



OFFICE OF THE COMPLIANCE ADVISOR OMBUDSMAN (CAO)  
2121 PENNSYLVANIA AVENUE, NW  
WASHINGTON, DC 20433, USA  
TELEPHONE: +1-202-473-1973  
FACSIMILE +1-202-522-7400  
EMAIL: CAO@worldbankgroup.org

## COMMUNIQUÉ

### **Agreements Reached through Mediation between Local Communities and Company Regarding Impacts of Rubber Plantations, Ratanakiri Province**

Washington DC, November 12 2015 – The Compliance Advisor Ombudsman (CAO), the independent grievance mechanism for the World Bank Group's private sector arm, the International Finance Corporation (IFC), is addressing a complaint filed by locally affected people in Ratanakiri Province, Cambodia, regarding Huang Anh Gia Lai (HAGL), which operates rubber plantations in the area.

According to IFC documentation, HAGL is an investee of Vietnam Enterprise Investments Limited. IFC has invested US\$12 million in the Fund, which is managed by Dragon Capital Management Ltd, a subsidiary of Dragon Capital Group.

The complaint was filed by locally affected people in February 2014, and raises concerns related to loss of land and livelihood impacts in 17 villages in the vicinity of HAGL operations. The complainants have requested confidentiality. In April 2014, representatives of the affected communities and HAGL chose to participate in a dispute resolution process facilitated by CAO.

Since 2014, CAO has been coordinating meetings between community representatives, the civil society organizations supporting them, and company staff. In January 2015, the parties adopted a set of Ground Rules. Further agreements were reached in July and September 2015 between HAGL and the affected communities.

To implement one of the agreements reached, a ceremony will take place in Banlung on November 13, 2015 attended by the Deputy Governor of Ratanakiri Province, the Deputy CEO of HAGL, community representatives, their advisors, and the CAO Vice President of the World Bank Group.

Among the agreements reached is a company commitment not to develop any additional areas, and to negotiate compensation, should any community land be found to have been developed by the company, or to return the land. The parties continue to meet and discuss issues of concern, facilitated by CAO. Details on the agreements, including joint statements by the parties and letters from the company outlining their commitments, are available at [www.cao-ombudsman.org](http://www.cao-ombudsman.org).

CAO has kept the Royal Government of Cambodia informed of its assistance to the parties to find resolution to the issues, and has met with representatives of the Ministry of Land Management, Urban Planning and Construction, Ministry of Environment, Ministry of Agriculture, Forestry and Fisheries, Ministry of Interior, and their respective departments at the provincial level, including the Ratanakiri Provincial Office, and local authorities at districts, communes, and villages.

#### **CAO Media Contact in Washington DC:**

Emily Horgan

Tel: +1.202.473.8353

Email: [ehorgan@worldbankgroup.org](mailto:ehorgan@worldbankgroup.org)

---

#### **About CAO:**

*The Office of the Compliance Advisor Ombudsman (CAO) is the independent grievance mechanism of the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), the private sector arms of the World Bank Group. CAO reports to the President of the World Bank Group. CAO's mandate is to address complaints from people affected by IFC and MIGA projects in a manner that is fair, objective, and constructive with the goal of enhancing social and environmental outcomes on the ground. [www.cao-ombudsman.org](http://www.cao-ombudsman.org).*