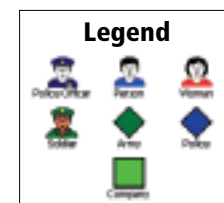
In Aural, around 70 MR3 troops and their families have begun establishing what they claim is as a Military Development Zone northwest of Kantuot village, well inside the boundaries of the wildlife sanctuary. Some of these soldiers are operating as guards for the Chinese New Cosmos company which has a contract with the government to construct a golf course and theme park around the hot springs at Te Teuk Phos.<sup>46</sup> The New Cosmos contract has been awarded in violation of the 1993 Sub-Decree on Protected Areas and the 1994 Ministerial Decision on Protected Areas. The Military Development Zone troops claim that they are acting on orders from Keo Samuan, however, they have signed an agreement with New Cosmos and appear to be being paid by the company.<sup>50</sup> Military Development Zone troops are also active in logging operations in Aural.<sup>65</sup>

The officer responsible for the 700,000 hectares of RCAF Military Development Zone land spread across Cambodia is Uk Kousar, the former chief of logistics for MR3. According to RCAF officers, Uk Kousar secured the Military Development Zone position after giving a large amount of money to the wife of General Meas Sophea in 1998. Meas Sophea subsequently wrote to Keo Samuan and other senior RCAF officers, informing them of Uk Kousar's appointment.<sup>50</sup> Uk Kousar is now based in Phnom Penh, but still has a house in Kompong Speu.<sup>50</sup>

The status of the Military Development Zone in Aural remains unclear. In March, General Meas Sophea announced that troops would be removed from the wildlife sanctuary, however the Military Development Zone remains and there has apparently been no reduction in the number of RCAF troops on the ground.<sup>66</sup>



### Legend





## 8 MILITARY REGION 5 (MR5)

The northwestern part of the wildlife sanctuary and a substantial portion of the Aural Mountain complex itself fall within Pursat province and Military Region 5 (MR5). A range of MR5-based units are active in taxing timber transports through checkpoints on the tracks running southwest from Bamnak to the wildlife sanctuary, notably in the vicinity of Reang Khvav village.<sup>30</sup>

### 8.1 Brigade 14

Brigade 14, which is commanded by Brigadier-General Thoung Prasat, has its headquarters near Chamkiet village, Krakor district. Although located in Region 5, the unit is under the central command of RCAF headquarters, Phnom Penh. Mr Reth, the deputy commander of Brigade 14, organises protection for some of the large sawmills operating near the northern border of Aural Wildlife Sanctuary, as well as others elsewhere in Pursat. These activities continue, but have been scaled back since the start of the 2004 rainy season.<sup>61</sup>

Brigade 14 also protects timber transports for luxury wood trader Suos Ky Reth, who is based in Pursat. Suos Ky Reth cooperates with Youry Saco company owner Eng Youry in transporting and exporting luxury wood cut in Pursat, Koh Kong and Kompong Thom.<sup>61</sup>

### 8.2 Pursat Provincial Military Sub-Operation

In early 2004, Soldiers from the Pursat Provincial Military Sub-Operation, as well as Brigade 14 and other units, were operating a checkpoint near Reang Khvav village, at which they were taking bribes of US\$5-US\$6.25 from each ox-cart they caught transporting timber.<sup>50</sup>



RCAF parade ground, Phnom Penh

## 9 OTHER MILITARY UNITS

### 9.1 Division 1, Kompong Chhnang

Division 1, another unit that reports directly to the central army command in Phnom Penh, has its main base at Long Vek, Kompong Chhnang province. An investigation unit of Division 1 troops, who wear a distinctive tiger motif badge on their uniforms, periodically establish checkpoints in Aural as a means of extorting money from illegal timber transports. Their main zone of operation is in the vicinity of Che'en and Aural villages.<sup>50</sup>

In late May, troops from unit *Ngyor Pui* based in Long Vek, set up timber-tax checkpoints in O'Taung, Longem and Aural villages in the centre of the wildlife sanctuary.<sup>67</sup>

A key player in Division 1 logging activities is General Prum Pheng, who has been involved in the illegal logging business over several years.<sup>57</sup> Division 1 officers who own sawmills in the Aural area include Ly, Kheng, Chourn and Vuth.<sup>30</sup>



Headquarters of Division 1, Long Vek, Kompong Chhnang province

### 9.2 RCAF Military Intelligence Division



Lt-General Mol Roeup,  
RCAF Military Intelligence



Lt-General Dom Hak,  
RCAF Military Intelligence

The opportunities to extort money from the wood trade in Aural have attracted the attentions of soldiers from the RCAF military intelligence division. Troops reporting to military intelligence chief Lieutenant-General Mol Roeup, who has recently been promoted to the rank of RCAF Deputy Chief of Joint Staff, are regularly seen in Aural, collecting money through checkpoints. The Mol Roeup group works in cooperation with soldiers answerable to another powerful military intelligence officer, Lieutenant-General Dom Hak.<sup>50</sup> Though not especially numerous, these military intelligence operatives are regarded by locals with a certain amount of fear and have reputation for demanding higher payments than other extortionists.<sup>65</sup>

The military intelligence group operating in Aural consists of Chan Chao, Voeun (not the same Voeun who works with Sort Suy), Kat, Pros, Khoeurn, Nhanh and Tuo. They form part of a regional unit, which also extorts money in other areas of Kompong Speu and Pursat. The seven are

regularly seen dining in Spean Daik, wearing military uniform and carrying weapons.<sup>68</sup>

In addition to collecting fees, they also run their own timber business. Local residents report that they often place orders for luxury timber with loggers and then transport the wood to Kompong Speu town in two Toyota Hilux pickup trucks (one red, one blue, both bearing military plates). They also use a white Toyota Camry saloon car which has civilian number plates.<sup>29</sup> The Mol Roeup-Dom Hak group is also reported to be involved in buying and selling wildlife in Aural and Thpong districts.<sup>29</sup>

One member of the group, Kat, lives in Sok Veng village, Trapeang Chou commune and is a timber businessman in his own right, operating two sawmills. His name features in the Aural district authorities' register of illegal operators compiled in December 2003, listed as "*Dom Hak agent*". The others are based outside the area. The senior officer in the group is Chan Chao, who is an associate of Mr Hai, the former Battalion 313 officer who transports luxury timber.<sup>50</sup>

Units under Lieutenant-General Dom Hak's command are reported to be involved in illegal activities elsewhere in Military Region 3, notably smuggling operations through Sre Ambel port in Koh Kong.<sup>50</sup> Dom Hak himself was arrested in October 2003 on suspicion of drug trafficking, following the seizure of 35kg of heroin in Phnom Penh. He was released shortly afterwards, because, in the words of co-Minister of Defence Tea Banh, "*the investigation found no evidence*". Police officers familiar with the case offered a different explanation however:

*"the top leaders have already made negotiations... Even if we find something new and the leaders have already reached a compromise, the person (police) who takes action will be the person who gets in trouble".<sup>69</sup>*



Timber truck impounded by military police during 'crackdown' operation



### 9.3 Hun Sen's Bodyguard Unit B-70



Major-General Hing Bun Heang, Commander, Hun Sen's bodyguard unit B-70

Members of Hun Sen's 1,000 strong bodyguard unit, commanded by Major-General Hing Bun Heang, are active participants in the illegal timber trade in Aural. B-70 soldiers come to the area to purchase timber, which they then transport to Phnom Penh and Vietnam. The principal organisers of these transports are B-70 officers Colonel Mao and Colonel Maorng. Mao and Maorng come to collect timber from Aural on

average once or twice a week.<sup>46</sup> Mao owns 15 trucks and is known to be one of the major illegal timber transporters in Cambodia.<sup>70</sup>

Mao and Maorng usually take timber from Aural to Kompong Speu town in pickups or small trucks, before loading it into two larger Hyundai vehicles capable of carrying up to 35 m<sup>3</sup> each.<sup>70</sup> RCAF officers report that the owner of one of these Hyundai trucks is B-70 officer Brigadier-General Mao Sophann and that the other belongs to national chief of the military police, Lieutenant-General Sao Sokha.<sup>50</sup>

Maorng and Mao figure in timber deals across the southwest, focusing on transport of illegally sourced timber up Route 4. In addition to sourcing wood from Aural, they have recently been transporting sawn timber illegally logged in the former Samling concession in Koh Kong. This timber is being processed in the Samling compound near Sre Ambel by soldiers of Battalion 314.<sup>30</sup>

Mao and Maorng typically pay bribes totalling US\$1,000 per journey to the Forest Administration Mobile Task force headed by Roath Sovannara.<sup>50</sup>



Kantuot, May 2004: members of B-70 loading timber into one of their pickups

Aside from Mao and Maorng, other B-70 members operating in Aural include two soldiers called Ly and Pros. Ly claims he was sent to the area to investigate the violent confrontations between rangers and timber trade workers over the weekend of 19-21 March 2004. Neither Ly nor Pros appear to be based in Aural on a permanent basis and it is not known if they are involved in the timber trade.<sup>71</sup>

### 9.4 Military Police

The military police occupy a central role in the illegal timber trade in Aural. Their activities include buying and selling of luxury grade wood, extraction of bribes from other operators, operating a sawmill behind their office and protecting transports of luxury timber out of Aural. These activities are directed by Aural district MP Commander Saom Puthdara.

The MPs' luxury timber dealings in some respects run much like those of their civilian counterparts, with the MPs commissioning loggers to go to the forest and cut rare tree species, especially Tumloap. A notable difference, however, is the way that the MPs supplement this source with the quantities of luxury wood that they confiscate from local villagers.<sup>72</sup>

Aural MPs essentially operate a local branch of the nation-wide luxury timber business run by military police chief Lieutenant-General Sao Sokha. In the first half of 2004, wood that the MPs bought or stole in Aural was being sent to Phnom Penh, passed off as construction materials for a new house for Sao Sokha, and then diverted to timber traders elsewhere in the city.<sup>70</sup>

In early April 2004, Global Witness received reports of Aural military police Deputy Commander Nop Thorn and provincial Deputy Commander Men Sibon arranging the transportation of 200 m<sup>3</sup> of luxury timber to Phnom Penh for Sao Sokha.<sup>50</sup> In the same month, investigators observed

a truck belonging to Sao Sokha, transporting luxury timber from his house to furniture shops in Phnom Penh's Boeung Trabek district. It is not certain that this wood came from Aural, as it is equally likely to have originated from one of the several other provinces from which Sao Sokha sources illegally logged luxury wood.<sup>70</sup>

The principal focus of the Aural MPs, however, is protecting luxury timber transports: both ox-carts extracting wood from the forest and trucks transporting timber to Kompong Speu and Phnom Penh. The MPs frequently cooperate in these activities with luxury timber traders, notably 'Sao' Sokhoeurn –



so-called because of his well-established role in procuring luxury wood for Sao Sokha.<sup>61</sup>

Saom Puthdara also offers protection services to other timber traders, such as Yeay Bong, Peng Ly and Phnom Sruoch military police officer Peng Leang. In mid May, for example, he provided armed escort for ox-carts carrying 4 m<sup>3</sup> of Tumloap for Peng Ly, which was cut in forest close to Samraong village.<sup>71</sup>

Once extracted from the forest, the MPs, often operating in groups of six to seven, then supervise the loading of the timber into small trucks, which they accompany out of Aural to ward off the attentions of Forest Administration checkpoints.<sup>50</sup>

In May 2004 these luxury timber transports brought the MPs into conflict with the district police – Aural police chief Dos Sim taking offence at the way in which the MPs were moving truckloads of luxury wood past his office in Kantuot without paying him any money. In response, police embarked on a round of confiscations targeting military police-protected convoys and seized luxury timber from groups of MPs on 25 and 28 May.<sup>73</sup>

