



# The Phnom Penh Post

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Successful People Read The Post

4000 RIEL

**Acid-attack support group cuts services**

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**An absurd proposal for asylum seekers**

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A man fires up a chainsaw in a village in Preah Vihear province. Villagers in three districts have been clearing areas of forest at will for timber exports. MAY TITTHARA

## NEC reform agreed on, Rainsy says

Meas Sokchea and Kevin Ponniah

PRIME Minister Hun Sen and opposition leader Sam Rainsy spoke on the phone for nearly an hour yesterday and have reached a “good agreement” on National Election Committee reform, Rainsy said, paving the way for a deal that could soon see the Cambodia National Rescue Party end its more than six-month long parliamentary boycott.

According to Rainsy, only one point remains to be decided between the two leaders – the date of an early national election – but the CNRP leader is “cautiously optimistic” that the ruling party will respond positively to his party’s latest proposal, the date of which he declined to specify.

A senior Cambodian People’s Party official said yesterday that his party was open to a deal that could see the election moved forward a few months for logistical purposes.

“We have moved forward. We have

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# A logging free-for-all

May Titthara  
Preah Vihear province

## P Vihear villagers ‘levelling forest’ for MDS

THE scale of mass logging in once-dense woodlands in Cambodia’s north now more closely resembles the free-for-all of a gold rush than the sustainable forestry more often associated with these communities.

With the financial backing of powerful businessmen, villagers in three districts of Preah Vihear are clearing at will, transporting the logs on

homemade tractors to their houses, ready for Try Pheap’s MDS Import Export Co Ltd to carry them to the border with Vietnam.

Pheap has a licence to collect and transport timber impounded by Forestry officials in the province and logs cleared from economic land concessions. But the licence does not permit his company to pay villagers to log in community forests.

Nearly every household here has at least one chainsaw at the ready for the daily harvest. In two months, MDS will move its operations to another province – Stung Treng – as it becomes less profitable to continue the trade here.

The tractors, overlaid with rare *thnong* wood, travel freely in Chey Sen district’s Thmear commune, unhindered by security forces and officials.

“The boss comes to buy timber at people’s homes, and they spray paint a notification of purchase,” says Thong Kosal, a resident protesting against the logging in one village in the commune.

“But I do not know what it [the paint] says, because it is written in French. At night, after they collect it, they will transport it from the village.”

Kosal says a representative of MDS

came to the village, asking them to go into the forest and clear as much as possible. Traders from the company arrive in the evening to weigh and price the stacks of wood piled under each house.

Villagers say the authorities are tolerating this great rush to log Preah Vihear because they have been bought off by the company.

“Since before and after the election results, Try Pheap and his representative

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## National

# Flood repair bill under estimate

Sen David

THE National Committee for Disaster Management (NCDM) released a report yesterday showing that only \$356 million was spent on the restoration of infrastructure destroyed by last year's floods – far below the \$500 million in damage estimated beforehand.

Nhim Vanda, vice chairman of the NCDM, said that after the floods receded, the committee anticipated \$500 million in damage, but that reports showed a much lower repairs bill across the country once local authorities had completed the restorations.

"We saw that we lost so much in the flood damage in 2013, [but] we found that only \$356 million was spent [after we restored the infrastructure]."

The report studied the social, economic and infrastructure sectors in order to assess the costs of the clean-up.

About 1.8 million people in 20 provinces were affected by the waters last year, 168 of whom were killed, Vanda said.

More than 1,000 schools, 78 hospitals and health centres,

as well as other buildings and roads were destroyed. More than 120,000 hectares of rice fields and other crops were also damaged, he added.

Farmer Chan Veasna recounted the devastation the floods inflicted on his house and crops in Battambang's Bavel district.

"After my farm was damaged, I started to grow anew, but [I'm still awaiting] the result. That is why now I must find a job as a labourer in another country to support my family and build a new house in my homeland."

NCDM also called on local authorities to prepare for the floods looming this year, and to educate the population on precautions to avoid similar damage as past seasons.

Kong Sok, a commune chief in Poipet, said that Banteay Meanchey was the province most severely affected by last year's floods, but that its infrastructure was now restored.

"Now, we will face the damage ahead in 2014," Sok said.

"Local authorities have come to meet the residents to prepare them for the coming floods." ■

# Three face life for heroin

Buth Reaksmeay Kongkea

THREE foreign nationals living in Cambodia are facing life sentences on heroin-trafficking charges.

The three suspects – a Nigerian man, an Australian woman and a French teenager – were tried yesterday at Phnom Penh Municipal Court for attempting to smuggle more than two kilograms of heroin from Cambodia to Australia.

Nigerian national Precious Chneme Nwoko, 23; Australian national Ann Yoshe Taylor, 41, and French citizen Charlene Savarino, 19, were charged yesterday with drug trafficking, according to presiding judge Kor Vandy.

Lieutenant Colonel Kong Narin, deputy chief of the Anti-Terrorism Department, said the foreigners are suspected members of an international drug-trafficking ring and were investigated for three months last year before being arrested on September 18.

Taylor and Savarino were arrested together at Phnom Penh International Airport, according to Narin.

"They were arrested while they were preparing to depart for Australia," he said, adding that police seized 2.2 kilograms of heroin from their luggage.



French national Charlene Savarino leaves Phnom Penh Municipal Court yesterday after being tried on drug-trafficking charges. VIREAK MAI

Nwoko, Savarino's boyfriend, was arrested at his rental house in Chamkarmon district's Phsar Deum Thkov Commune later the same night after Taylor and Savarino were questioned.

