

Cambodian Companies Tied to Abuses Promoted by UN Program, Rights Group Alleges

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Asia-Pacific Research, June 12, 2024

[Mongabay](#) 5 June 2024

Region: [South-East Asia](#)

Theme: [Justice](#), [United Nations](#)

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The United Nations Development Programme's internal watchdog is reviewing a complaint that a project led by the agency is platforming companies linked to human and environmental rights abuses.

Local rights group Licadho had as early as December 2022 flagged the UNDP's SDG Impact - Private Sector Capital project, which aims to assist in facilitating investment in Cambodian companies.

Several of the companies promoted as "investment opportunities" by the project are linked to government and business bigwigs with track records of deforestation, illegal logging and forced evictions.

Licadho said there was "no meaningful due diligence" by the UNDP in selecting the companies to promote, and that the project "lend[s] reputational support to companies with documented involvement" in issues as serious as child labor and trafficking in persons, among others.

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A rights group in Cambodia has accused a United Nations project of promoting private sector actors tied to human rights and environmental abuses.

The U.N. Development Programme's [SDG Impact - Private Sector Capital project](#) includes

the [SDG Investor Platform](#) and [Cambodia SDG Investor Map](#), which aim to assist in facilitating investment in Cambodian companies.

The complaint, filed by the organization Licadho, alleges a failure in the UNDP's due diligence prior to establishing the project, resulting in companies alleged of abusing rights and environmental crimes being listed as potential investment opportunities.

“UNDP selected private sector actors and categorized them as ‘partners’ for the project, lending reputational support to companies with documented involvement in coerced land sales, forced evictions, deforestation of protection areas and Indigenous lands, child labor, trafficking in persons, and other harms,” Licadho [wrote in a May 24 statement](#).

Licadho is representing victims, whose identities have not been revealed, in the complaint that was filed with the UNDP's Social and Environmental Compliance Unit (SECU) on March 6.

“Licadho raised concerns both in-person and over email about aspects of this project as far back as December 2022,” said Naly Pilorge, Licadho's outreach director. “UNDP Cambodia representatives responded that the project did not fall under UNDP's due diligence policies, leaving us no other option but to proceed with a formal complaint. We strongly disagree with UNDP Cambodia's assessment that this does not fall under their due diligence policies, and we hope the SECU will clarify this issue as part of their investigation.”

The [internal compliance body reported](#) on May 9 that Licadho's complaint was eligible for review, starting with discussions between the SECU and the complainants, as well as UNDP staff. The UNDP's [own due diligence policies](#) forbid the agency from engaging with private sector actors known to be involved in human rights abuses, whether directly or indirectly, or with companies “incompatible with UNDP's vision, mission and values.”

According to the [SDG Investor Platform's call for applications](#), due diligence was expected to be performed during the final selection for Cambodian applicants in mid-February 2024.

A representative from the SECU told Mongabay that “We are in the preliminary stages of our investigation, and it is too soon to discuss potential findings,” noting that the investigation will adhere to [the unit's guidelines](#) and that updates can be found within the [case registry](#).

The UNDP's Cambodia office didn't answer specific questions sent by Mongabay, instead saying the Cambodia SDG Investor map “published in August 2022, was a one-off study designed to explore investment opportunities in key sectors” related to the U.N.'s Sustainable Development Goals.

Adding that the investor map was developed through “broad consultations,” the UNDP said that “The list of entities included in the report are stakeholders in those key sectors, and UNDP does not necessarily engage with any of them.”



Directly opposite Santana Agro's factory, the Chi Ouk Boeung Prey community protected area has been ravaged by loggers that the community said were brought in by the cashew company. Image by Gerald Flynn / Mongabay.

The Company You Keep

None of the companies alleged to have committed abuses have been named by Licadho, the UNDP or the SECU. But among the 72 listings across 15 "investment opportunities areas" on the Cambodia SDG Investment Map, certain names jump out.

Among them, cashew producer Santana Agro Products remains [listed on the SDG Investor Platform](#).

Mongabay has [previously reported on the clearing of forest](#) in Preah Vihear province within both an Indigenous-managed community protected area and a nationally managed wildlife sanctuary that was linked to Santana Agro. Satellite imagery shows that between February this year — when Mongabay first reported illegal logging activity in the Chi Ouk Boeung Prey community protected area — and May, further logging has all but destroyed the forest.

Santana Agro is headed by Ouk Kimsan, the [former right-hand man of infamous illicit timber trader Try Pheap](#).