Indicative of the extent to which their day-to-day operations revolve around the illegal timber trade, is the fact that the Aural MPs have their own sawmill in their compound in Kantuot. Saom Puthdara's deputy, Nop Thorn, meanwhile, runs his own separate timber business on the side.<sup>46</sup>



House of Lt-General Sao Sokha, Phnom Penh



Lt-General Sao Sokha, Commander, Military Police

The Aural MPs also find time to extort money from sawmills around the wildlife sanctuary. Their regular targets include two sawmills near Kantuot and three close to Ta Sal. Saom Puthdara periodically sends teams to sawmills out in the forest, to demand bribes of US\$100-150 per sawmill per visitation. In June, sources close to the Aural military police reported that he was brokering the establishment of six to seven new mills around Kantuot.<sup>50</sup>



Phnom, Penh, April 2004: plainclothes military police officers transporting timber from the house of Lt-General Sao Sokha to furniture shops in Boeung Trabek

According to sources within the military police, the proceeds of these timber deals and extortion activities are fed upwards through the national chain of command. In the first instance, money is passed to Kompong Speu military police Deputy Commander Men Sibon, who in turn sends it to national military police chief Sao Sokha. Some estimates put the military police's monthly takings from the Aural timber industry at US\$3000-US\$4000.<sup>50</sup>

Saom Puthdara exercises a tight grip over MPs' revenue collection within Aural. Officers lining their own pockets with bribes extracted from sawmills tend to get caught out, because Saom Puthdara conducts his own checks to see whether the timber businesses have all paid or not.<sup>50</sup> Saom Puthdara, meanwhile, seeks to give the impression that he is passing 100% of the money on to Men Sibon in Kompong Speu. In practice, however, he often omits to report the establishment of new sawmills to Men Sibon and keeps the bribes extracted from these new operations for himself. Such was the case when two new illegal sawmills were set up in Sangke Sartob commune in April 2004.<sup>50</sup>

Saom Puthdara's failure to provide his subordinates with what they perceive as a fair share of the spoils has bred considerable resentment within the ranks. Aural MPs have complained to colleagues at the way they are required to do all the dirty work in terms of extorting money and transporting timber, while receiving no recognition or reward in return. Saom Puthdara, by contrast, has somehow managed to put aside sufficient savings to permit the recent acquisition of a new car.<sup>50</sup>

Matters came to a head in May, when 10 of the 12 district MPs submitted to Men Sibon a thumb-printed petition requesting that Saom Puthdara be removed from his position. The document claimed that Saom Puthdara was failing to provide the MPs with sufficient

funds to survive and that they did not even have enough money to buy food.<sup>50</sup> Men Sibon responded by informing the signatories that if they complained again, they would be transferred out of Aural. The threat of being posted to areas with fewer money-making opportunities appears to have silenced the dissenters.<sup>50</sup>

While the district MPs dominate the protection of luxury timber within Aural, transports along Route 4 from Kompong Speu to Phnom Penh are usually handled by provincial level MPs under Men Sibon. Convoys guarded by provincial-level MPs collect luxury timber cut in Aural Wildlife Sanctuary and also Kirirom National Park and then proceed up Route 4 with sirens blaring.<sup>65</sup> Timber traders are known to pay several hundred dollars for this service, which though expensive, saves them paying off the Forest Administration Mobile Task Force, which costs even more.<sup>61</sup>

Men Sibon periodically sends Provincial MPs based in Kompong Speu town to establish checkpoints on Route 42 near the junction with Route 4 to take money from timber trucks leaving Aural.<sup>50</sup> Some Kompong Speu MPs run their own separate timber transport services, meanwhile. Prem Sophorn, the deputy military police commander in Chbar Morn, for example, uses a truck and a saloon car to transport Tumloap and Kranhung timber.<sup>50</sup>

Prem Sophorn periodically co-operates with Peng Leang, a member of the military police based in Treng Trayeung, Phnom Sruoch district, who is also a luxury timber dealer. Peng Leang buys Tumloap and other rare wood from loggers in Kirirom National Park and sells it on to dealers in Phnom Penh.<sup>74</sup> Also based in Phnom Sruoch district is military police commander Roearng Vey, who organises armed escorts for trucks carrying luxury wood along Route 4.<sup>50</sup>



Logjam

## 10 FOREST ADMINISTRATION



2002 Forestry Law, article 101:

*"The following activities shall be regarded as forestry offences committed by a Forestry Administration Official and shall be subject to one to five years in prison and fines of 10 million to 100 million riel (US\$2500-US\$25,000):*

- Grant authorisation contrary to the provisions of this law
- Entirely or partially participate directly in any forest exploitation activity contrary to the provisions of this law
- Allow any forestry offence
- Conducting any business related to the forestry sector either as a sole owner, a shareholder, an employee or a guarantor for others, while in a position or within one year after quitting the position for any reason
- Failure to report or failure to timely file for a class 1 forestry offence occurring in his/her responsible territory
- Intentionally neglect duties during a mission or provide the false written report that allowed the commission of a class 1 forestry offence"



Forest Administration Director Ty Sokhun

Known by the name Department of Forestry and Wildlife up until its restructuring in 2003, the Forest Administration is a semi-autonomous unit within the Ministry of Agriculture, Forestry and Fisheries headed by Minister Chan Sarun. Chan Sarun has close connections with the timber mafia through his brother-in-law, the logging subcontractor Khun Thong.<sup>75</sup> Khun Thong is also the father-in-law of Forestry Administration Director Ty Sokhun.

Although the presence of the Forest Administration in Aural is not as pervasive as that of the military, the FA has expanded its activities in the wildlife sanctuary significantly since its internal reorganisation in 2003. FA staff's devotion to extorting money from wood traders, rather than enforcing the Forestry Law, is undoubtedly an important factor in the recent expansion of Aural's timber industry. According to foresters working in other areas of Cambodia, FA senior management have ordered all staff to encourage illegal logging and then extort money from the

perpetrators.<sup>5</sup> Such a policy would go some way towards explaining the FA's activities in Aural, which encompass extortion and illegal timber deals.

Accounts from workers and residents in Aural indicate that the foresters are in many cases the greediest of the various agencies demanding fees. Their grasping approach has raised the stakes in an already crowded field and has prompted an overall escalation in the level of bribes being demanded.<sup>76</sup>

Foresters have reportedly capitalised on the recent Forest Administration restructuring – which has introduced additional layers of administration – to double charge the timber trade. FA checkpoints now demand two sets of bribes: one for the triage level FA and one for the division level. Each takes US\$50 per m<sup>3</sup> of luxury timber and smaller sums for commercial grade wood.<sup>32</sup>



The new Forest Administration building Phnom Penh; construction was funded by a loan from the World Bank

FA staff's aggressive behaviour has brought them into conflict with members of the military on at least two occasions in recent months. One dispute, reported to Global Witness in early April 2004, related to foresters' confiscation of chainsaws from Military Region 3 personnel near Spean Daik. After seizing the equipment, the foresters set about selling it at US\$100 per saw. The soldiers returned to confront the foresters and shots were fired, although reportedly no one was injured.<sup>29</sup>



In a separate incident, on 7 April, Military Region 3 soldiers fired over the heads of foresters at a checkpoint in Ta Sal commune following the foresters' seizure of a truck there two days previously.<sup>29</sup>

Foresters based in Pursat also levy fees from the timber industry. In early 2004, timber traders were using an upgraded track running southwest from Bamnak to the foot of Aural Mountain and paying a Pursat forester known as 'A' Barang for the privilege.<sup>77</sup>

### 10.1 Phan Pheary and "Om Yentieng's Third Wife"



Om Yentieng, Advisor to Hun Sen on Human Rights issues

One case of corruption among FA staff in Aural which has been widely publicised, involves an alleged consort of Om Yentieng, Prime Minister Hun Sen's Advisor on Human Rights. Om Yentieng is a prominent public figure, well known for his robust defence of the government's poor human rights record.

The lawlessness in Aural has caught the attention of members of the Cambodian political elite seeking quality home furnishings. In early 2004, a woman identified by timber vendors in Aural as "Om Yentieng's third wife", embarked on a makeover of a property in Phnom Penh. In line with prevailing Cambodian trends in interior design, she commissioned doors and window frames made of Beng wood, a rare tree species protected by law.<sup>78</sup>

Through contacts in the Forest Administration, she enlisted the help of the head of the Sangke Sartob Forest Administration section, Phan Pheary – an official with a track record of involvement in illegal timber deals in and around the wildlife sanctuary.<sup>37</sup> Phan Pheary's wife would later claim that she and her husband visited Om Yentieng and the woman at their home in Tuol Kork, Phnom Penh, to discuss details of the deal.<sup>78</sup> "Om Yentieng's third wife" paid Phan Pheary US\$300 to acquire papers which might lend the deal an air of legality, which the forester duly did.<sup>30</sup>

Phan Pheary made contact with a group of six people based in O'Taong village, Trapeang Chou commune, through the village chief, Pong Sokit, and told them that he needed to buy timber for Om Yentieng's wife.<sup>78</sup> The villagers provided him with 4.3 m<sup>3</sup> of Beng wood, which they had logged illegally inside the wildlife sanctuary. On 10 February, "Om Yentieng's third wife", together with Phan Pheary and two bodyguards visited O'Taong to inspect the timber.

The next day, Phan Pheary and his accomplice, the Trapeang Chou FA section head, Yang Yarith, rented a truck from Thpong district military police to transport the timber out of Aural. They had got as far as the Thpong Forest Administration office, when they were

stopped by a group of rangers supported by the NGO Conservation International, who confiscated the timber, as well as a loaded, but un-licensed AK-47 rifle that Phan Pheary was carrying in his car.<sup>5</sup> Attempts by "Om Yentieng's third wife" to negotiate the release of the timber were not successful.<sup>78</sup> Another forester involved in the deal later complained, somewhat revealingly, about the way in which CI and the rangers had failed to respect established protocol:

*"The NGO stopped (Phan Pheary). He said, 'this wood is for Om Yentieng's lady who is building a house' – meaning that it should not be a problem because it is for a top official's house. But the NGO didn't care."*<sup>78</sup>

Phan Pheary and Yang Yarith's actions violated several provisions of the Forestry Law, not least Article 101 relating to crimes committed by FA staff. However, in communications with CI following the seizure of the timber, the head of the Forest Crime Monitoring and Reporting Unit at the Forest Administration, Ieng Saveth, proposed that Phan Pheary and Yang Yarith each be let off with a warning. Saveth offered no legal justification for this leniency, reinforcing the impression that the FA condones criminal acts by its staff.<sup>5</sup>

Despite repeated public exposure of criminal acts by foresters in the two years since the passage of the Forestry Law, not one FA staff member has been prosecuted in line with Article 101. In this regard, it is worth noting that failure by FA senior staff to prosecute perpetrators of forest crimes in accordance with the law is itself an offence under the same article, which carries a penalty of up to five years in prison.

Reacting to media interest in the case, FA Director Ty Sokhun subsequently announced that the two officials had been recalled to Phnom Penh in order to be "re-educated" and added that Phan Pheary had been fined US\$2,500.<sup>5</sup> It is not known to whom this fine was paid. In June, the Forest Administration claimed that Ty Sokhun was filing a prosecution against Phan Pheary under Article 101 and that the case was in the hands of the Kompong Speu provincial court.<sup>79</sup>

Meanwhile, Phan Pheary found himself hounded by the unpaid and increasingly irate villagers who had cut the Beng wood. In April, a deputation of the loggers converged on Phan Pheary's house in Oudong to demand payment. Although Phan Pheary succeeded in evading their attentions, local residents reported that the forester resorted to entering and exiting his house through a rear window in order to reduce the risks of detection.<sup>80</sup>

In mid May, six of the villagers from O'Taong paid a US\$25 fee to Kompong Speu provincial court officials to lodge an official complaint against Phan Pheary, citing his failure to pay them for their illegal logging operation.<sup>81</sup> The villagers also submitted supporting documentation supplied by the O'Taong village chief and the Trapeang Chou commune chief.<sup>82</sup>

In June, Phan Pheary was summoned to appear before Kompong Speu provincial court. The focus of the hearing that followed was not the forester's violation of Article 101 and other sections of the Forestry Law, however; but his refusal to pay the illegal loggers for the Beng wood. This outcome underlines the complete lack of credibility of both Cambodia's judiciary and also the Forest Administration. Following the FA's bluster about Ty Sokhun personally overseeing prosecution of Phan Pheary under Article 101, one is left to conclude either that the FA was lying, or that Ty Sokhun wields less clout with the Kompong Speu judiciary than the Beng loggers.