All three suspects yesterday denied any involvement in a drug-trafficking ring, and asked that the court drop the charges and release them.

Taylor and Savarino both said that the luggage did not belong to them, but to Nwoko, who was sending them to an unidentified man living in Australia.

"I did not know that there were drugs hiding inside [the

luggage]. If I had known, I would not have been involved with it," Savarino said.

Nwoko also denied owning the luggage and claimed that it belonged to another Nigerian man named "Anto" who escaped.

Two Thai women were sentenced to life in prison last month for smuggling cocaine from Brazil to Cambodia, and in February this year, two Vietnamese methamphetamine dealers were also handed life sentences.

A verdict in the case of the three foreigners tried yesterday will be handed down on May 7. ■

## POLICE BLOTTER

### Foolish robber commits crime in front of police

ONE man's ambitions to be the next criminal genius went disastrously awry in Kratie on Tuesday when he tried to commit a robbery in the full sight of the police. The clumsy criminal spotted his potential victim, a female student driving home from school, and pulled out a knife, ready to make a speedy getaway on her moto. But his plans were foiled when police, who had been watching the entire thing, put him in cuffs.

DEUM AMPIL

### Mob turns bruised thief over to the authorities

RESIDENTS in Banteay Meanchey's Poipet district taught the police a thing or two about solving crimes on Tuesday when they nabbed a local thief. A 22-year-old thought it was his lucky day when he stumbled across an unlocked car with more than \$100 and a laptop inside. But he wasn't counting on the victim rallying the local community, who quickly chased him down and sent him straight to the police station. KOH SANTEPHEAP

### Aggrieved casts first stone at his neighbour

WHILE most people try to talk through their differences with nuisance neighbours, one man in Kandal's Saang district went for the less common approach – throwing rocks. The 27-year-old suspect was getting fed up with seeing another man's car parked in front of his house when, in a fit of rage, he decided that instead of talking to the driver, the best approach was to throw rocks at the car. Unfortunately for him, the rocks didn't move the vehicle and he was soon arrested. KAMPUCHEA THMEY

### More bark than purr as cat burglars fall flat

A GANG of wannabe cat burglars sounded more like a pack of dogs when they tried to rob a house in Banteay Meanchey's Poipet district on Monday night, accidentally attracting neighbours' attention. According to police, the four suspects made off with five computers as well as money and other belongings during their night-time robbery. But disgruntled neighbours called in the police who promptly returned the property to the victim, leaving the burglars with nothing but a court date. KAMPUCHEA THMEY

### Savage beating leaves victim seriously injured

A BRUTAL gang attack in Pursat town on Tuesday has left a 20-year-old man in serious condition. Police said the victim was leaving his home when he was attacked by a group of three men. While no weapons were used, the man was left in critical condition after the brawl. Police are still searching for the attackers. KOH SANTEPHEAP

Translated by Sen David

# A logging free-for-all in Preah Vihear forest

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Sreang Meng have come to the commune to encourage people in the village to go log the forest to sell," Kosal says.

About \$10 is paid to the police and forestry officials per tractor load, villagers say. The money flowing into this community has turned previously ardent conservationists into lumberjacks. In one village in Thmeay commune, locals estimate that on any given day 3 million riel (\$750) worth of protected thong wood sits ready for its long journey to the carpenters' workshops of Vietnam and China. By the time it reaches Vietnam, the same haul can fetch about \$9,000 for MDS.

"Currently, doing forest business is easier," Kosal says. "Previously, police and soldiers did the business, but now it is the people's turn."

Try Pheap declined to comment on the allegations this week, initially saying a reporter called the wrong number before adding "I am in France." Pheap's representative in Preah Vihear, Ouk Kimsan, who is also a former director of Pursat province's Forestry Administration, and Meng could not be reached.

Logging has intensified in Cambodia over the past five years, according to several recent studies. Satellite data from NASA analysed by Open Development Cambodia in December last year estimated that about a third of the country's total forest cover has been lost since 1973. The figure is likely higher, as it includes

cash crop plantations such as rubber.

Chheang Vuthy, a forest activist in Preah Vihear, says the last scraps of forest in the province will be gone if Pheap's company continues to provide incentives for the villagers to log.

"We are allowed to do business at our will without fearing arrest, because the company pays the authorities. This has taken place since the company arrived. They do not make arrests and they allow us to do whatever we want. They do business like they're harvesting cassava," he says.

Vuthy says that while local communities have always logged and made use of the forest resources, without the companies' presence, there would be no danger of the forest disappearing altogether.

"Without Try Pheap and Sreang Meng here, the forest would be sustained," he says.

The loggers say that since the clear-felling business in

Currently, doing forest business is easier. Previously, police and soldiers did [it], but now it is the people's turn

Preah Vihear mushroomed in mid-2013, it has become less profitable for MDS to continue to operate there. The next target, they say, is neighbouring Stung Treng province.

"The forest there [in Preah Vihear] is gone. The government cannot deny that the forest is logged. It is logged out," says Pha Doung, a lum-



A man in Preah Vihear province heads back to a drop-off point with a truck carrying timber that was felled by local villagers. MAY TITTHARA

berjack in the Sre Veal area of Thmeay commune, adding that he has recently been on MDS-sponsored logging trips to Stung Treng.

A logger in Sangkum Thmey district, who claims to work for Pheap, says the logs piled on his truck were owned by Meng and a former senior intelligence official.

"We transport it for Try Pheap. I just transport it for

them. I cannot say how much I am paid. But if we commit forest crimes, we will make much money," he says.

