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# **VOLUNTARY GUIDELINES ON MITIGATING SOCIO – ENVIRONMENTAL RISKS FOR VIETNAMESE OUTWARD INVESTORS IN AGRICULTURE IN THE MEKONG SUBREGION**

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Photo source: Photo Contest "Land and People", Oxfam

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The photo "Intercropping with banana in rubber plantations"  
by Nguyen Thi Hai, Daklak Rubber Investment Joint Stock Company (DRI)

# INTRODUCTION

## ACKNOWLEDGMENTS

The Voluntary Guidelines on mitigating socio-environmental risks for Vietnamese outward investors in agribusiness were developed on the bases of the UN Guiding Principles on Business and Human Rights, field research results and lessons learned from practical outward investments of Vietnamese enterprises in Laos and Cambodia. The Voluntary Guidelines aim at perfecting the risk management mechanism as an integral part of corporate governance.

We would like to express sincere thanks to the Pioneer Group who have accompanied us in developing the Guidelines. The companionship and pioneering of the Group are seen in many ways. In the first place, it marks a new milestone in the quest for understanding, building trust and cooperation between businesses and non-governmental organizations, which remains modest and reserved in Vietnam and the region. Secondly, the cooperation aims to address one of the core issues and the biggest difference in the perspectives between non-governmental and business sectors: the impacts, especially negative socio-environmental impacts in the investment process. Thirdly, the members of the Pioneer Group are leaders amongst the Vietnamese outward investors in agribusiness. Their straightforward sharing and sincere contributions are drawn from their practical investment experience. Their sharing from experience is a valuable complement to the Guidelines' contents. The cooperation is also considered as an important milestone opening up opportunities for stakeholders to continue to develop cooperative relationships in

the near future to ensure a fair balance among the economy, environment, and society for sustainable development in Vietnamese enterprises' outward investment activities.

We would also like to express our gratitude towards our partners including the local authorities, businesses, non-government organizations and communities in Cambodia, Laos and Vietnam for providing us with information and giving advice during our field research as well as development of this Voluntary Guideline. In particular, we are deeply grateful to the Mekong Partnership for the Environment (MPE), PACT, Critical Ecosystem Partnership Fund (CEPF) for providing us with financial support to carry out the research and finalizing the Guidelines. In addition, our sincere thanks are also extended to the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation (UN-REDD+ Vietnam), which financially assisted in the design and translation of this document into English.

As this is the first set of Guidelines for Vietnamese enterprises when investing abroad, and also the first combination between practical issues and international theoretical frameworks in Vietnam; there is still space for improvement of this documentation in spite of the authors' utmost effort. We look forward to receiving the comments, suggestions and criticisms of the readers and users for constant revisions for a perfect edition in the end.

## ABOUT THE GUIDELINES

Since 1989 when the first outward investment project was implemented, as of 2015, Vietnamese businesses invested in 1,049 overseas projects with the total registered capital of 20.8 billion USD. The outward investment sector making up the biggest proportions of capital respectively are mining, agriculture-forestry-fisheries, and power generation and distribution.

In addition to positive contributions to the socio-economic development in Vietnam as well as in the host countries and their communities, outward investment, especially investment in agriculture, is a potentially risky sector. Apart from traditional risks such as weather, natural disasters, markets, agricultural investment potentially implies environmental and social risks due to its considerable need for land and workforce. The risks become more apparent when most of Vietnam's overseas agribusiness projects are invested in countries such as Laos and Cambodia where the land registration and management system is incomplete and the labor custom has not been clearly shaped. The cultural, legal and environmental differences between Vietnam and the host countries have led to unexpected disputes, thereby affecting the project implementation, the rights and interests of the local people as well as the image of Vietnamese investors in the region.

Basing on the research results on Vietnam's investment in agriculture in Laos and Cambodia which was conducted by People and Nature Reconciliation (PanNature), the Vietnam Chamber of Commerce and Industry (VCCI) and Oxfam in Vietnam in 2015 and 2016, these Voluntary Guidelines were developed in order to reduce the environmental and social risks of outward investment activities of Vietnamese enterprises, ensure the harmony of interests between Vietnamese enterprises, the host country authorities and the local people. This has contributed to building a positive and pioneer image and reputation of Vietnamese investors in particular and of Vietnam in general towards responsible investment, especially for environmental and social impacts.