On 21 June 2004, Phan Pheary took the precaution of inviting around 10 staff from the provincial court to a dinner in Kompong Speu town that cost more than US\$200. Those in attendance included the prosecutor due to lead the case against him, Ven Yoeun.<sup>83</sup> Three weeks later, Ven Yoeun announced that he would not be pursuing a case against Phan Pheary "because he was already fined and withdrawn from his position".<sup>84</sup> Neither Ty Sokhun, nor the judiciary have made any further public reference to the prosecution of Phan Pheary under Article 101 of the Forestry Law and the case appears to have been dropped.

### 10.2 Forest Administration Mobile Task Force

Roath Sovannara's position as head of the Forest Administration's Mobile Task Force affords him unparalleled opportunities for extortion and his teams tax illegal logging operations across Cambodia.<sup>85</sup> It is estimated that Roath Sovannara collects approximately US\$70,000 – US\$100,000 in bribes per month.<sup>86</sup> On May 31 2004 he received official recognition of his efforts in the form of medal from Prime Minister Hun Sen.

Around Aural, Roath Sovannara delegates much of the work to his deputy, who is known as Ta Nang. In May, Ta Nang and five other FA staff were operating a checkpoint in Veal Pon commune, at the border between Thpong and Oudong districts, and collecting bribes from timber trucks.<sup>87</sup>

Timber trade workers reported the foresters to be charging substantially higher rates than other groups collecting fees. For example, while businesses transporting luxury grade timber were required to pay US\$20 per m<sup>3</sup> to Aural district Governor Chem Sarim, they were being charged US\$50 per m<sup>3</sup> by the Forest Administration Mobile Task Force.<sup>47</sup> The Mobile Task Force receives US\$1,000 from B-70 officers Mao and Maorn for each timber convoy they transport.<sup>50</sup>

The rates charged by Ta Nang's mobile team at the checkpoint in Thpong for small trucks with capacity 3-5 m<sup>3</sup> were as follows:

Firewood	US\$75	per truck
Sawn timber	US\$15	per truck
Round logs	US\$15	per truck
Luxury timber	US\$100	per truck <sup>47</sup>

## 11 MINISTRY OF ENVIRONMENT



Ministry of Environment activities in Aural and other protected areas are directed by the MoE Department of Nature Conservation and Protection, headed by Chay Samith. Chay Samith reports to MoE Minister Mok Mareth.

Aural Wildlife Sanctuary Ranger Ty Tola previously ran a timber business in Aural until he paid MoE staff to acquire his current position.<sup>29</sup> The switch appears to have been motivated by commercial considerations and Ty Tola has used his official role to extort money from competitors in the timber trade. Sources in the timber business allege that Ty Tola has been able to make between US\$2,000 and US\$4,000 per month in this manner.<sup>29</sup> He also continues his own logging operations, and is recorded in the district authorities' register as the owner of a chainsaw.<sup>43</sup>

Local residents claim that it was Ty Tola's confiscation of seven ox-carts from villagers that set the scene for the clashes between loggers and rangers over the weekend of 19-21 March. They also blame Aural Wildlife Sanctuary Director Meas Nhim for his alleged failure to prevent Ty Tola from collecting bribes. Some voice further grievances against Meas Nhim, saying that his enforcement is selective and that he is allowing his own relatives to log in the wildlife sanctuary.<sup>29</sup>

People living in Aural claim that the rangers run a checkpoint outside their station in Kantuot for the collection of bribes of one to five US\$ per ox-cart and that these activities are only interrupted when FFI expatriate staff are present. Timber traders report that rangers allow them to carry on operating sawmills as long as they pay a fee.<sup>32</sup>



Ox-cart convoy carrying luxury timber from the forest

## 12 POLICE



Cambodia's police report to the Ministry of Interior headed by Co-Ministers Sar Kheng and Prince Norodom Sirivudh. National Director-General of the Police, Hok Lundy, is a four star general and a close associate of Prime Minister Hun Sen. The police are involved in illegal logging and extortion across Cambodia.

The district police in Aural are less powerful than the military groups active in the area, because they have fewer personnel and less firepower. They find it difficult to collect bribes from soldiers involved in the illegal timber trade, but have more success extorting money from civilian timber traders, chainsaw, sawmill and ox-cart operators in the forest.

In this capacity, they co-operate closely with Aural district authorities. The police use the list of illegal operators compiled and updated by the district authorities as a basis for illegal taxation and they pass a proportion of the money they collect to district governor Chem Sarim, who in turn provides a share to provincial Deputy Governor Yim Sokhom.<sup>88</sup> Chainsaw operators say that they have to register with the police and district authorities



General Hok Lundy, National Director-General of Police

before they start logging. The standard fees levied by Aural police are up to US\$100 per sawmill and US\$15-25 per chainsaw.<sup>33</sup> Collection of payments appears to follow an irregular pattern and paying off the police does not guarantee illegal operators a defined period of immunity from further extortion.<sup>48</sup>

When not taxing chainsaw operators, the Aural police are often busy logging themselves. Six out of 17 members of the district police are listed as chainsaw operators in the Aural district authorities' register: Phrak Moul, Rouern, Mam Ann, San Sor Rith, Leng Nee and Sang Bun Nang.<sup>43</sup>

Despite being out-gunned by military units, in May 2004, police chief Dos Sim decided to crack down on the transports of luxury timber orchestrated by the MPs. This was driven less by concern for the law than Dos Sim's indignation at the insolent manner in which the MPs were transporting timber past the Aural police office without consulting or compensating him first.<sup>73</sup>

On 25 May 2004 Aural police intercepted a group of MPs who were guarding a convoy of ox-carts extracting

1.6 m<sup>3</sup> of Tumloap wood from forest near Choam village, Roleak Khang Cherng. The businessman who had ordered the wood, Mr Hok, was unable to prevent police from confiscating it. After consulting with provincial economic police chief, Chea Daro, Dos Sim had the wood transported to the police headquarters in Kompong Speu town.<sup>73</sup>

Three days later, on 28 May, Dos Sim launched another operation against the district MPs. This time, police officers confiscated 11 pieces of Tumloap wood, amounting to around 1 m<sup>3</sup>, which were being escorted by MPs and soldiers in Rasmei Samaki commune. These operations raised the stakes substantially for timber businesses trying to transport luxury wood out of Aural. When a convoy carrying around 10 m<sup>3</sup> of Tumloap wood drove from Aural to Route 4 on May 31, it was escorted by around 60 soldiers from Battalion 313.<sup>61</sup>

Dos Sim is required to pass the lion's share of the bribes that he collects in Aural to Kompong Speu provincial police headed by Commander Nob Oeun.<sup>30</sup> Among provincial level police, those most active in Aural are members of the economic police led by commander Chea Daro and his deputy, Mr Peng, both of whom are based in Kompong Speu. Cambodia's economic police tend to specialise in 'soft' law enforcement areas such as taxation of illegal timber operations. Chea Daro periodically sends provincial level economic police to Aural to set up checkpoints and extort in the same manner as many of the non-resident military units making money in the wildlife sanctuary.<sup>89</sup>

Apparently independent from the police based in Aural and Kompong Speu, is a police officer based in Phnom Sruoch district known as 'A' Try Angkot, who deals in luxury timber. 'A' Try Angkot buys luxury wood cut in areas of Koh Kong province, Kirirom National Park and also Aural. Wood cut in Aural he extracts directly to Kompong Speu town, or along a route that runs from Aural via Krande Vey and Chambok, to Phnom Sruoch.<sup>47</sup>

Pursat police also benefit from Aural's timber boom and operate checkpoints on the tracks and roads running from the northwestern boundary of the wildlife sanctuary to Route 5. In early 2004, officers manning a police post in Kbal Teahean village were collecting bribes from the nocturnal convoys of ox-carts transporting wood from Aural. Each cart was charged between US\$1.25 and US\$5.<sup>90</sup>

According to wood traders, the Kbal Teahean police post functions as a kind of informal meeting point for people organising timber deals. The police have a large radio antenna, which they use to alert loggers and wood traders in the event of law enforcement operations taking place.<sup>90</sup>

## 13 LOCAL GOVERNMENT

Like the police, provincial, district and commune officials in Cambodia all follow a chain of command emanating from the RGC Ministry of Interior.

On 5 February 2003, Kompong Speu governor Ou Bun wrote to all district chiefs in Kompong Speu concerning forest crimes. The letter called upon the district authorities to suppress illegal logging and hunting and also instructed them to *"find the locations of sawmills and chainsaws that are operating in your area"*.<sup>91</sup> While the injunction to curtail forest crime has generally been ignored, the district governor in Aural and the commune chiefs under him have been diligent in their identification of illegal cutting and processing operations in their areas of jurisdiction. Rather than using this information as a basis for enforcement of the law, the district authorities in Aural have instead adopted it as the foundation for a shadow taxation regime based on extortion.

Chem Sarim keeps a register of all those operating chainsaws and sawmills in Aural district and newcomers are required to present themselves before commencing activities. Once registered, the chainsaw and sawmill owners can be taxed. Payments are collected on average once a month, usually at a rate of US\$15-25 per chainsaw and US\$30-50 per sawmill. These fees are collected by district officials or police commanded by Dos Sim.<sup>48</sup>

A copy of the register, dated December 18 2003, lists 104 chainsaws and sawmills. The author, District

Environment Officer Som Tha, notes that 10-15 new chainsaws recently brought into Aural Wildlife Sanctuary had not yet been recorded. The register provides names of equipment owners, their profession, address, type of machinery used and the location of operation. The operators recorded include: one village chief, two Kompong Speu Provincial

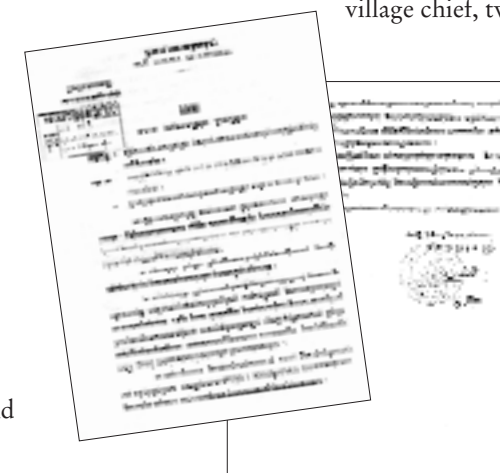
Military Sub-Operation soldiers, two members of the military engineering group, six Aural district police officers and 17 members of Battalion 313.<sup>43</sup>

The system appears to be efficiently run and local residents report that un-registered chainsaw operators are generally detected and then run the risk of having their equipment confiscated.<sup>33</sup>

Chem Sarim also organises the collection of fees from vehicles transporting wood, charging US\$20 per m<sup>3</sup> for luxury

timber and a lower rate for commercial grade sawn timber. He passes a percentage of the funds accrued up to Kompong Speu Deputy Governor Yim Sokhom.<sup>92</sup>

Commune level chiefs under Chem Sarim also collect money from sawmill operations. Once a month, Sangke Sartob commune chief Heng Sophal summons wood traders and sawmill owners to a meeting at which they each pay taxes to the district authorities.<sup>92</sup> Heng Sophal claims that these fees are used to build schools and support the salaries of district officials. Hen Ren, the commune chief in Am Leang, also keeps a list of sawmills and chainsaws to use as a basis for taxing the operators.<sup>93</sup>