Since the fatal shooting of forest activist Chut Wutty in 2012, Chhim Savuth has spearheaded the struggle to end industrial-scale logging. He describes how Pheap's company MDS has driven vil-

lagers to carry out work that would normally be reserved for company employees.

Savuth blames the former intelligence official, along with local businessmen and his deputy, Kimsan, for the deluge of illegal logging.

He estimates 190 cubic metres of timber has been exported daily to Vietnam since MDS started collecting from locals in Sangkum Thmey, Chreb and Chey Sen districts in May.

"Try Pheap's company is responsible for transporting all the timber to Vietnam via the Dong 7 checkpoint in Memot district, Kampong Cham province," he says. "They charge \$1,800 per cubic metre."

If the figures are accurate, this means MDS is raking in \$360,000 each day from this provincial business alone.

Cambodia is often praised by the UN for having strong conservation laws, however Savuth says that what is done in law and in practice are worlds apart.

"Without hope for illegal logging prevention, people cut down trees to sell for companies, because they think that if they do not cut it, timber traders will," he says.

Chheng Kimsun, director general of the Forestry Administration, could not be reached for comment.

Sen Chey district's forestry chief, Chhim Sok Sivutha, said Pheap's MDS firm was not licensed to collect and transport wood in the area, but declined to comment as to the inaction of the authorities.

According to a report by the Cambodian Human Rights Task Force, Pheap's companies are licensed to buy wood from 27 economic land concessions in 12 provinces, as well as from its own concessions, which cover about 70,000 hectares in 10 provinces.

Sat Yorn, chief of police in Chey Sen district, said the authorities had banned the loggers from blanket-felling the forests. "But we cannot stop them completely." ■



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# The Phnom Penh Post

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## A CELEBRATION OF AMERICA'S NATIONAL DAY INSIDE - 8 PAGES

### Gov't as legit as junta: premier

Vong Sokheng and Kevin Ponniah

IN A bid to reinforce the legitimacy of his government amid an ongoing parliamentary boycott by the opposition Cambodia National Rescue Party, Prime Minister Hun Sen yesterday looked west for an analogy.

He chose one that didn't involve a ballot box.

Instead, he pointed to Thailand's National Council for Peace and Order, which was formed after the military's May coup and immediately began clamping down on dissenting voices, as a suitable parallel.

Both governments had received royal approval, Hun Sen said, and were therefore equally legitimate.

"I just want to send a message back [to the opposition], that you are stupid to go by yourself. You have to consider whether [the government and parliament] are legitimate or not... And a royal decree is the highest legitimacy above all others [in a constitutional monarchy]," he said.

"In Thailand, [General] Prayuth Chan-ocha received a royal decree from the King so he too can work [legally]. But here, the National Assembly obtained a royal decree for the convening of parliament. Here in Cambodia, it is impossible to convene the National

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A man transports allegedly illegal lumber on his small motorbike in Ratanakiri province last week. HENG CHIVAN

## A ride worth the weight

For illegal logging's little guys, bribery network gives, takes away

May Titthara Ratanakiri province

**N**ORTH of the Sesan River, in protected forests that stretch to the border with

Laos and Vietnam, illegal timber traders describe a network of bribery that leaves them counting their riels, despite the multimillion-dollar nature of the industry.

In contrast to the large flat-

bed trucks owned by timber baron Try Pheap that ply the province's roads - identifiable by the code number on the windshields: 1168 - small-scale traders must pay their dues to the scores of languid officials

who have set up hammocks by the roadsides, creating unofficial checkpoints to cash in on a business that has only grown since the tycoon was granted sole transportation rights last year.

The traders load up their motorbikes with hundreds of kilograms of luxury wood that could easily crush an arm or a leg, deftly navigating the tracks,

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## National

# Family torn after organ arrests

**Khouth Sophak Chakrya and Alice Cuddy**

**A** FAMILY feud at the centre of Cambodia's first major organ trafficking case has left the victims blaming their relatives for conning them out of their kidneys and pocketing most of the money, while those closest to the two suspects arrested on Tuesday say the allegations are an act of revenge.

Mot Hiriphin, 26, said that his family had been crippled by debt after taking out hefty bank loans to fund life-saving heart surgery for his dying father.

The operation was unsuccessful, and last year, Hiriphin and his family faced having their home repossessed.

"We were suffering, because we had no money," Hiriphin said yesterday.

As the eldest son, Hiriphin felt duty-bound to provide for his family. So when his cousin, Yem Asi Sah, told him he could pay off the debt by selling a kidney he asked few questions.

Hiriphin said he travelled to Thailand last June with a wealthy Cambodian businessman from Poipet province who was in need of a transplant.

Asi Sah provided him with fake documents and Hiriphin

was taken to a legitimate hospital for the operation, he said.

After the trip, Hiriphin received \$4,200, but later learned that the businessman had paid far more for the kidney.

"I found out that he paid \$12,000 for the kidney, so why did I get so little?" he said.

It was not until Asi Sah stole Hiriphin's younger brother's motorbike – as collateral for his own kidney operation – that the trafficking ring came to the authorities' attention and she and her 40-year-old stepfather Yem Phalla were arrested.

Both have been charged, said municipal court deputy prosecutor Kong Sam Sareth.

Sitting outside his home in Chroy Changva commune yesterday, Hiriphin said he regretted the procedure. But in the house next door, his relatives told a very different story.

Nhem Rohany, 22, said she had no idea her stepfather and sister were selling organs until they were arrested.

"[But] if my relatives sold their kidneys, they did it because they wanted to."

Rohany's mother, Pen Phatimas, agreed. "It was their choice," she said. "My husband is not involved. He did not know about my daughter's [business]," she added.