Now the deputy governor of Preah Vihear province, Kimsan denied any wrongdoing when initially interviewed in February and maintained his innocence in May.

"I do not understand about this case," he said in response to questions about Licadho's complaint against the SDG Investor Platform that Santana Agro was listed on. "I [know] what Mongabay posted is wrong."

Kimsan confirmed he had acquired land through an agreement with the Chi Ouk Boeung Prey community council and had cleared the protected forest, but said this wasn't illegal, despite [Cambodian law](#) preventing communities from selling, leasing or clearing community protected areas. He also conceded to owning a roughly 700-hectare (1,730-acre) chunk of forest in Beng Per Wildlife Sanctuary, where satellite imagery shows fresh deforestation that resembles a new economic land concession spanning some 3,100 hectares (7,660 acres). Kimsan said the protected forest had been awarded to private individuals who are planting cassava and rubber — products that Santana Agro sells. However, Kimsan said he didn't know whom this land had been awarded to, despite the newly cleared plots abutting his own.

"[The] country has law[s]. If Santana does it illegally. Santana will be enforced by law," he said.



A vast chunk of protected forest is being carved out of Beng Per Wildlife Sanctuary. Sources claim Santana Agro is responsible. Image by Gerald Flynn / Mongabay.

Invest in the Infamous

Another notable name that features on the UNDP's Cambodia SDG Investor Map is Phea Pimex Asia Forestry Investment Group, a company founded in 2010 by Hun Mana, daughter of former prime minister Hun Sen, and [Lau Yao Zhong, son of two of Cambodia's most powerful tycoons](#), Lau Meng Khin and Choeung Sopheap.

[Dubbed the "power couple"](#) behind the ruling Cambodian People's Party (CPP), husband Meng Khin has been a CPP senator since 2006 while wife Sopheap chairs the Pheapimex Group, a company [directly linked to illegal logging across the country, forced evictions at Boeung Kak Lake](#), and the [infamous Cheay Areng hydropower project](#).

At one point the couple [retained rights to roughly 7% of Cambodia's landmass](#). Today, they

still own [an economic land concession](#) that stretches more than 33 times the legal 10,000-hectare (24,700-acre) limit.

Phea Pimex Asia Forestry Investment Group has, since 2017, been headed by Liu Wei, a close business associate of Meng Khin. Wei and Meng Khin [formerly ran Wuzhishan L.S Group together](#), a company also linked to [forced evictions and illegal logging](#). Wuzhishan is now controlled by Yao Zhong, Meng Khin's son.

But this isn't the only connection to Pheapimex among the companies listed in the Cambodia SDG Investor Map.