Letter from Provincial Governor Ou Bun, ordering district governors to suppress forest crimes





14 TIMBER DEALERS

14.1 Peng Ly

Peng Ly is perhaps the biggest luxury timber dealer in southwestern Cambodia; sourcing wood from Aural, Kirirom National Park and protected forest areas in Koh Kong province. He is the brother of Sre Ambel timber dealer Veng I and Aural timber tax collector Veng II. Peng Ly has cultivated close ties with Military Region 3, going as far as purchasing the identity of a demobilised RCAF soldier of the same name, which he uses as pretext for wearing military dress.<sup>61</sup>

Peng Ly works through locally-based soldiers and civilian loggers in Aural and visits the area regularly to commission cutting operations. Orders from Peng Ly are highly specific, including not only the tree species, but also the dimensions of the pieces of timber required. In 2004, Peng Ly’s main target has been Tumloap trees; the most valuable of the luxury timbers in Cambodia. The prices he pays for Tumloap vary accord to diameter:

15-30 cm	US\$700	per m <sup>3</sup>
30-45 cm	US\$1300	per m <sup>3</sup>
45-60 cm	US\$2200	per m <sup>3</sup>
60-85 cm	US\$3500	per m <sup>3</sup> <sup>48</sup>

When commissioning a cutting operation, Peng Ly generally pays the loggers half the agreed price up front, in order to ensure that they will not sell the wood to another dealer once they have cut it. He then returns to collect the timber around two weeks afterwards, transporting it under armed guard to a depot in Kompong Speu and then on to Phnom Penh and Vietnam.<sup>48</sup> Peng Ly works with a range of military commanders and military police officers and often pays them to escort his trucks.<sup>61</sup>

Peng Ly’s luxury wood transports in Kirirom were reportedly suppressed on 28 April, however this appears to have had little impact on his operations in Aural. In the second half of June, Peng Ly was continuing to commission loggers based in Aural to cut Tumloap trees on his behalf. In the same month, however, he got into a dispute with rival luxury wood trader ‘Sao’ Sokhoeurn, who accused him of stealing his customers. Peng Ly is now said to be afraid to go to Aural and instead is sending representatives to broker timber deals on his behalf.<sup>64</sup>

The interruption to the Tumloap trade with Vietnam in June left Peng Ly with a stock of Tumloap that he was unable to sell on to customers as planned. As of late July, Peng Ly was storing 6-7 m<sup>3</sup> of Tumloap at his house in Kompong Speu town.<sup>96</sup>

14.2 Mr Tong

Mr Tong is a Vietnamese businessman who specialises in exporting illegally logged black wood luxury timber to Vietnam. He sources much of this from Aural and Kirirom National Park and one of his main suppliers is

Peng Ly. Tong pays Peng Ly as much as double the price that Peng Ly pays to the loggers who cut the wood.<sup>95</sup>

Tong has timber from Kompong Speu delivered to three houses that he rents in different areas of Phnom Penh: Chak Angrei Loeu, Boeung Trabek and a location close to Wat Dan Bouk Khbous pagoda.<sup>95</sup>

14.3 Hear Seng

Another of Peng Ly’s main customers, Hear Seng is a luxury timber dealer who sources wood from several different provinces, including Kompong Speu, Koh Kong, Siem Reap, Oddar Meanchey and Preah Vihear. Sources in the timber industry report that he is also the uncle of Bun Rany, the wife of Prime Minister Hun Sen. Hear Seng transports the timber that he buys from Neak Loeung to Vietnam.<sup>95</sup>

Aside from Peng Ly, Hear Seng buys wood from Peng Leang, Veng I and other luxury timber dealers.<sup>95</sup>

14.4 Sao Sokhoeurn

Timber dealer ‘Sao’ Sokhoeurn is so-called in recognition of his long-standing business partnership with national military police chief Sao Sokha, to whom he supplies illegally logged luxury timber.<sup>50</sup> ‘Sao’ Sokhoeurn has been active in Aural over several years. He commissions loggers to cut rare luxury tree species and is known to accompany these orders with down-payments of several thousand dollars. Areas in which he regularly organises logging operations include Aural, Trapeang Chou, Am Leang and Chreav.<sup>61</sup>

‘Sao’ Sokhoeurn arranges extraction and transportation of the timber with Saom Puthdara, but is also known to cooperate occasionally in illegal timber deals with Aural district police chief Dos Sim.<sup>61</sup> ‘Sao’ Sokhoeurn and Saom Puthdara’s transports of luxury timber to Phnom Penh and Takeo province were temporarily interrupted during early May and they were obliged to stock the wood in Kompong Speu.<sup>95</sup>

14.5 Yeay Bong

Yeay Bong is a luxury timber dealer based in Phnom Penh, who regularly sources wood from Aural. She transports timber from Aural and other areas of the southwest in two blue Korean trucks, often in cooperation with wood trader Veng I.<sup>61</sup>

14.6 Mr Kat

Mr Kat is a former Khmer Rouge soldier who defected to the government in the mid 1990s. He now works with the group of soldiers commanded by lieutenant-generals Mol Roeup and Dom Hak and carries papers identifying himself as a member of the RCAF military intelligence division.<sup>29</sup>

Kat lives in Sok Veng village, Trapeang Chou, and owns two sawmills in the vicinity. Timber is supplied to these mills by his associate, Ta Kreum, who sometimes manages them on Kat’s behalf. Kat owns two houses in Trapeang Chou and another in Am Leang commune.<sup>46</sup>



Sawmill in Aural

When not presenting himself as a military intelligence agent, Kat passes himself off as a soldier from Battalion 313. This has recently brought him into conflict with the battalion commander Somrith Reang.<sup>50</sup> Kat also has connections with Saom Puthdara and the Aural district MPs, whom he periodically hires to protect his transports of sawn timber to Kompong Speu.<sup>76</sup>

14.7 Ta Kreum

Ta Kreum is accused by conservation groups working in Aural of being one of the main instigators of violence against rangers and NGO staff over the weekend of 19-21 March 2004.<sup>37</sup>

On 11 March rangers supported by Conservation International arrested Ta Kreum at an illegal sawmill, where he was found in possession of an unlicensed rifle. Kreum was subsequently sighted in Spean Daik on several occasions. He was over-heard saying that he had paid US\$2500 for his release by the Kompong Speu authorities and that he was prepared to spend an additional US\$1250 to see the rangers thrown out of Aural.<sup>37</sup> On 20 March, following clashes between loggers and rangers the previous night in Spean Daik, Kreum was observed in Kantuot, carrying a gun and dispensing threats against the MoE rangers.<sup>37</sup>

Formerly a Khmer Rouge soldier in Aural, Kreum works as a sub-contractor for another ex-Khmer Rouge cadre, Mr Kat, organising ox-carts and cutting crews to bring logs to Kat’s sawmills, which Kreum sometimes supervises on his behalf. It appears that he offers these services to other timber traders in Aural as well.<sup>46</sup> Residents of Aural, meanwhile, report that Kreum has a history of confiscating chainsaws and other equipment from loggers in Aural and then using them himself.<sup>29</sup>

Kreum is also involved in transporting timber out of Aural, using a fleet of six or seven trucks. On 16 April, he organised the transport of seven trucks carrying timber from various parts of Aural Wildlife Sanctuary

to Takeo. The trucks brought timber, primarily Chheuteal and Pdiek, from various areas of the wildlife sanctuary to a meeting point at the house of Kreum’s mistress in Chbar Morn. The trucks continued on their journey to Takeo before dawn the next day. The same pattern was repeated over the next two nights.<sup>67</sup>

Aside from Kreum himself, the key facilitators in these operations were Forest Administration officials, who were paid US\$70-US\$90 per truck, depending on the quality of timber transported by Kreum.<sup>67</sup> In late April, foresters in Kompong Speu claimed that Kreum’s activities were now under control, citing the fact that he was only illegally transporting wood in two trucks rather than the previous seven.<sup>67</sup>

Kreum does not have a house of his own, but often stays with a relative of Mr Kat in Sok Veng village, Trapeang Chou commune. Residents of Sok Veng refer to him as a “*bong thom*”, or “*neay*”, meaning boss. At the same time, they claim that despite his reputation, Kreum is not a major player in Aural and is more interested in drinking than building his own timber business empire.<sup>29</sup>

14.8 Li Kea

Li Kea is a timber trader based in Spean Daik, who operated at least one illegal sawmill in Aural up until its destruction by MoE rangers between 8 and 9 of February this year. Conservation workers claim that Kea responded by threatening to shoot the rangers, while simultaneously complaining to the district police about their use of firearms.<sup>67</sup> The sawmill had been under the protection of members of the military and Kea is said to have close connections with Mr Hai, the sometime business partner of Mr Vooun.<sup>67</sup> Kea owns a big house in Spean Daik and was regarded as one of the major suppliers of sawn timber in the area up until the operation against his sawmill.<sup>67</sup> He features in Chem Sarim’s December 2003 register of illegal operators, listed as having a sawmill in O’Kseav.<sup>43</sup>

14.9 Mr Reach

Another sawmill owner, whose premises were destroyed by rangers on 12 January 2004, Mr Reach is a former Khmer Rouge soldier with close links to Battalion 313 and a history of disputes with rangers.<sup>37</sup> In 2003, Reach tried to organise a protest against CI enforcement actions in Aural. He has also threatened to shoot MoE rangers and lay land mines in front of their office in Kantuot.<sup>37</sup>

14.10 Mr Ton

Mr Ton is the Director of the Department of Education in Aural district and a successful timber trader. He owns his own sawmill, chainsaws and around three trucks. His brothers-in-law Sok Komar and Thong also own sawmills.<sup>96</sup> Another official in the provincial education department, Horng Kim San, is listed as a chainsaw owner in the district authorities’ December 2003 register.<sup>43</sup>

14.11 Mr Yong

Mr Yong heads a small group of timber traders operating in Aural who are either serving or former bodyguards of Minister for Defence Tea Banh. Local residents describe Mr Yong’s military rank as “*three stripes*”. He has been active in the timber business in Aural for several years. Yong buys sawn timber in Spean Daik from dealers such as Srey Oan; stockpiling the wood at his home in Anlong Chrey commune, Thpong district, or transporting it directly to Vietnam via Route 4 and then Route 2.<sup>76</sup>

14.12 Srey Oan

Srey Oan runs a well-established timber business in Spean Daik village. She buys and sells wood and often lends money to chainsaw operators, which they pay back in timber.<sup>97</sup>

14.13 Srey Peou

Srey Peou lives in Oudong and sources much of her timber from Aural. She transports wood from Aural to Oudong and Neak Loeung both by night and by day and is known locally for her contempt for the law. As she puts it, “*nothing is bigger than money*”.<sup>93</sup> On one occasion when local officials had the temerity to seize a quantity of her timber, Srey Peou responded by stuffing a bundle of dollar bills in a sock and throwing it on the ground for them to pick up.<sup>93</sup> Srey Peou drives a white Toyota pickup and transports timber in a Korean truck, which she also owns.<sup>46</sup>



Sawmill in Aural

14.14 Mr Hok

Mr Hok is a businessman based in Kantuot, who owns a sawmill and chainsaws. He works closely on luxury timber deals with the district military police. It was Tumloap wood that his workers had cut, and which MPs were escorting, which was confiscated by the district police on 25 May.<sup>93</sup>