A man shows the scare left on his side in Russey Keo district yesterday after he had a kidney removed to be sold. HENG CHIVOAN

# Eighty arrests as cops bust 'phone scam ring'

**Buth Reaksmeay Kongkea**

**E**IGHTY people were arrested yesterday in a three-province wide bust of one of Cambodia's largest telephone-based extortion rings to date, according to the Ministry of Interior's Internal Security Police Department.

The 80 Taiwanese and Chinese nationals were arrested during three simultaneous raids conducted by law enforcement officials in Phnom Penh, Siem Reap and Takeo.

The suspects, 23 of whom are women, were allegedly obtaining money from people in China and Taiwan via phone scams using voice over internet protocol (VoIP), which masks the origin country of the caller. The suspects pretended to be police on the phone and demanded the victim on the other end of the line pay for overdue taxes, according to Chhay Sinarith, chief of the ministry's internal security police.

"These people were all part of the same group of Chinese and Taiwanese VoIP scammers ... They hide in the outskirts of cities in Cambodia," Sinarith told the *Post*.

Police have been investigating this extortion group for the

past two weeks after receiving scam complaints from residents in Taiwan that date back several years.

Yesterday at 1:30pm, police raided the suspects' rental villas. Eight members of the group were arrested in Phnom Penh's Sen Sok district, Teuk Thla commune, while 44 were arrested in Siem Reap town's Thvay Dang-kum commune. An additional 28 suspects were netted in Takeo province's Takeo district.

During the raids, officials also confiscated a number of VoIP telephones, mobile phones, motorcycles and other related materials.

"Our police are still questioning the suspects to work out this case," said Sinarith, adding that the foreign nationals would all be sent to court soon.

An official from the Chinese Embassy in Phnom Penh declined to comment yesterday.

Figures for the number of VoIP crackdowns and associated arrests made this year were not available yesterday. However, according to a Ministry of Interior report, from 2010 until June 2013, about 600 Chinese and Taiwanese nationals were arrested for allegedly extorting money from residents abroad using VoIP calls.

# Bribery hinders and helps loggers

Continued from page 1

which can morph from dustbowl to muddy brook in a matter of minutes.

"Hello, brother, I would like to ask your permission to transport this stuff," Soeun Song\*, one such trader, calls out to a snoozing police officer. Song deals with a dizzying array of officials, from the police and military, to Forestry Administration officers whose job it is to stamp out the trade in protected timber.

Song travels with six other traders and a couple of scouts whose job it is to ride ahead through Kachon, Bakham and Phnom Kuk communes and deliver the officials' "tea money", a euphemism for a bribe.

"Mixed authorities who install posts along the roads to get money tell us motorbike transporters, if we transport it through their area, to let them know, otherwise they will arrest us immediately," he said.

"We do this kind of illegal business, so we have to pay them," he continued.

Since more officials set up shop by the roadside in recent months, it has become much easier to communicate, as the officials have offered up their phone numbers to passing traders.

"We are not afraid, because all the officers get money from us. They will not arrest us provided we tell them [we are coming]."

Song and other traders – whom the *Post* travelled undercover with last week – questioned the government's repeated pledges to stop forest crimes in the area.

"If we want to escape, we cannot do it, because they [officials] guard everywhere. That's why I am always saying with my colleagues that forest crimes are not difficult to prevent, if the law enforcers take action," Song said.

Another trader, Va Rady\*, from Nhang commune, joked that "the only officials we don't have to pay are the teachers".

Two officials whom numerous traders identified as being key players in the alleged bribery network told the *Post* they had no knowledge of its existence.

Hai Phivath, Veun Sai commune forestry direc-

tor, whom the loggers pointed to as being at the centre of the network of graft, challenged any corrupt officials under his command to come to his office to be reprimanded.

"If our officials took money from them, I want [the officials] to come, and I will point out that they should not have acted like this," he said, adding that it would "take some time" to investigate the allegations.

However, when the *Post* left the Forestry Administration office, two young men in hammocks by the roadside, who identified themselves as the sons of Phivath, said they were "waiting to collect money from the loggers".

At the eerily quiet Veun Sai district police station, chief of police Teur Thorn, who was also fingered as involved in the racket, said he had not taken any money from the traders, and took pains to intercept illegal transports.

"We take tough measures in this case, so I do not know which administrative police act like this; the rules are so strict. If the wood traders have licences, they will pay tax to the state," he said.

According to the traders interviewed last week, they do pay a form of tax, though it won't appear on the books at provincial hall in Banlung City.

Song says that getting environment officials, police and military police to look the other way is the most costly – up to \$5 per officer per load – whereas forest wardens sometimes settle for as little as \$2.50.

"When they see us transporting good quality timber, they think we are really rich. But, in reality, we earn just enough to pay the authorities off."

When their cargo of Thnong wood reaches the dealers in Banlung City, who are thought to supply Try Pheap, Song will make about \$250, he says, which will leave him with only about \$20 by the time he gets home.

It is not unheard of, he adds, for the often slippery roads to cause the overloaded bikes to flip backward and crush the rider.

While most of the wood ends up with Pheap, he says, some traders try to sell directly to buyers in Vietnam – only a few kilometres away – who pay much more attractive rates.

"It is difficult to get away with if we do not sell it to Try Pheap," he said. Pheap and spokesman Ouk Kemsan could not be reached.

Sa Em\*, a trader from Andong Meas district, told much the same story as Song, estimating that he can only pull in \$20 from each perilous journey.

"Because I couldn't find a job, I chose this one. The authorities have never intercepted us since we started giving money to them," he said.

