



Kingdom of Cambodia
Nation – Religion – King

Council of Ministers
No. 1088 **SCN**

Phnom Penh, 06 July 2005

NOTIFICATION

on the Result of the Meeting between the Royal
Government of Cambodia and Development Partners
30 June 2005

3

On 30 June 2005, 8:30 am, at the Council of Minister, a “close door” meeting was held between the RGC and the development partners presided over by Samdech Hun Sen, Prime Minister of Cambodia, in order to monitor and search for solution on the issues of land management, economic concession land and the public release of concerning information to main stakeholders on the approved concession contracts and the concern of the forest management which has not been addressed in the third meeting of the Government-Donors Coordination Committee (GDCC) that was held at the Government Palace on 14 June 2005.

After the remarks made by Lok Chumtiev, Representative of the World Bank, His Excellency German Ambassador and Japanese Ambassador, and the explanation of His Excellency Senior Minister of MLMUPC, and His Excellency Minister of MAFF, the RGC has introduced a number of measures as the followings:

1. Reporting and Releasing Information to the Public

Delegate the tasks to Ministry of Agriculture, Forestry, and Fisheries (MAFF) and Ministry of Land Management, Urban Planning, and Construction (MLMUPC) in order to report on the economic concession land concerning to size of land concession, location, name of company, period of concession and other important items to development partners, the RGC, and the public. This aims at providing information to investors, to facilitate cooperation between institution and institution, and to avoid providing false information which leads to confusion and concern from the development partners.

2. Management of Private Property of the State

Delegate the tasks to Council of Ministers to monitor the implementation of regulations of the RGC No. 02 **bb** dated on 13 June 2005 on the strengthening management of state property, and then report to the head of the RGC.

3. Economic Concession Land

Decide to authorize the investment on land without any necessary to wait for the sub-decree on economic concession land. This is because the suspension of investment on the land has caused a number of problems such as the worn-out forest land has been abandoned, deforestation without anyone being held responsible, land encroachment, and loss of confidence from existing investors that have already spent their capital to do the feasibility study.

However, the authorization of the investment on the land has to attach with four conditions as the followings:

1. The investment shall not affect farmers' land. If there is any harm, the land should be excluded from the project.
2. To reverse land for the growth of people in the area in accordance with population's growth rate 2.4% per annum.
3. To allow people to benefit from the investment on the land such as, benefit of infrastructure, road, hospital, canal, and school etc. People can integrate their crop into the investment farming and they should have job in the agro-industrial farm or in the agricultural processing factory.
4. All agreements between MAFF and CDC with the investing company shall have a clause stated that "In the case of conflict on land between the investment and the people, the authorities have to free the land in order to solve and protect people's interest. If there is a conflict on land between the military unit and the people, the priorities shall be given to the people.

All investments which is to plant processing trees or has the purpose to plant trees for business shall fall in the same regulatory framework. At the same time, MLMUPC has to cooperate with the Council of Ministers, ministries and other concerning institutions to prepare a draft sub-decree on the management of state land, and a sub-decree on economic concession land as soon as possible.

4. Issues on Forest Management

- a. **Forest Concession:** although sustainable forest management plan has been reviewed, it is no hurry to allow concession companies that have still been operational to start cutting trees again. This is because it can contribute to anarchy in cutting trees in the forest exceeding permission, and the transportation of logs could damage bridges and roads.
- b. **Timbers for Domestic Consuming:** try to find a solution to supply timbers for domestic consuming such as building pagodas, building houses, use for firewood through setting forest coup and introducing bidding of the coup. It is not allowed to use roads and bridges to transport logs, but it is allowed to have sawmill in the coup location that has already been procured, and store to sell processing woods has to be determined with a clear procedure in order to avoid any anarchy.

5. Other Businesses

- Delegate the task to MAFF and MLMUPC to report to the development partners for information on the status of the number of forest concession companies which have still been operational, and the forest concession companies which have so far been canceled.

- Appeal for the development partners to continue to support building of irrigation system to improve the agriculture production and to expand to the capacity of livestock farming in the aim of reducing the cutting of forest for agricultural cultivation.

After receiving this notification, ministries, institution and local authorities shall pay attention to implement all the above.

Deputy Prime Minister,
Minister of Council of Ministers

SOK AN

C.C.

- Ministry of Royal Palace
- General Secretariat of Senate
- General Secretariat of Assembly
- Ministries, Secretariats and relevant institutions
- Cabinet of Samdech Prime Minister
- Cabinet of Samdech and Excellencies Deputy Prime Minister
- General Secretariat of the Royal Government
- Municipalities, Provincial Offices
- All departments under Council of Ministers
- File

No. 198 គ.កសក

Having copied from the original copies and
submitted to:
Excellencies, Directors under the Ministry of
Agriculture, Forestry and Fisheries.

"For Acknowledgement"

Phnom Penh, 13 July 2005
For Minister
Director General

KUM SARON