14.15 Eng Youry

Timber businessman Eng Youry is the owner of Youry Saco – a company that controls a logging concession in Pursat and Battambang provinces and has a documented history of illegal logging operations.<sup>98</sup> Since the suspension of concession operations in 2002, Eng Youry has diversified his activities, to include illegal cutting and export of high value timbers, as well as sawmill operations. According to sources in Pursat, in the dry season months of 2004, Eng Youry was operating four sawmills in Aural Wildlife Sanctuary. These mills were situated at the northern end of the main valley west of Aural Mountain, inside Pursat province. As of July, two had ceased operations, however the others remained active. Srun Saroeun’s Brigade 31 was providing protection for these sawmills.<sup>50</sup>

Aside from his interests in Aural, Eng Youry is also involved in logging and exporting luxury timber in conjunction with Pursat wood trader Suos Ky Reth.<sup>99</sup>

In January 2002, the government suspended logging operations in forest concessions, pending the companies’ submission of adequate sustainable forest management plans (SFMPs) and environmental and social impact assessments (ESIAs). The plans Youry Saco duly submitted were notable chiefly for their feeble technical quality, as well as the company’s claim to have discovered chimpanzees, koala bears, racoons and moose living in its concession.<sup>100</sup> A World Bank-Forest Administration team reviewing the plans has recommended no further logging in the concession, however Youry Saco’s investment agreement still stands. Eng Youry’s recent illegal timber deals merely add to the overwhelming case



Loaded truck belonging to timber trader Mr Me near Che'en village

14.16 Timber traders transporting wood from Aural district in 2004<sup>97</sup>

Name	Based in	Timber Trucks
Mr Bunseang	Chbar Morn	1 Korean three ton truck
Mrs Chey Kech	–	–
Mr Choeun	Bat Deung	1 Korean three ton truck
Mr Heng	Tang Pour	1 Korean three ton truck
Mr Heng Vit	Am Leang	1 Korean three ton truck
Mr Hok	–	–
Mr Kat (RCAF intelligence)	Sok Veng	2 Korean three ton trucks
Mr Khoeun	Kantuot	1 Korean three ton truck
Ta Kreum	Sok Veng	6-7 trucks
Li Kea	Spean Daik	1 Korean three ton truck
Mr Map	–	–
Mr Me	Phnom Penh	1 Korean three ton truck
Mr Mol	Spean Daik	1 Korean three ton truck
Mr Mos	Phnom Penh	1 Korean three ton truck
Mr Mor Sei Ma	–	–
Peng Ly	Kompong Speu	–
Mr Pim	Kantuot	1 Korean three ton truck
Sao Sokhoeurn	–	–
Sok Komar	–	–
Srey Oan	Spean Daik	1 Korean three ton truck
Srey Peou	Oudong	1 Korean three ton truck
Mr Ton	Aural	3 trucks
Mr Thol	Anlong Chrey	1 Korean three ton truck
Mr Thorn	Aural	1 Korean three ton truck
Mr Thorn	Oudong	1 Korean three ton truck
Yeay Bong	Phnom Penh	2 Korean three ton trucks
Yeay Dy	–	–
Mr Yong	Anlong Chrey	1 Korean three ton truck

14.17 Timber Traders operating sawmills in Aural district in 2004<sup>97</sup>

Name	Number of Sawmills	Located in
Mr Cheth Sen Louth (Batt. 313)	1	O’Thmor Chroung, Sangke Sartob
Mr Da	1	O’Thmor Chroung, Sangke Sartob
Mr Hok	1	–
Mr Kat (RCAF intelligence)	2	Phlouch, Sok Veng villages
Mr Kem Korn (Batt. 313)	1	Trapeang Chou
Li Kea	1	–
Mr A Neth	1	North of Pou Meas village
Mr Nhanh	1	Trapeang Chou
Mr Prom Kim Thong	1	Bridge No.1, Trapeang Chou
Mr Reach	–	–
Mr Sam Nang (police)	1	Ka Touth, Sangke Sartob
Mr Sieng	1	Trapeang Chou
Sok Komar	1	O’Thmor Chroung, Sangke Sartob
Mrs Srey	1	West of Phnom Vihear
Mr Ton	–	–
Mr Thong	1	–
Mr Vieng	1	O’Thmor Chroung, Sangke Sartob





## 15 CONCLUSION

In Aural, all the public institutions responsible for protecting the forest are corrupted and some, notably RCAF, form the bedrock of the local timber industry.

The existence of a shadow taxation regime that functions more efficiently than the national system, underlines the extent to which Aural's problems are ones of governance. The reasons why there is no rule of law in Aural relate neither to shortage of personnel and technical skills, nor lack of information about criminal activities. They are rooted in Cambodia's pervasive culture of impunity and the perception of official rank as a licence to extort.

No scientific assessment of the impact of illegal logging on Aural's forests has yet been undertaken. However the illegal timber industry that this report profiles is clearly eroding the conservation value that the wildlife sanctuary was designed to preserve. Beyond the loss of biodiversity, the environmental services offered by Aural's forests, notably their role in watershed management, are also in jeopardy. Experience elsewhere suggests that deforestation of Mount Aural's slopes will accelerate soil erosion and flash flooding, impacting negatively on the livelihoods of people living in the surrounding region.

The adverse impacts are not only environmental, but also social. Local people are obliged to live in a society dominated by organised crime, where the law offers no protection. In such circumstances, the

indigenous Souy minority are among the most vulnerable and the influx of outsiders brought in to work the timber industry threatens them economically and culturally.

Aural is not an isolated case; indeed corruption constitutes the main threat to Cambodia's forests and the country's overall development. Lack of political will is regularly cited by donors as the main obstacle to combating corruption in Cambodia. However, the case of Aural shows that the culpability of senior officials and generals goes far beyond mere dragging of feet. Corruption in the forest sector is an intrinsic part of the patronage systems that sustain the power of Cambodia's political elite. Many, perhaps the majority of the officials and soldiers involved in forest crime, are simply following a clear chain of command emanating from Phnom Penh. The situation is not anarchic, and the perpetrators are not rogue elements.

Such unpalatable realities make it highly unlikely that the Cambodian government will tackle corruption unless pressured to do so. The onus here must be on Cambodia's international donors, who continue to bank-roll the country and wield considerable influence as a result. The donor community is well aware of the need to tackle corruption head-on, if any progress is to be made in establishing sustainable forest management. Most, however, appear more interested in disbursing aid for its own sake, than ensuring that Cambodia's natural resources are managed for all Cambodians and not just a corrupt minority.

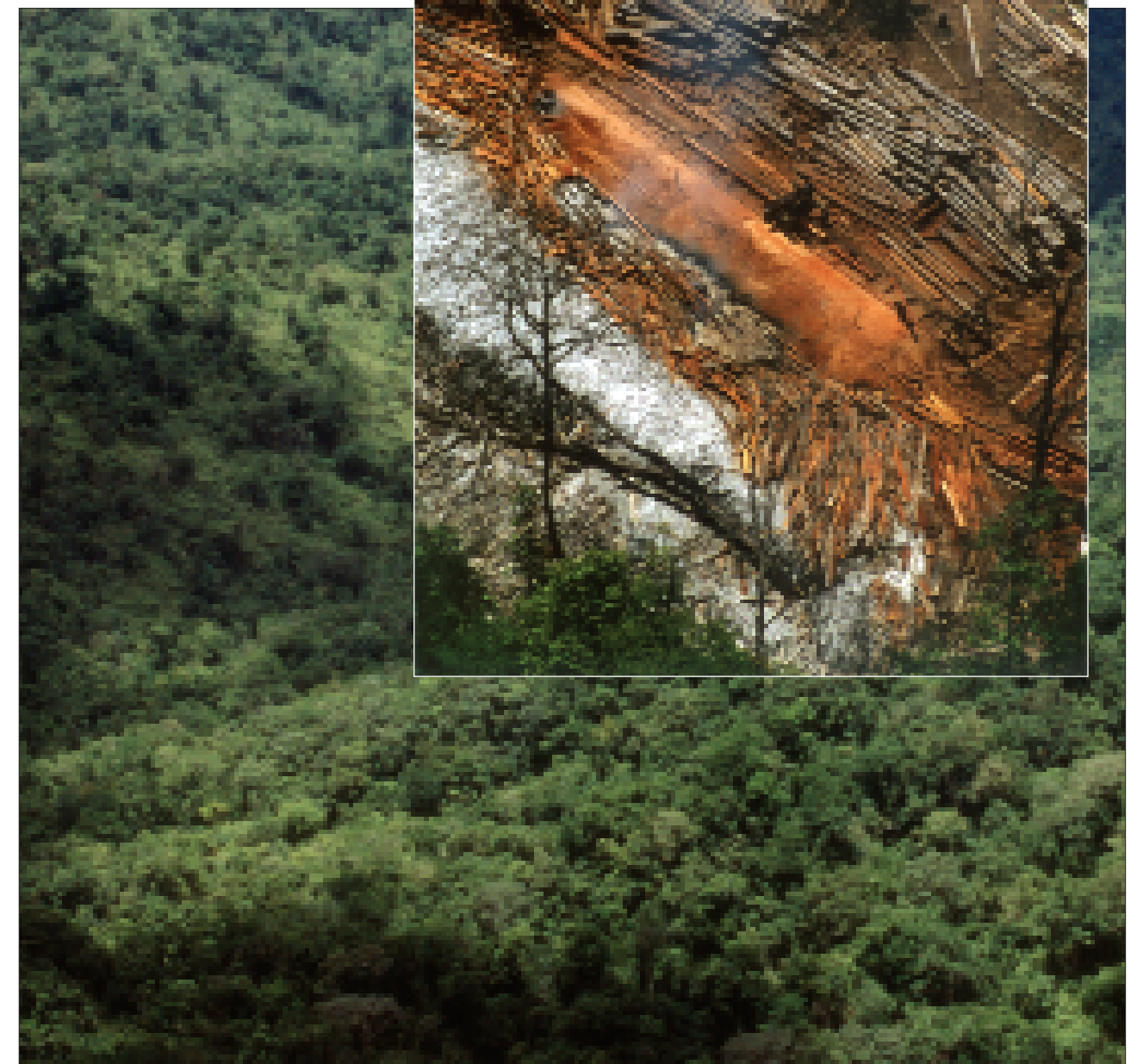
To date, Cambodia represents one of the best examples of how not to address the role of natural resources in a post-conflict country. This despite unprecedented opportunities to put in place the conditions for sound natural resource management. A hard question needs to be asked – if the international community cannot get it right in Cambodia, what hope for other post-conflict countries blighted by resource wars and highly corrupted resource sectors?

International donors have responsibilities both to the Cambodian population and their own taxpayers, to ensure that aid is well-spent and has a beneficial and lasting impact. Corruption in Cambodia is undermining the effectiveness of all aid-funded programmes and for this reason alone, donors have an obligation to make use of their leverage.