# Barrel bombs from 1970s, says CMAC

**Alice Cuddy and Sen David**

**T**WO rusty barrels discovered in Monduliri province this week have been identified as 1970s-era chemical bombs, officials said yesterday.

Heng Ratana, director general of the Cambodian Mine Action Centre (CMAC), said that a team of experts had inspected the barrels, which were found near O'Raing district's Andong Kralong village, and could "now confirm, based on the inspection, they are bombs containing CS, or tear gas".

Ratana said that there was "no sufficient evidence to confirm which country they were used by" but said they dated from around 1969 to the early 1970s.

CS was one of a number of chemicals known to have been used by the US during its war with Vietnam.

Chey Son, a secretary at the National Defense Authority of Chemical Weapons, said the barrels "hold chemicals from the US's war with the region".

"We have banned people from the [surrounding] area, and we and CMAC are waiting for technical [support] and sponsorship from another country. And we are working with US [for this]. If we get this, we can clean it," he said.

According to CMAC's Ratana, known effects of CS include itching and respiratory problems.

When similar weapons were found in 2010 and 2012, he said, people in the surrounding areas reported that the toxins were making them unwell.

"We need to work out procedures to remove the barrels as soon as possible to ensure safety," he said.

Villager Bil Vantysaid that he and others living in the area had experienced health problems. "We wondered why we were itching and getting headaches when we walked near the pond where we found the barrel. After that, we were too scared to walk there."



Four motorcyclists wait in the middle of a dirt road with their precious cargo of allegedly illegal timber in Ratanakiri late last week that was felled in protected forests along the border. HENG CHIVOAN

\*Names have been changed to protect identities



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# The Phnom Penh Post

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A truck hauls allegedly illegally logged timber up a river bank after it was loaded from a transport boat in Stung Treng's Siem Pang district last month. HENG CHIVOAN

## The calculus of logging

A leaked report shows staggering illegal logging profits by Try Pheap's company

**Daniel Pye and May Titthara**  
Stung Treng and Pursat provinces

**I**N WHAT may be the largest documented case of timber laundering in recent Cambodian history, one of the country's most powerful

tycoons, Try Pheap, allegedly made more than \$220 million in unreported profit by illegally logging rosewood over a three-year period in the Cardamom Mountains, official figures suggest.

The evidence was included in an unpublished 2012 report by a major

international conservation group, a leaked copy of which was obtained by the *Post*. The report provides the first substantial documentation of large-scale illegal logging by the Try Pheap Group of Companies.

According to the findings, which

were never released publicly due to the gravity of the allegations, Pheap's MDS Import Export Company, owned by his wife, Mao Mom, used permits for clearing timber within the Stung Atay hydropower dam reservoir and three concessions in the 330,000-hectare

Phnom Samkos Wildlife Sanctuary as cover to move protected rosewood felled outside those areas.

The report concludes that Pheap transported more than 16,000 cubic

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## National

# Reports reveal staggering profits from illegal logging

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metres of rosewood out of the Cardamoms in southwestern Cambodia using the permits to clear the dam site, despite an estimated reservoir zone stock of just 1,000 cubic metres.

Based on data on Pheap's sales collected by the Forestry Administration – MDS bought the wood from brokers and sold it for \$20,000 per cubic metre to Vietnam and China – the report says a “realistic estimate” of his illegal profits from the operation would be \$227 million.

“On the evidence of the reviewed licences, the MDS Company has ... taken 16,135 [cubic metres] of rosewood out of the O'Som inundation zone. This figure is a conservative estimate of the total amount of rosewood taken out as it is for transport through the Phnom Samkos Wildlife Sanctuary only,” the report says, referring to the reservoir area.

Officials have claimed the logging was legal, pointing to Pheap's licence to clear the dam site, but what they could not account for is the sheer amount of timber taken out of the Cardamoms by MDS.

“If they said that profit is illegal, I don't understand,” said Thun Sarath, cabinet chief at the Ministry of Agriculture, Forestry and Fisheries.

## Kranoung wars

A short distance away from O'Som, on a pitch black August night in Pursat province's Kravanh district, a *Post* reporter was chased along narrow dirt tracks by men on motorbikes armed with assault rifles, who locals said worked for MDS and had been tipped off to the arrival of journalists by a network of spies whose job it is to protect brokers who are working for Pheap.

The reporter had found a camp where dozens of workers were felling rosewood. Known locally as *kranoung*, rosewood is considered critically endangered in Cambodia, while the country's forestry laws list it as a legally protected species.

According to UK-based environmental watchdog the Environmental Investigations Agency, soaring demand for the wood in China and Vietnam has fuelled its continued exploitation and effectively allowed Pheap to use his connections to sidestep legal constraints in what could be a billion-dollar black-market trade.

Conservationists have long documented – and opposed – the attempts to exploit the Cardamoms' rosewood stocks, considered a stronghold for the species.

But countering the conservationists' work and the long-time resistance of indigenous communities that rely on the forests are organised criminal “nexuses” controlling the trade, according to the government-commissioned 2005 Independent Forest Sector Review.

At the centre of this trade lies O'Som district, which straddles the Central Cardamoms Protected Forest and the Phnom Samkos Wildlife Sanctuary, a haven for the illegal timber trail since the Khmer Rouge controlled the logging roads to Thailand.

Between the Stung Atay and Russey Chrum hydropower dams lay some of the largest estimated stocks of rosewood left in the country, according to the report.

Pheap signed the logging contract for the Atay dam reservoir zone – covering less than 5,000 hectares – with the China Yunnan Corporation on February 16, 2007, it says, and in

March 2009, the Council of Ministers issued a directive confirming that the contract had been granted to MDS. That May, MDS was given the go-ahead to log in the area, with the proviso that the timber must not be exported.