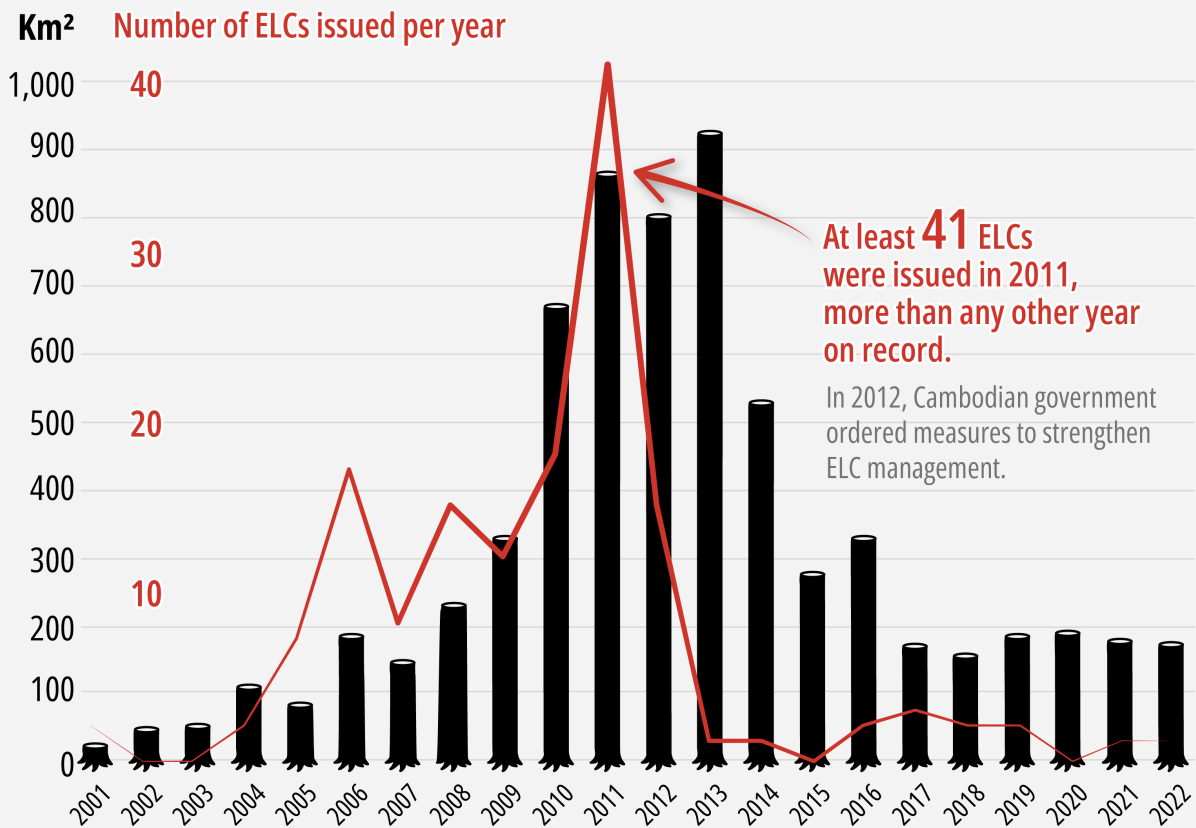
Green Leader is listed as a private sector actor in the "sustainable agriculture" section of the SDG Investor Platform, but the company ([formerly North Asia Resources](#)) is a subsidiary of Asia Tian Guan Agriculture Group, which [lists as its chairman Guan Dao Fei](#) — a business partner of Wei from Phea Pimex Asia Forestry Investment Group.

Wei and Guan were majority shareholders of [Asia Tian Guan Agriculture Group in 2017, when the company partnered with Pheapimex](#), leasing 21,000 hectares (51,900 acres) of the conglomerate's 333,327-hectare (823,669-acre) concession in Pursat province for a cassava plantation in 2017 — just months before Green Leader was incorporated in Cambodia.

Representatives of Pheapimex and Phea Pimex Asia Forestry Investment Group couldn't be reached for comment.

Primary Forest cover loss

within Economic Land Concessions (ELCs) issued across Cambodia



Sources: Cambodian League for the Promotion and Defense of Human Rights (Licadho)
Cambodian Ministry of Agriculture, Forestry and Fisheries; Global Forest Watch



Primary forest loss across known economic land concessions in Cambodia spiked at roughly the same time that the government was issuing record numbers of concessions, mostly to foreign investors and political allies. Image by Andrés Alegría / Mongabay.

UNnamed

Neither Santana Agro nor Pheapimex or its associated business connections were named by Licadho or the U.N. as the cause of the complaint, but the allegations facing each have long been well-documented.

Beyond these businesses, a range of microfinance institutions were also promoted by the UNDP as a means to enhance access to finance, which the SDG Investor Platform detailed as assisting in SDGs aimed at eradicating poverty, promoting industry, decent work and growth, as well as reduced inequality. But besides [allegations of predatory lending](#), coerced land sales and compounding household debt, [microfinance lenders such as Amret and Prasac in Cambodia have been accused of stymying Indigenous land rights](#).



Royal Group's SEZ under construction in Botum Sakor National Park as of May 2023. Image by Gerald Flynn / Mongabay.

Another business listed as primed for investment by the SDG Investor Platform is Northbridge International School Cambodia, which, in 2018, [listed ties to Royal Group chairman Kith Meng](#), a powerful tycoon that has been linked to [large-scale illegal logging operations](#), the [displacement of Indigenous communities](#), and the [wholesale destruction of Botum Sakor National Park](#).

Royal Group also owns and operates Southbridge International School, a separate though similarly named private school. Northbridge International School Cambodia didn't respond to requests to clarify its relationship to Royal Group or Kith Meng.

"It is clear that there was no meaningful due diligence around the selection of these companies, and this is absolutely unacceptable," said Pilorge of Licadho. "In our view, the highlighting of some of these companies as 'partners' does not comply with UNDP's own policies and ignores systemic human rights concerns."

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Featured image: Chun Seiha, member of the Indigenous Kuy community in Preah Vihear province, shows where Santana Agro have been logging of the Chi Ouk Boeung Prey community forest.

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