For this leverage to be effective, donors need to coordinate and create clear linkages between disbursements of non-humanitarian aid and the government's progress in tackling corruption. Where conditions are not met, the outcome should be the withholding of aid, rather than hasty watering down of the targets. The basis for a set of performance benchmarks is set out in the recommendations section of this report.



l-r General Pol Saroeun, Prime Minister Hun Sen, General Kun Kim, General Meas Sophea, Lt-General Moeng Samphan



Over-logged valley near Reang Khvav Mountain

## 16 APPENDIX 1: FOREST LAW ENFORCEMENT AND GOVERNANCE EAST ASIA MINISTERIAL DECLARATION

East Asia Ministerial Conference  
Bali, Indonesia  
11-13 September 2001

Countries from the East Asian and other regions participating in this Ministerial Conference:

Understanding that forest ecosystems support human, animal and plant life, and provide humanity with a rich endowment of natural, renewable resources;

Deeply concerned with the serious global threat posed to this endowment by negative effects on the rule of law by violations of forest law and forest crime, in particular illegal logging and associated illegal trade;

Recognizing that illegal logging and associated illegal trade directly threaten ecosystems and biodiversity in forests throughout Asia and the rest of our world;

Also recognizing the resulting serious economic and social damage upon our nations, particularly on local communities, the poor and the disadvantaged;

Further recognizing that the problem has many complex social, economic, cultural and political causes;

Convinced of the urgent need for, and importance of good governance to, a lasting solution to the problem of forest crime;

Recognizing that all countries, exporting and importing, have a role and responsibility in combating forest crime, in particular the elimination of illegal logging and associated illegal trade;

Emphasizing the urgent need for effective cooperation to address these problems simultaneously at the national and sub-national, regional and international levels;

Declare that we will:

Take immediate action to intensify national efforts, and to strengthen bilateral, regional and multilateral collaboration to address violations of forest law and forest crime, in particular illegal logging, associated illegal trade and corruption, and their negative effects on the rule of law;

Develop mechanisms for effective exchange of experience and information;

Undertake actions, including cooperation among the law enforcement authorities within and among countries, to prevent the movement of illegal timber;

Explore ways in which the export and import of illegally harvested timber can be eliminated, including the possibility of a prior notification system for commercially traded timber;

Help raise awareness, through the media and other means, of forest crimes and the threats which forest destruction poses to our future environmental, economic and social wellbeing;

Improve forest-related governance in our countries in order to enforce forest law, inter alia to better enforce property rights and promote the independence of the judiciary;

Involve stakeholders, including local communities, in decision-making in the forestry sector, thereby promoting transparency, reducing the potential for corruption, ensuring greater equity, and minimizing the undue influence of privileged groups;

Improve economic opportunities for those relying on forest resources to reduce the incentives for illegal logging and indiscriminate forest conversion, in order to contribute to sustainable forest management;

Review existing domestic forest policy frameworks and institute appropriate policy reforms, including those relating to granting and monitoring concessions, subsidies, and excess processing capacity, to prevent illegal practices;

Give priority to the most vulnerable transboundary areas, which require coordinated and responsible action;

Develop and expand at all appropriate levels work on monitoring and assessment of forest resources;

Undertake the demarcation, accurate and timely mapping, and precise allocation of forest areas, and make this information available to the public;

Strengthen the capacity within and among governments, private sector and civil society to prevent, detect and suppress forest crime.

Further, in order to give full effect to the intentions of this Declaration, and to proceed with urgency to explore timely implementation of significant indicative actions developed by technical experts at this meeting, we:

Undertake to create a regional task force on forest law enforcement and governance to advance the objectives of this Declaration;

Invite the representatives at this conference from NGOs, industry, civil society and other relevant stakeholders to consider forming an advisory group to the regional taskforce;

Decide to meet again at the Ministerial level in 2003 to review progress on first actions to implement these commitments, in cooperation with relevant international partners;

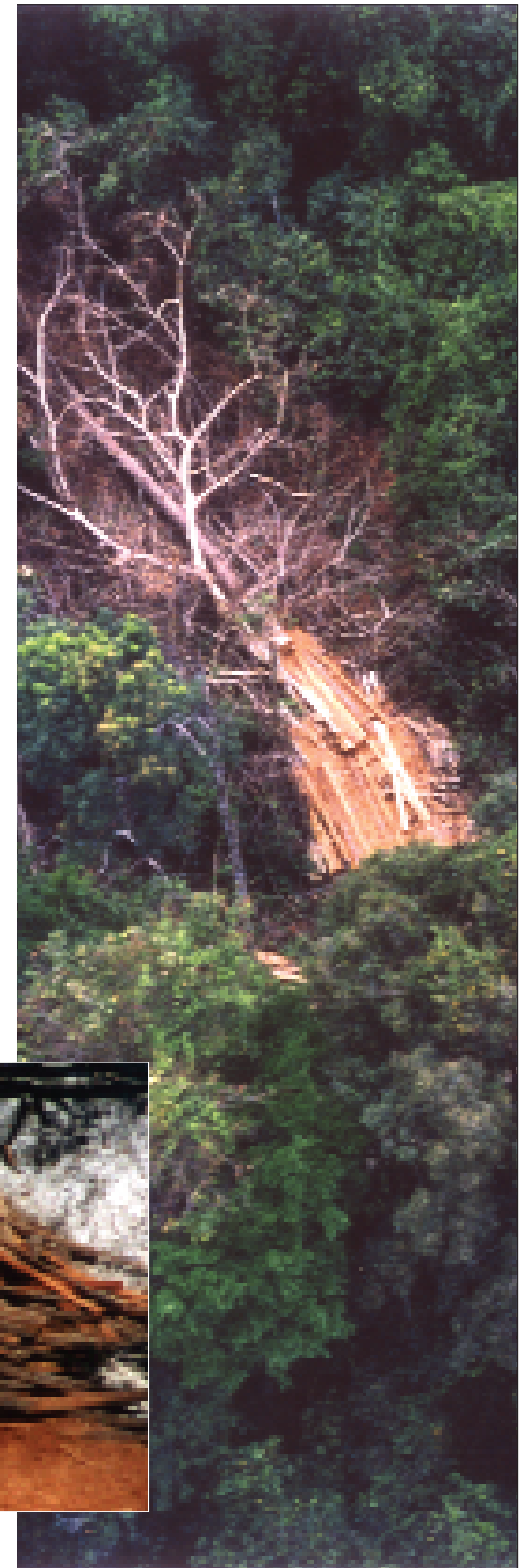
Request the ASEAN and APEC countries participating in this Conference to inform the next ASEAN and APEC Summits of the outcome of this Ministerial Conference and to invite their support;

Pledge to work to see that the issue of forest crime is given significant attention in future international fora, including by the World Summit on Sustainable Development (WSSD) and the United Nations Forum on Forests, and by the member organizations of the Collaborative Partnership on Forests;

Request the G-8 countries and other donors to consider further how they can join in the fight against forest crime, including through capacity building efforts;

Encourage other regions to consider creating similar regional initiatives to combat forest Crime.

Bali, Indonesia  
13 September 2001



Cutting site, Aural Wildlife Sanctuary, April 2004



17 APPENDIX 2: INTERPOL  
RESOLUTION ON ADOPTING GLOBAL  
STANDARDS TO COMBAT  
CORRUPTION IN POLICE  
FORCES/SERVICES

AG-2002-RES-01

RESOLUTION

Subject: Adopting the global standards to combat corruption in police forces/services

The ICPO-Interpol General Assembly, meeting in Yaoundé from 21 to 24 October 2002 at its 71st session:

RECALLING Resolution No. AG-2001-RES-04 adopted by the General Assembly at its 70th session (Budapest, September 2001),

CONVINCED that corruption undermines the effectiveness of law enforcement, the efficiency and legitimacy of police forces/services in the performance of their functions and public confidence in law enforcement and justice,

FURTHER CONVINCED that corruption within police forces/services can be prevented and eradicated by determined and forceful national action by all Member States and by international co-operation,

CONSIDERING that effective policing requires the combating of all forms of corruption in the performance of policing functions and the promotion of high standards of honesty, integrity and ethical behaviour for police officers and other employees of police forces/services,

PERSUADED that determined efforts to fight corruption and promote high standards of honesty, integrity and ethical behaviour increase the efficiency and effectiveness of police forces/services and enhance support for law enforcement by civil society,

FURTHER PERSUADED that policing will only be effective if those involved in the criminal justice system, such as prosecutors, magistrates and judges, also have high standards of honesty, integrity and ethical behaviour and are determined to give leadership to others also involved in the criminal justice system,

RECOGNIZING the need to make the citizens of Member States aware of the detrimental effects of corruption on law and order, public and individual safety, the preservation of property and the cost of law enforcement,

FURTHER RECOGNIZING the responsibility of Member States to detect and hold accountable corrupt police officers and other employees of police forces/services and to bring them to justice,

DETERMINED to take forceful action to prevent, detect, punish and eradicate corruption in, and in connection with, the performance of policing functions and to promote high standards of honesty, integrity, ethical behaviour and efficiency in police forces/services within their national boundaries,

ACCEPTING that each of the principles and measures included in the “Standards” have been deemed as sufficiently important in the fight against Corruption to be included by the Interpol Group of Experts in this document,

ACKNOWLEDGING that the document read as a whole represents an ideal which Member States should strive to reach, but that the implementation of any of these principles and measures is a step in the right direction,

AGREES to adopt the Global standards to combat corruption in police forces/services appended to Report No. 10 as standards whose endorsement and implementation by police throughout the world would improve the quality of police and the quality of the service they provide. Member countries are therefore encouraged to disseminate these global standards as widely as possible within their police forces/services.

Adopted.

AG-2002-RES-01  
Appendix

GLOBAL STANDARDS TO COMBAT  
CORRUPTION  
IN POLICE FORCES/SERVICES

Article 1

Objectives

(a) To ensure that the police forces/services of each Member State of Interpol have high standards of honesty, integrity and ethical behaviour in and in connection with the performance of their policing functions.

(b) To promote and strengthen the development by each Member State of Interpol of measures needed to prevent, detect, punish and eradicate corruption in the police forces/services within its national boundaries and

to bring to justice police officers and other employees of police forces/services who are corrupt.

Article 2

Definitions

Corruption includes:

(c) The solicitation or acceptance, whether directly or indirectly, by a police officer or other employee of a police force/service of any money, article of value, gift, favour, promise, reward or advantage, whether for himself/herself or for any person, group or entity, in return for any act or omission already done or omitted or to be done or omitted in the future in or in connection with the performance of any function of or connected with policing.

(d) The offering or granting, whether directly or indirectly, to a police officer or other employee of a police force/service of any money, article of value, gift, favour, promise, reward or advantage for the police officer or other employee or for any person, group or entity in return for any act or omission already done or omitted or to be done or omitted in the future in or in connection with the performance of any function of or connected with policing.

(e) Any act or omission in the discharge of duties by a police officer or other employee of a police force/service which may improperly expose any person to a charge or conviction for a criminal offence or may improperly assist in a person not being charged with or being acquitted of a criminal offence.

(f) The unauthorized dissemination of confidential or restricted police information whether for reward or otherwise.

(g) Any act or omission in the discharge of duties by a police officer or other employee of a police force/service for the purpose of obtaining any money, article of value, gift, favour, promise, reward or advantage for himself/herself or any other person, group or entity.

(h) Any act or omission which constitutes corruption under a law of the Member State.

(i) Participation as a principal, co-principal, initiator, instigator, accomplice, accessory before the fact, accessory after the fact, conspirator or in any other manner in the commission or attempted commission of any act referred to in the preceding provisions of this Article.

Police force/service means each police force or police service or other official body with a responsibility to

perform policing functions within the national boundaries of the Member State.

Article 3

Principles

(a) To make corruption within police forces/services a high-risk crime.

(b) To promote and maintain a high standard of honesty, integrity and ethical behaviour within the police forces/services of each Member.

(c) To foster the recruitment and training as police officers of persons of high levels of integrity, honesty, ethical standards and expertise.

Article 4

Measures

4. Each member of the General Assembly commits to:

Standards of Conduct

4.1 Establishing and maintaining high standards of conduct for the honest, ethical and effective performance of policing functions.

4.1.1 Such standards should mandate and be directed towards an understanding and application of honest, ethical and appropriate behaviour, the avoidance of conflicts of interest, the proper use of public resources in and in connection with the fair and impartial application of the law, the performance of policing functions, the reporting of acts of corruption in and in connection with and the performance of policing functions and the establishment and strengthening of public confidence in police officers and police forces/services as part of the system of justice.

4.1.2 Such standards should accept that it is an obligation of the police force/service to seek out and effectively deal with corruption within the police force/service.

4.1.3 Such standards should impose an obligation on police officers and other employees of a police force/service to report to the appropriate person or authority acts or omissions, which constitute or may constitute corruption within the police force/service.