“Timber trading brokers set up businesses under the protection of MDS-employed ... soldiers next to the MDS compound in [O'Som],” the report notes. “Logging roads went into the [protected areas] rather than the inundation zone.”

In April 2010, the Ministry of Environment clamped down on the trade, setting up a checkpoint to monitor every truck and catalogue how much timber came out of the area.

That December, MDS was awarded two economic land concessions (ELCs) in the Samkos sanctuary's conservation zone, and later a further concession near the Thai border in Thmor Da district. With Environment Ministry rangers monitoring the road out of the Atay dam site, the report notes, MDS began to use the Samkos concessions to launder the wood.

“While some rosewood [was] taken out under company licences under the assumption that it is being taken from the hydropower dam inundation zone, other timber is also being taken directly to illegal furniture factories who quickly transform it to furniture which is legally allowed to be exported,” the report says. In 2011, “Prime Minister [Hun Sen] visited the area, at which time MDS and the brokers covered up all stockpiles of rosewood and hid illegally logged timber.”

Pheap's wife, Mao Mom, declined to comment on the evidence. Eang Sophaeth, spokesman for Hun Sen and a secretary of state at the Agriculture Ministry, declined to comment. “It's not in my jurisdiction. I would advise you to contact the FA,” he said, referring to the Forestry Administration. Chheng Kimsun, director of the FA, did not respond to requests for comment.

Numerous attempts to seek comment from Try Pheap representatives were unsuccessful.

The relationship between the illegal logging trade, the government and conservationists is complicated. In 2009, Ouk Kimsan, the man appointed by the Forestry Administration to ensure Pheap did not abuse his licence to transport the timber from the Atay dam, was arrested for attempting to take two trucks laden with illegal timber to Vietnam.

“Ouk Kimsan worked for [Conservation International] and [the Forestry Administration] and facilitated the licences for the company to export rosewood from the Stung Atay hydropower dam inundation zone that MDS has the contract to clear. He was jailed in Koh Kong but is now out and working as a senior director in MDS Export and Import,” the report says. Kimsan could not be reached for comment this week.

Marcus Hardtke, a long-time supporter of the late forest activist Chut Wutty, who was gunned down in 2012 while investigating illegal logging in the Cardamoms, said the Atay case study was just the tip of the iceberg.

“The [Try Pheap] logging cartel has expanded, and their operations can be found in all provinces with valuable timber resources. It has become a key driver of large-scale illegal logging,” he said. “The nature of these operations shows that they have support from the highest level in government. The cartel has become untouchable,

with the relevant authorities acting more like subcontractors than regulating agencies.”

## Rise of a tycoon

Little is known of Pheap's early days before he rose to become one of Cambodia's most powerful mandarins. In August 2004, he was granted the title of *okhna*, a Khmer word historian David Chandler has said is derived from the Sanskrit for the Hindu god Shiva, but which now carries a \$100,000 price tag – a payment made in “donations” to “development projects” linked to the ruling Cambodian People's Party.

In 2005, Pheap went into business with arguably the country's most powerful tycoon, Senator Lao Meng Khin, and forged ties with Cambodia's military leadership.

Meng Khin and Pheap are listed as directors of an iron mining company on the border between Stung Treng and Preah Vihear provinces – Hongfu-Try Pheap Mining Development Construction – which is part owned by former RCAF commander General Pol Saroeun and a state-owned Chinese firm.

As well as forming close business ties with Chinese investors, Pheap has also cultivated strong relationships with Vietnamese companies – and the leadership of the CPP.

In 2009, MDS was granted a licence to clear-fell a concession granted to Singaporean firm HLH Group, which has previously been linked to Hun Sen's sister, Hun Sen Ny. Shortly after the deal was penned, Pheap was made an adviser to Hun Sen with the rank of secretary of state, according to a government decree.

Despite having two concessions in Mondul Kiri province cancelled in January 2011 due to lack of investment, just a month later, Pheap was granted two 70-year leases covering 18,855 hectares in Virachey National Park in Cambodia's remote northeast, an area between the Laos and Vietnam borders known as the Dragon's Tail, where he later built a casino.

In early 2011, Pheap “donated” cash and goods worth more than \$130,000 to Environment Ministry staff and the



Try Pheap poses for a photograph earlier this year at one of his economic land concessions in Preah Vihear while wearing a shirt adorned with a Cambodian People's Party emblem. PHOTO SUPPLIED

local CPP branch in the Boeung Per Wildlife Sanctuary in Preah Vihear province – and was granted a rubber concession there shortly afterwards. Last year, the *Post* reported that Kimsan – the former CI official in charge of keeping tabs on Pheap's logging in the Cardamoms – had taken over as head of Pheap's operations in Boeung Per.

## 'Land of development'

In Stung Treng province's Siem Pang district last month, a logger working for Pheap had just arrived and set up camp under a tarpaulin amid the hammering rain. Resting gingerly on a crutch supporting his missing leg, which he lost fighting for the Khmer Rouge, the 57-year-old logger from Takeo province said he has followed Pheap's brokers for years, having just moved from Pursat's O'Som district.

“I have been working on logging since the Khmer Rouge regime,” he said.

The logger, who requested anonymity, was one of a vanguard of “anarchic” workers the *Post* witnessed arriving in Siem Pang last month – several sharing the back of trucks bearing the logo of the Try Pheap Group – who each day sell their haul to brokers working for Pheap.

