



PRESS RELEASE:

WORLD BANK PROJECT TIED TO FORCED EVICTIONS IN CAMBODIA

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The World Bank Board of Executive Directors met yesterday to decide what action to take in light of the findings of the Bank's Inspection Panel that a \$28.8 million land titling project in Cambodia flagrantly disregarded Bank policies, leaving more than 20,000 people facing forced eviction from their homes in central Phnom Penh.

The Panel found that the Bank breached its operational policies by failing to properly design and supervise the Cambodia Land Management and Administration Project (LMAP). These failures contributed to the forced eviction of some 4,250 families living around Phnom Penh's iconic Boeung Kak Lake. Residents were unfairly denied the right to register their land ownership shortly before the government leased the area to a private developer and began a campaign of intimidation and pressure to force families living in the area to leave.

Some 2,000 families have already been evicted and forced to accept a fraction of the market values of their property. Last Tuesday, the remaining 10,000 people living around the lake were served with a seven-day deadline to accept the compensation on offer or face bulldozers and get nothing.

Rights groups and the Boeung Kak residents who filed the complaint with the Inspection Panel are calling upon the World Bank and bi-lateral LMAP development partners, Germany, Canada and Finland, to work with the Cambodian government to stop the forced evictions and provide a fair deal for Boeung Kak residents.

"The Board of the World Bank should support the Inspection Panel report and pressure the Government of Cambodia to respect the human rights of residents who are affected by the Boeung Kak lake development project," said Tep Vanny, a Boeung Kak community leader. "We are facing imminent eviction and daily human rights abuses and we need immediate intervention," she added.

Sia Phearum, Secretariat Director of the NGO coalition Housing Rights Task Force, stated: "The Inspection Panel's findings demonstrate a genuine commitment to truth, rule of law and accountability, which are too often denied to the Cambodian people. We now look to the World Bank Board to do everything in its power to uphold these basic principles and finally bring a measure of justice to those being illegally evicted from their homes."

Bret Thiele, COHRE's Senior Expert for Litigation and Legal Advocacy, added "we welcome the Panels' reliance on widely accepted international standards, including human rights standards."

The LMAP was established with the stated aim of improving security of tenure for the poor and reducing land conflicts in Cambodia by systematically registering land and issuing titles across the country. However, the Panel found that many poor and vulnerable households have

been arbitrarily excluded from the titling process, denying them an opportunity to claim and formalize their land rights. Rights groups say that this exclusion has denied these households protection against land-grabbing and adequate compensation for their expropriated land, often thrusting them into conditions of extreme poverty.

Despite strong evidence to prove their legal rights to the land, Boeung Kak residents were excluded from the titling system when land registration was carried out in their neighborhood in 2006. Shortly thereafter, the Cambodian Government granted an illegal 99-year lease over the area to Shukaku Inc, a company chaired by Lao Meng Khim, a Senator from the ruling Cambodian People's Party and close associate of Prime Minister Hun Sen. Residents of the area covered by the lease – many of whom have lived lawfully in the area since the fall of the Khmer Rouge regime in 1979 - were suddenly accused by the Government of being illegal squatters on State-owned land.

The Inspection Panel also found that the Bank breached its operational policies by failing to supervise the Government's implementation of social and environmental safeguards tied to the project that were intended to ensure that a Boeung Kak scenario would not unfold. In particular, a Resettlement Policy Framework was included in the LMAP loan agreement between the World Bank and the Cambodian Government, which established a fair process for resettlement and compensation of people found to be residing on State land.

The World Bank acknowledged in August 2009 that the Involuntary Resettlement safeguards had been breached and approached the Cambodian Government to discuss measures to bring the project back into compliance. The Government responded by abruptly ending its agreement with the World Bank on LMAP, citing the Bank's "complicated conditions" as the reason for its move. Since that time, the Cambodian Government has rebuffed all World Bank attempts to remedy the situation and forced evictions in the Boueng Kak area have continued unabated.

Rights groups noted that the World Bank was implicated in forced evictions in a similar case in Albania in 2009. Following a damning report by the Inspectional Panel, World Bank President Robert Zoellick declared that, "the Bank would move promptly to strengthen oversight, improve procedures and help the [affected] families." Zoellick added: "The Bank cannot let this happen again."

"We welcome Bank Management's recent attempts, under the leadership of President Zoellick, to help the families who have been harmed by LMAP," said David Pred, Executive Director of Bridges Across Borders Cambodia, noting that the Cambodian Government has blocked each and every attempt. "Now is the time," Pred continued, "for the Board to authorize the President to take decisive action and make it clear that the World Bank is more concerned about accountability and fighting poverty than it is about preserving its relationships with corrupt client states."

The full Inspection Panel report is available online at:

http://www-wds.worldbank.org/external/default/WDSCContentServer/WDSP/IB/2010/12/01/000334955_20101201025955/Rendered/PDF/580160INVR0INS1se0only1910BOX353791.pdf

The World Bank Management Response is available at:

http://siteresources.worldbank.org/EXTINSPECTIONPANEL/Resources/MRaR_CAMBODIA_LMAP.pdf

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