4.2 Setting up and maintaining effective mechanisms to oversee and enforce the high standards of conduct required in and in connection with the performance of policing functions;

Recruitment, posting, promotion and termination

4.3 Having and maintaining effective systems for the recruitment of police officers of high levels of integrity, honesty, ethical standards and expertise;

4.4 Ensuring that the systems for recruitment, posting, promotion and termination of police officers and other employees of the police forces/services are not arbitrary but are based on fairness, openness, ability and performance;

Training

4.5 Having a system for instructing police officers and others engaged in and in connection with the performance of policing function of the standards and ethical rules applicable to the performance of such functions;

4.6 Having and maintaining a system for the training, including on-going training, of police officers and other employees in the police forces/services which reinforces the high standards of conduct referred to in Article 4.1;

Corruption

4.7 Putting in place deterrents to the bribery of those performing or engaged in or in connection with the performance of policing functions;

4.8 Using their best endeavours to ensure that the mechanisms and systems for the prevention, detection, punishment and eradication of corruption in and in connection with the performance of policing functions in its police forces/services are kept abreast of current practice as recognized by the General Assembly of Interpol;

4.9 Having an effective system that obliges police officers and other employees of the police forces/services to report, enables them and members of civil society to report corruption and that protects those who report corruption in good faith;

4.10 Establishing mechanisms to encourage participation by civil society in activities and efforts to prevent corruption in the police forces/services;

4.11 Establishing and enforcing procedures for the declaration and registration of the income, assets and liabilities of those who perform policing functions and of appropriate members of their families;

Systems

4.12 Having and maintaining systems of revenue collection, money and property handling and for the

control and preservation of evidence that ensure that those collecting or handling public money, dealing with evidence or handling property are accountable and that the systems are such as to deter corruption;

4.13 Having and maintaining systems for the procurement of goods and services that are based on openness, efficiency, equity and certainty of the rules to be applied and that seek the best value for money;

Monitoring

4.14 Establishing a mechanism such as an oversight body or bodies to monitor the systems and measures established for preventing, detecting, punishing and eradicating corruption within the police forces/services and the adequacy, application and effectiveness of such systems and measures;

4.15 Conferring or causing to be conferred on a designated authority, whether internal or external, such powers to carry out investigations and bring to justice without fear or favour, affection or ill will those who engage in corruption and dishonesty in the course of or associated with the carrying out of policing functions and adequately resourcing and funding such authority;

4.16 Providing for a system for the recruitment of officers for such designated authority who are of high integrity and that ensures that such officers are not disadvantaged by recruitment to any such designated authority;

4.17 Providing adequate safeguards to prevent abuse of powers by those engaged in the anti-corruption system and to minimize unnecessary infringements of individual rights;

Review, reporting and research

4.18 Requiring public reporting at least once each year of the work and findings in relation to the monitoring of the systems and measures referred to in Article 4.14 and their adequacy, application and effectiveness;

4.19 On-going research in relation to current best practice for the prevention, detection, punishment and eradication of corruption in and in connection with the performance of policing functions;

4.20 Reviewing at appropriate and regular intervals the measures and systems for the prevention, detection, punishment and eradication of corruption in and in connection with the performance of policing functions;

General

4.21 Making corruption by a police officer or other employee of a police force/service a serious criminal offence;

4.22 Having legislation enacted to allow the proceeds of corruption and related crimes to be forfeited;

4.23 Bringing into being or causing to be brought into being such legislative, administrative and other measures as may be necessary to prevent, detect, punish and eradicate corruption in the police forces/services;

4.24 Taking all practicable steps to ensure that the rates of remuneration for police officers and other employees of the police forces/services are such as to enable them and their families to maintain a reasonable standard of living without having to resort to other employment or to corruption;

General Assembly

4.25 Reporting at least once each two years, or at such

shorter intervals as the General Assembly may resolve, on the measures taken and the mechanisms and systems in place to implement the standards set out in this protocol and the effectiveness of such mechanisms, systems and measures;

4.26 Permitting the monitoring by, and co-operating with, such person or persons as may be appointed by the Secretary General for the purpose of monitoring the mechanisms, systems and measures in place in relation to its police forces/services to achieve the objective and meet the standards referred to in this protocol and the effectiveness of such mechanisms, systems and measures.

Article 5

Review

The operation of this protocol shall be reviewed by the General Secretariat of Interpol on an ongoing basis and shall be the subject of a report to each session of the General Assembly that is held after the expiration of two years from the adoption of this protocol.



Aerial view of Aural Wildlife Sanctuary





Sawmill near the western boundary of the wildlife sanctuary, May 2004



Sawmill in valley west of Aural Mountain

## 18 REFERENCES

**1** The Forest Administration, formerly known as the Department of Forestry and Wildlife, restructured and changed its name in 2003.

**2** Cambodia Independent Forest Sector Review 2004, <http://www.cambodia-forest-sector.net/>.

**3** Cited in World Bank, 'Donors meet with Cambodian government to discuss concrete steps to reduce poverty', <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20050263~menuPK:34460~pagePK:64003015~piPK:64003012~theSitePK:4607,00.html>.

**4** Cited in Irene Berelowitch and Antoine Reverchon, 'The Stripping of Cambodia - Legal Loopholes Allow Plunder of Country's Precious Timber Resources', *Le Monde*, published in *Guardian Weekly* 25 June - 1 July 2004, p. 27.

**5** Global Witness interview with Forest Administration project staff, 2004.

**6** Col. DJ Mead (Ret.), 'Reforming the Royal Cambodian Armed Forces: Leadership is the Key', *Phnom Penh Post*, Jan 30-Feb 12 2004.

**7** Amy Kazmin, 'World Bank Cuts Cambodia Loan in Demobilisation Scandal', *Financial Times*, 9 July 2003.

**8** See, for example the European Union's Cotonou Agreement with African, Caribbean and Pacific recipients of development assistance. Article 9 (3) notes that good governance is the 'transparent and accountable management of human, natural, economic and financial resources for the purposes of equitable and sustainable development... Good governance... constitute(s) a fundamental element of this Agreement.'

**9** IMF, <http://www.imf.org/external/pubs/ft/expr/govern/govindex.htm>.

**10** A Global Witness article summarising the SAC conditions and the RGC's non compliance, can be found at <http://www.phnompenhpost.com/TXT/comments/c1301-1.htm>.

**11** World Bank, 'Structural Adjustment Credit - Release of the Second Tranche and Waiver of Two Conditions', 8 December 2003, [http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2003/12/09/000012009\\_20031209133633/Rendered/INDEX/27451.txt](http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2003/12/09/000012009_20031209133633/Rendered/INDEX/27451.txt).

**12** World Bank, 'Implementation Completion Report on a Credit in the Amount of SDR 21.9 million to the Kingdom of Cambodia for a Structural Adjustment Credit', June 2004, [http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2004/07/08/000012009\\_20040708130333/Rendered/PDF/28830.pdf](http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2004/07/08/000012009_20040708130333/Rendered/PDF/28830.pdf).

**13** World Bank, 'Cambodia Independent Forestry Sector Review - Comments and Proposals Going Forward', October 2004.

**14** UNDP, 'Cambodia in UNDP's 2004 Human Development Report', 16 July 2004, [http://www.un.org.kh/undp/index.asp?page=newsroom/pressreleases/2004/july/16072004\\_GHDR.asp&title=Press%20Releases](http://www.un.org.kh/undp/index.asp?page=newsroom/pressreleases/2004/july/16072004_GHDR.asp&title=Press%20Releases).

**15** JICA, <http://www.jica.org.kh/Good%20Governance.htm>.

**16** World Bank, 'Structural Adjustment Credit to Cambodia', 2000.

**17** World Bank, <http://www.worldbank.org/html/extdr/gc/governance/governance.htm>.

**18** World Bank, Governance and Anti-Corruption webpage, <http://www.worldbank.org/wbi/governance>.

**19** A summary of the SAC's aims can be found in World Bank, 'Implementation Completion Report on a Credit in the Amount of SDR 21.9 million to the Kingdom of Cambodia for a Structural Adjustment Credit', June 2004, [http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2004/07/08/000012009\\_20040708130333/Rendered/PDF/28830.pdf](http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2004/07/08/000012009_20040708130333/Rendered/PDF/28830.pdf).

**20** World Bank, 'Cambodia Corruption Diagnostic: Evidence from Citizen, Enterprise and Public Official Surveys', May 2000, [http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2004/09/23/000090341\\_2004](http://www-wds.worldbank.org/servlet/WDSContentServ er/WDSP/IB/2004/09/23/000090341_2004)

0923143650/Rendered/PDF/280190KH0Governance0and0corruption.pdf.

**21** Announcement made at the 2002 Consultative Group meeting of donors, cited by Coalition for Transparency Cambodia, <http://www.bigpond.com.kh/users/csd/ctc.htm>.

**22** World Bank, 'Productivity and Investment Survey' (PICS) 2003. Reported in World Bank, 'Cambodia: Seizing the Global Opportunity: Investment Climate Assessment and Reform Strategy for Cambodia', August 2004.

**23** World Bank, 'Investment Climate Assessment and Reform Strategy', 12 August 2004. Link to report at: [http://www-wds.worldbank.org/servlet/WDS\\_IBank\\_Servlet?pcont=details&eid=000160016\\_20040816105431](http://www-wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000160016_20040816105431).

**24** World Bank, 'Statement from Peter Stephens, Communications Manager for the East Asia and Pacific Region', August 4, 2004, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFIC/EXT/CAMBODIA/EXT/0,,contentMDK:20245714~pagePK:141137~piPK:141127~theSitePK:293856,00.html>.

**25** Personal communication from Dr J. Andrew McDonald, Plant Resources Center, University of Texas at Austin, September 2004.

**26** Cited in Alan Sipress, 'Illegal Logging Rife in Cambodia', *Washington Post Foreign Service*, February 16 2003.

**27** Global Witness interview with local official, Aural Wildlife Sanctuary, 2004.

**28** Global Witness interviews with RCAF personnel, Aural Wildlife Sanctuary, 2004.

**29** Global Witness interviews with local residents, Aural Wildlife Sanctuary, 2004.

**30** Global Witness investigations, Cambodia, 2004.

**31** Collection of "old logs" was the device most commonly used by illegal loggers during the late 1990s. Under this system, companies, military personnel and others would claim to have discovered quantities of old logs in the forest and request official permission to collect them. Upon receiving approval, they would log new areas and then extract the fresh-cut logs, claiming that they were "old". In 1998, a report for the World Bank estimated that illegal "old log" collection accounted for more than 90% of logging in Cambodia in 1997. In recognition of the gravity of the problem, Prime Minister Hun Sen prohibited the further issuing of "old log" collection permits in January 1999, as part of his Declaration Number One on forest sector reform. This has not stopped loggers from continuing to use "old log" collection as the pretext for illegal felling, often with the connivance of local government and the Forest Administration.

**32** Global Witness interviews with timber traders, Aural Wildlife Sanctuary, 2004.

**33** Global Witness interviews with loggers, Aural Wildlife Sanctuary, 2004.

**34** Global Witness interviews with timber industry workers, Aural Wildlife Sanctuary, 2004.

**35** Ministerial Declaration, Forest Law Enforcement and Governance / East Asia Ministerial Conference, Indonesia, 11-13 September 2001.

**36** Global Witness interviews with local officials; investigations, 2004.

**37** Global Witness interview with conservation project staff, 2004.

**38** Global Witness interviews with timber traders and RCAF personnel, Aural Wildlife Sanctuary, 2004.

**39** Forest Administration and Danida Cambodia Tree Seed Project, 'Forest Gene Conservation Strategy, Part A: Conservation of Forest Genetic Resources', December 2003.

**40** Global Witness interview with timber trader, 2004.

**41** Global Witness interviews with local officials and RCAF personnel, Aural Wildlife Sanctuary, 2004.

**42** Global Witness interviews with local officials, RCAF personnel and timber industry workers, Aural Wildlife Sanctuary, 2004.

**43** Aural District Environment Agency Office

List of Forest and Wildlife Crime Perpetrators', dated 18 December 2003.