On the road into the district, *Post* reporters passed dozens of trucks bearing the code used by Pheap's companies, which smoothes their passage through any checkpoints they might encounter – 1168 – a Chinese “lucky” number said to mean “the road to good fortune”.

The road used by Pheap's trucks was built with Chinese aid money but has since lost its surface under the weight of the hulking vehicles and is now little more than a slippery river of mud. MDS had assigned several tractors to patrol the road and dig out the trucks that get stuck. One of Pheap's drivers told the *Post* he had been stranded on



Three Try Pheap company trucks loaded with lumber try to negotiate a mud road in Siem Pang's Thma Keo commune. HENG CHIVAN



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**SOME WORLD LEADERS JUST WON'T QUIT**

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**THIS ASIAN STEW MAKES CASE FOR VEGETARIANISM**

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## Obama dealt a setback in poll

Michael Mathes

REPUBLICANS cruised to victory in US midterm elections, gaining control of both houses of Congress in a stinging setback for President Barack Obama and his fellow Democrats and ensuring fractious co-existence in the last two years of his presidency.

The Republicans padded their control of the House of Representatives by at least 12 seats, and in the big prize of Tuesday's midterm election they retook the Senate.

The Democratic implosion put the Republicans in position to shape if not dictate the congressional agenda, and their priorities are likely to focus on the economy.

Many pro-growth laws are ready for approval, such as authorisation for the Keystone XL oil pipeline running from Canada to the Gulf of Mexico, boosting production of natural gas, helping small businesses and cutting back on government regulations.

The Republicans rode a wave of voter frustration with Washington incumbents and unpopular policies of the Obama administration to claim total congressional control for the first time since 2006.

The new legislature will take power in January.

The new Republican margin of control in the House with a cushion of

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## Rowing pains

Teams gather on the Tonle Sap river in Phnom Penh, preparing to race their boats, on the first day of the Water Festival yesterday morning. HENG CHIVOAN

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# Where logging's an art

Museum, showroom to exhibit products from Pheap's timber business

May Titthara and Daniel Pye

AT THE head of a sleek table below two gold-rimmed photographs of logging tycoon Try Pheap posing with Prime Min-

ister Hun Sen, two carved Chinese serpents encircle a throne carved from *beng* - one of Cambodia's most expensive and rare timbers.

The ornate throne awaits Pheap's visit to his latest project:

a "museum" displaying the end product of the Hun Sen adviser's timber businesses, which the *Post* was granted unprecedented access to on Tuesday.

As visitors enter the museum, directly in front of them are two

winding staircases, each step a weighty slab of luxury wood that Chey Sith, an amiable company man who is one of nine deputy general managers working for Pheap, says was taken from the Stung Atay dam reservoir in the

Cardamom Mountains. Artistic impressions of the museum, which is due to be completed next year, depict a fountain in the entrance car

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## National

## Timber trove on display

Continued from page 1

park, which lies just off National Road 4, in Kandal province's Ang Snuol district.

"My Okhna Try Pheap loves Khmer culture, so he is constructing this building made of wood for Khmer youngsters to visit, so that Khmer culture can reach immortality," Sith says, using an honourific title bestowed on the tycoon – casually referred to by his employees as "The Boss" – in exchange for a \$100,000 donation to the government in 2004.

"Our master plan to build this [museum] allocates about \$5.6 million [for construction]," Sith continues. "We are investing in this building not for profit, but to let Khmers know more about Khmer history ... No-one can build a building like this, except my Okhna Try Pheap."



A chair reserved for Try Pheap carved from *beng*, a protected species under Cambodia's forestry laws. HENG CHIVOAN

"The Boss" also hopes to attract tourists, mostly wealthy visitors from East Asian and ASEAN countries, after the facility opens its doors to the public next year. The main goal, his employees say, will be to showcase Cambodians' artistry – and, purely as an afterthought, to make a tidy profit from selling the "artefacts".

Pheap has been dogged by allegations that his conglomerate – the Try Pheap Group – is used as a front for illegal logging in Cambodia's at-risk forests.

Seated in Pheap's "meeting room" in the museum, Sith was at pains to dismiss such "rumours".

"We cannot burn all of the wood, so we have to transform it into furniture. If we burn it, it means that we burn our money," Sith says. "All of the wood you see here we took from Pur-

sat province, in the place that our company got the license for clearing the reservoir of the Stung Atay dam."

A leaked report obtained last month showed that government agencies had recorded an estimated \$227 million of profits from rosewood smuggled by Pheap's MDS Import Export Co from areas surrounding the Atay hydropower dam reservoir zone in the Cardamom Mountains between 2009 and 2012.

MDS has firmly denied the allegations of corruption raised in the report, which is based on local export figures collected by the Ministry of Environment and Forestry Administration.

"I don't know where you got that report from," Sith adds. Several MDS employees – some wearing shirts and ties and others, more casually dressed, heavyset and serious-looking – nod gently in agreement.

Before asking Postreporters to pose for photographs with Try Pheap Group employees – "The Boss will want to see this" – Sith denied MDS had plundered the Cardamoms' rosewood stocks, as the report suggests.

The firm, he says, speaking in a more intense tone and letting his company smile drop, "does not make anywhere near that kind of money".

"We live in a world in which companies cut down the trees, so don't just blame it on Khmers. I feel regret, and it is painful to watch those companies that get economic land concessions like us ... but they do not sell the



Try Pheap's timber museum in Kandal province's Ang Snuol district will open its doors to the public next year to showcase Cambodians' artistry. HENG CHIVOAN

wood like we do. We paid tax already, so we will not burn the wood, we will use it as best we can," he adds. "If we conserve the trees, our people will have no food to eat and no jobs."

