



COMMUNIQUÉ

Dispute Resolution Process between Local Communities and Company regarding Impact of Plantations in Ratanakiri Province

Washington, D.C., March 26, 2019 – The Compliance Advisor Ombudsman (CAO), the independent accountability mechanism for the World Bank Group’s private sector arm, the International Finance Corporation (IFC), is participating in an event organized by the Provincial Government of Ratanakiri in the Kingdom of Cambodia to commemorate the achievements and lessons of a dialogue process convened by CAO.

From March 2014 to January 2019, CAO convened a dialogue process between Hoang Anh Gia Lai (HAGL), a Vietnamese operator of rubber plantations in Cambodia’s Ratanakiri province, and locally impacted villages, to address concerns about the environmental and social impacts of the plantations.

The complaint that triggered CAO’s involvement was filed in February 2014 by 17 communities in Ratanakiri Province regarding HAGL, which operates rubber plantations in the area. The complainants, who have requested confidentiality, raised a number of concerns related to loss of land and livelihood impacts.

Significant agreements have been reached through dialogue relating, among other issues, to return of land, restoration of waterways, and repair of roads. Implementation of these agreements is ongoing. The parties sought the support of the Royal Government of Cambodia, which formed a provincial working group to interact with the dialogue process in November 2017.

According to IFC documentation, HAGL was an investee company of Vietnam Enterprise Investments Limited (VEIL) at the time of the complaint. IFC had invested US\$12 million in the Fund, which is managed by Dragon Capital Management Ltd., a subsidiary of Dragon Capital Group.

Further details on this case are available at: www.cao-ombudsman.org

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About the CAO:

The Office of the Compliance Advisor Ombudsman (CAO) is the independent recourse and accountability mechanism of the private sector lending and insurance arms of the World Bank Group—the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA). Established in 1999, the CAO reports directly to the President of the World Bank Group. CAO’s mandate is to address complaints by people affected by IFC and MIGA projects in a manner that is fair, objective, and constructive with the overall goal of enhancing social and environmental outcomes on the ground and fostering greater public accountability of IFC and MIGA.