**44** Thet Sambath and Solana Pyne, 'Om Yentieng's Wife' Implicated in Timber Deal', *The Cambodia Daily*, 16 April, 2004.

**45** Global Witness interviews with local officials, Aural Wildlife Sanctuary, 2004.

**46** Global Witness investigations, Aural Wildlife Sanctuary, 2004.

**47** Global Witness interviews with timber traders, Kompong Speu province, 2004.

**48** Global Witness interviews with timber traders and loggers, Aural Wildlife Sanctuary, 2004.

**49** Gottesman, E. 2004, 'Cambodia After the Khmer Rouge', Chiang Mai, Thailand, Silksworm Books, pp. 229-31, 288, 295-299, 327.

**50** Global Witness interviews with RCAF personnel, 2004.

**51** Global Witness document.

**52** Global Witness interviews with RCAF personnel, local officials and timber traders, Aural Wildlife Sanctuary, 2004.

**53** 'Report on anarchic forest activities - document #133 Ro Bor', prepared by Aural District authorities, dated 3 June 2004.

**54** Global Witness investigations, May-June 2004.

**55** Global Witness interviews with RCAF personnel, local officials and timber traders; investigations, Aural Wildlife Sanctuary, 2004.

**56** 'Information on dismissal of seven soldiers from Battalion 313', dated 1 June 2004.

**57** 'The Credibility Gap - and the Need to Bridge it', Global Witness, May 2001, p.30.

**58** Global Witness interviews with RCAF personnel, police and local officials, Aural Wildlife Sanctuary, 2004.

**59** Global Witness interviews with RCAF personnel and local officials, 2004.

**60** Global Witness interviews with RCAF personnel; investigations, Aural Wildlife Sanctuary, 2004.

**61** Global Witness interviews with RCAF personnel and timber traders, 2004.

**62** Gottesman, E. 2004, 'Cambodia After the Khmer Rouge', Chiang Mai, Thailand, Silksworm Books, pp. 332-333, 349.

**63** Global Witness interview with member of the diplomatic community, Phnom Penh, 2004.

**64** Global Witness interviews with RCAF personnel, timber traders and local residents 2004.

**65** Global Witness interviews with RCAF personnel and local residents, 2004.

**66** Solana Pyne and Van Roen, 'NGOs: Soldiers Joined Attacks on Park Rangers', *The Cambodia Daily*, 25 March 2004.

**67** Personal communication from conservation project staff, 2004.

**68** Global Witness interviews with local residents; investigations, Aural Wildlife Sanctuary, 2004.

**69** Thet Sambath, 'Judge Says Drug Bust Investigation Continues', *Cambodia Daily*, 23 October 2003.

**70** Global Witness interviews with RCAF personnel; investigations, 2004.

**71** Global Witness interviews with RCAF personnel and local residents, Aural Wildlife Sanctuary, 2004.

**72** Global Witness interviews with conservation project staff and local residents, Aural Wildlife Sanctuary, 2004.

**73** Global Witness interviews with RCAF personnel and police, 2004.

**74** Global Witness interviews with RCAF personnel and timber traders; investigations, 2004.

**75** Khun Thong previously worked as a subcontractor to the Everbright and Kingwood logging concessionaires. More recently, he has taken a leading role in the illegal transportation and processing of logs cut in Tumring commune, Kompong Thom - the site of a controversial rubber plantation development situated on forestland. Khun Thong's business partners are two other well-connected logging subcontractors; Dy Chouch and his wife Seng Keang. Dy Chouch, the cousin of Prime Minister Hun Sen, is commonly known by the name 'Hun' Chouch.

**76** Global Witness interviews with RCAF personnel, timber traders and local residents, Aural Wildlife Sanctuary, 2004.

**77** Global Witness interviews with timber traders, Pursat province, 2004.

**78** Thet Sambath and Solana Pyne, 'Om Yentieng's Wife' Implicated in Timber Deal', *The Cambodia Daily*, 16 April, 2004.

**79** Solana Pyne and Thet Sambath, 'Official Accused of Violating Forestry Law', *The Cambodia Daily*, 25 June 2004.

**80** Global Witness interviews with local residents, Kompong Speu province, 2004.

**81** Submission to Chief of Kompong Speu Provincial Court, 24 April 2004; Submission to Chief of Kompong Speu Provincial Court, 30 April 2004.

**82** Report by Chief of Trapeang Chou Police Post, Mr Nove Norn and Trapeang Chou Commune Chief Chy You, 20 May 2004; Report by Chief of O-Taong village, Hour Sok Khom and Trapeang Chou Commune Chief Chy You, 20 May 2004.

**83** Global Witness investigations, June 2004.

**84** Thet Sambath and Solana Pyne, 'Court Decides Not to Charge Forestry Official', *The Cambodia Daily*, 16 July 2004.

**85** Global Witness investigations, 2003-2004.

**86** Global Witness interviews with Forest Administration staff and RCAF personnel, 2004.

**87** Global Witness investigations, May 2004.

**88** Global Witness interviews with local officials and police, Kompong Speu, 2004.

**89** Global Witness interviews with police and timber traders, 2004.

**90** Global Witness interviews with police and timber traders, Pursat province, 2004.

**91** Letter from Kompong Speu governor No. 023 Or Bor Khor, 5 February 2003.

**92** Global Witness interviews with local officials and residents, Aural Wildlife Sanctuary, 2004.

**93** Global Witness interviews with timber traders and local residents, Aural Wildlife Sanctuary, 2004.

**94** Global Witness investigations, July 2004.

**95** Global Witness interviews with timber traders, 2004.

**96** Global Witness interview with conservation project staff, 2004; 'Aural District Environment Agency Office list of Forest and Wildlife Crime perpetrators', dated 18 December 2003.

**97** Global Witness investigations; interviews with timber traders and local residents, Aural Wildlife Sanctuary, 2004.

**98** See, for example, Global Witness, 'The Untouchables', December 1999, p.17.

**99** Global Witness interviews with timber trade workers, 2004.

**100** Youry Saco Sustainable Forest Management Plan, April 2004.



Global Witness is a British based non-governmental organisation which focuses on the links between environmental and human rights abuses, especially the impacts of natural resource exploitation upon countries and their people. Using pioneering investigative techniques Global Witness compiles information and evidence to be used in lobbying and to raise awareness. Global Witness' information is used to brief governments, inter-governmental organisations, NGOs and the media.



global witness

## Global Witness' previous publications

Also available on our website: <http://www.globalwitness.org>

- "The Key to Kimberley: Internal Diamond Controls, Seven Case Studies"**  
published October 2004. Produced in association with Partnership Africa Canada.
- "Rich Man Poor Man Development Diamonds and Poverty Diamonds. The potential for change in the artisanal alluvial diamond fields of Africa."**  
published October 2004. Produced in association with Partnership Africa Canada.
- "Déjà vu Diamond Industry Still Failing to Deliver on Promises."**  
published October 2004. Produced in association with Amnesty International.
- "Rush and Ruin The Devastating Mineral Trade in Southern Katanga, DRC."**  
published September 2004
- "Resource – Curse or Cure? Reforming Liberia's government and logging industry."**  
published September 2004
- "Same Old Story A background study on natural resources in the Democratic Republic of Congo."**  
published June 2004
- "Liberia – Back To The Future What is the future of Liberia's forests and its effects on regional peace?"**  
published May 2004
- "Broken Vows Exposing the "Loupe" Holes in the Diamond Industry's Efforts to Prevent the Trade in Conflict Diamonds"**  
published March 2004
- "Time for Transparency Coming clean on oil, mining and gas revenues."**  
published March 2004
- "A Conflict of Interests – The Uncertain Future of Burma's Forests"**  
published October 2003
- "For a Few Dollars More – How al Qaeda Moved into the Diamond Trade"**  
published April 2003
- "The Usual Suspects – Liberia's Weapons and Mercenaries in Côte d'Ivoire and Sierra Leone – Why it's Still Possible, How it Works and How to Break the Trend"**  
published March 2003
- "Logging Off – How the Liberian Timber Industry Fuels Liberia's Humanitarian Disaster and Threatens Sierra Leone"**  
published September 2002
- "Deforestation without limits – How the Cambodian Government Failed to Tackle the Untouchables"**  
published July 2002
- "All the Presidents' Men – The Devastating Story of Oil and Banking in Angola's Privatised War"**  
published March 2002
- "Branching Out – Zimbabwe's Resource Colonialism in Democratic Republic of Congo"**  
published February 2002
- "Can Controls Work? – A Review of the Angolan Diamond Control System"**  
published December 2001
- "Taylor-made – The Pivotal Role of Liberia's Forests and Flag of Convenience in Regional Conflict"**  
published September 2001

- "The Credibility Gap – and the Need to Bridge It – Increasing the pace of forestry reform"**  
published May 2001
- "Review of the Sierra Leone Diamond Certification System and Proposals and Recommendations for the Kimberley Process for a Fully Integrated Certification System (FICS)"**  
published April 2001
- "Conflict Diamonds – Possibilities for the Identification, Certification and Control of Diamonds"**  
published June 2000
- "Chainsaws Speak Louder Than Words"**  
published May 2000
- "Timber Takeaway – Japanese Over-consumption – the Forgotten Campaign"**  
published March 2000
- "The Untouchables – Forest Crimes and the Concessionaires – Can Cambodia Afford to Keep Them?"**  
published December 1999
- "A Crude Awakening – The Role of the Oil and Banking Industries in Angola's Civil War and the Plundering of State Assets"**  
published December 1999
- "Made in Vietnam – Cut in Cambodia How the Garden Furniture Trade is Destroying Rainforests"**  
published April 1999
- "Crackdown or Pause – A Chance for Forestry Reform in Cambodia?"**  
published February 1999
- "A Rough Trade – The Role of Companies and Governments in the Angolan Conflict"**  
published December 1998
- "Going Places – Cambodia's Future on the Move"**  
published March 1998
- "Just Deserts for Cambodia – Deforestation & the Co-Prime Ministers' Legacy to the Country"**  
published June 1997
- "A Tug of War – the Struggle to Protect Cambodia's Forests"**  
published March 1997
- "Cambodia, Where Money Grows on Trees – Continuing Abuses of Cambodia's Forest Policy"**  
published October 1996
- "RGC Forest Policy & Practice – the Case for Positive Conditionality"**  
published May 1996
- "Corruption, War & Forest Policy – the Unsustainable Exploitation of Cambodia's Forests"**  
published February 1996
- "Thai-Khmer Rouge Links & the Illegal Trade in Cambodia's Timber"**  
published July 1995
- "Forests, Famine & War – the Key to Cambodia's Future"**  
published March 1995

## ACKNOWLEDGEMENTS

Global Witness would like to acknowledge the organisations and individuals that have generously contributed to this report. They know who they are.

The conclusions in this report are based on results from Global Witness' use of i2 Limited's award-winning software, which is used as standard by enforcement and intelligence agencies worldwide. The software allows organisations to undertake complex investigations involving huge and varied datasets, providing visualisation and analysis tools which are used by 1500 organisations in 90 countries. i2 Limited has very generously supplied this software to Global Witness, along with intensive support and consultancy.



This report is the copyright of Global Witness Publishing Inc., and may not be reproduced in any form without the written permission of the organisation, except by those who wish to use it to further the protection of human rights and the environment.

Global Witness Publishing Inc.  
8th floor, 1120 19th Street NW  
Washington DC 20036

Printed on 100% unbleached recycled paper.



ISBN 0-9753582-7-8





Global Witness Ltd, P O Box 6042, London, N19 5WP, United Kingdom  
telephone: + 44 (0)20 7272 6731 fax: + 44 (0)20 7272 9425  
e-mail: [mail@globalwitness.org](mailto:mail@globalwitness.org) <http://www.globalwitness.org>  
ISBN 0-9753582-7-8