Sith says MDS paid its fair share of tax on its timber exports from the Atay dam – where logging finished in March – at "a rate of 5 per cent and 1 per cent".

He quotes a figure from the company's final assessment of the Atay logging concession of \$18.6 million in taxes paid to the government, which would put the total income from the Atay logging over four years at an estimated \$310 million.

According to the leaked February report, however, there was no more than \$15.1 million worth of rosewood in the reservoir zone in the first place.

Behind the museum building,

which will double as a showroom for prospective clients, are two large warehouses and a vast carpentry facility. Inside the warehouse, ornately panelled ceiling tiles are fashioned from *Beng*, *Koki*, *Kranoung*, *Thnong* and other threatened hardwood species.

Scores of sturdy wooden chairs and tables fill one side of the depot, while faux antique ox carts encrusted with silver in the Kampong Saom style sit at the other. Perched on the top of what was once a rosewood root system, a portly carved Buddha grins silently at his visitors.

At one end of the warehouse, a door opens into an expansive workshop where villagers noisily offload piles of plywood into stacks on the floor.

"It's not all luxury wood," Sith says. "We deal in all kinds of tim-

ber." At the far end of the workshop, three "steam rooms" are loaded with planks and logs to be dried for cutting or carving.

Dark red wood chippings form piles around machinery and the air is thick with sawdust. "We do this just to provide jobs for Khmer people," Sith says, handing out protective masks.

The head of the workshop says that "just one machine here costs almost \$1 million".

"Most of them we buy from France," the foreman adds.

At the east of the 4.5-hectare site, agroindustrial products from Pheap's economic land concessions will be displayed for visitors, including pepper and rubber products.

"We are hoping they are good," says Sith, "because we want to export to Europe and the US." ■

## In Preah Vihear, raid angers local vendors

Phak Seangly

**M**ORE than 200 villagers in Preah Vihear province have submitted a petition requesting help from their representative in the National Assembly after local forestry administration officials raided a dozen of their handicraft and furniture shops, seizing raw timber and finished products.

Beginning on October 28 and lasting through the end of the month, the officials confiscated more than 100 cubic metres of timber and furniture. On the first of this month, owners were joined by workers and villagers in a protest against the action in Preah Vihear town, and on Monday, they submitted a petition to ruling Cambodian People's Party lawmaker Suos Yara.

"Some places are legal with some documents, and some are not," said Pek Sophon, chief of advocacy for local NGO Ponlok Khmer.

Between 30 and 40 places bought timber and made furniture, but officials only cracked down on 12, Sophon said, adding that the rest of the shops hid their wares soon afterwards.

One protester, a 50-year-old man who gave only one name, Kuy, said his furniture shop was raided and authorities took the timber he was planning on using to build a home.

"The provincial forestry officers entered my shop without a court order. They threatened to arrest us if we banned them from entering and confiscating our items," he said.

"We want to get our timber and furniture back. I bought it

legally, not illegally."

Ith Phomara, provincial Forestry Administration director, could not be reached for comment yesterday.

But Yara, the CPP lawmaker, said he met with provincial authorities and protesters in Preah Vihear town yesterday to try and solve the problem.

"We coordinated the case and explained to the villagers about the laws [on selling timber], [and] not to be angry with the officers who implement the law," he said, adding that the villagers agreed to stop protesting and are coming up with documents to prove their wares are from legitimate sources.

"If their documents show that their timber is legal, the forestry officers will return the timber and furniture to them," Yara said. ■

## Condoms on offer at festival

Sean Teehan

**W**HILE authorities at Phnom Penh's Water Festival concern themselves with crowd control and other safety issues, the National AIDS Authority and a handful of NGOs are promoting sexual safety to revellers expected to enjoy the nightlife.

As it has at previous Water Festivals, the AIDS Authority is handing out condoms – this year about 250,000 – during the festivities.

It is also providing HIV/AIDS information and offering rapid HIV tests.

"We want the visitors, the boat racers who come to Phnom Penh to have a good time. Some of them go to sex workers, so we want them to protect themselves," HIV/AIDS coordinating committee spokesman Veng Rachana said after overseeing efforts yesterday. "We can't stop them from involving in sexual intercourse

[with sex workers]."

Along with the committee and the AIDS Authority, about 300 volunteers from NGOs including AIDS Healthcare Foundation and KHANA distributed condoms at the Cambodian-Japanese Bridge, near a commune office and near the Sokha Hotel, Rachana said.

By focusing on education and preventing the disease's spread, new cases of HIV in Cambodia have dropped from 68 per day in 1995 to two in 2013.

"The cost of treating infected people is far more expensive [than prevention]," said Dr Tia Phalla, vice chair of the AIDS Authority. "I think [condom use] is a very accepted thing in every country."

But the visible presence of people passing out contraceptives at such a large event – the AIDS Authority also sponsors a stage on which bands will perform – could promote the

Kingdom of Wonder as a haven for sex tourists, said Ho Vandy, co-chair of the Tourism Working Group.

International tourists visit Cambodia for its cultural and natural sites, he said. Even though some people who come here engage in the illegal act of indulging in prostitution, it should not be promoted.

"By law there is no sex tourism business [in Cambodia]," he said. "If they [distribute condoms] like this, it means they are encouraging the sex tourism business."

Whether or not Water Festival visitors pay for sex while in Phnom Penh is out of the hands of those trying to prevent the spread of HIV, Phalla said. All they can do is educate people and offer free protection.

"There should not be a negative image of using condoms," Phalla said. "Condoms save lives." ■



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