## TARGETS

*(i) Information provision:* The Guidelines provide an overview of the outward investment procedure from Vietnam to the host countries with potential social and environmental risks in investment steps in terms of relevant policies and legislation.

*(ii) Awareness raising:* The Guidelines help investors identify and apply official and unofficial laws, mechanisms and policies relating to outward investment of Vietnam and foreign investment policies, attracting foreign investment policies of the host countries; at the same time identifying environmental and social issues arising from investment activities in order to minimize the risks.

*(iii) Networking support:* The Guidelines provide useful information and contacts to help the parties easily connect and find information. On the other hand, the information focal point of the Guidelines is also the facilitator of interconnection among stakeholders in the implementation and application of the Guidelines to improve investment efficiency.

## SCOPE

As the Guidelines were developed on the basis of the study of Vietnam investment in the Mekong subregion, especially in Laos and Cambodia, examples or references are particularly focused on these countries. The Guidelines are mainly applied for Vietnamese businesses with investment activities in agriculture in Mekong Subregion countries. On the other hand, the Guidelines' authors also referenced international experiments and documents, especially the *UN Guiding Principles on Business and Human Rights*, so it may still be a valued reference in other countries if suitable.

There are many types of risks associated with investment and business activities. However, due to resource constraints, the Guidelines focuses on Environmental and Social Risks, which cover four issues including (i) Land; (ii) Labor; (iii) Environment and (iv) Culture and Indigenous People.

## BASIC PRINCIPLES

The Guidelines are based on the *UN Guiding Principles*

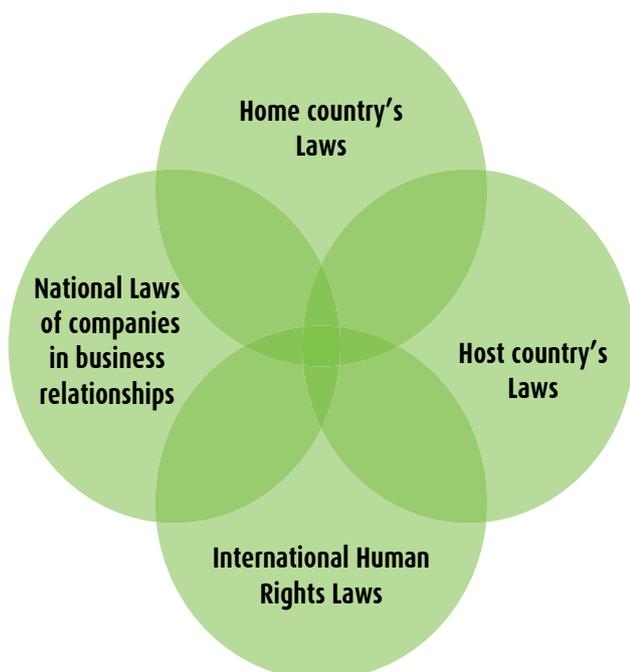
on *Business and Human Rights* with the three basic principles: **Protect, Respect and Remedy**. Accordingly, the State is obliged to respect, protect and fulfill human rights and fundamental freedoms. Businesses have to comply with all applicable laws and respect human rights. Stakeholders have to apply appropriate and effective remedies in the event that these rights are breached.

## What is “Protection”?

The State has to protect and combat human rights abuses in its territory and/or its jurisdictions by third parties, including businesses. This requires the State to carry out appropriate steps to prevent, investigate, punish and remedy abuses through effective policies, laws, regulations and hearings. This is not only the responsibility of the State for its citizens under the national law but also the international obligations of the State when signing and accessing relevant international conventions.

Not only that, the State needs to protect and combat the human rights abuses in State-owned or State-controlled enterprises or organizations which receive significant support from the State agencies such as export credit agencies, official investment insurance and guarantee agencies and credit institutions by requiring their application of procedures and mechanisms if necessary.

From this Protection Principle, it is possible to model the policies that the State should enforce in order to fulfill its responsibility of protection in foreign investment as below:



## What is “Respect”?

*The enterprise’s obligation to respect human rights is understood as avoiding infringing upon the rights of others and resolving adverse effects on the rights of other parties to which they are related.*

This means that businesses need to seek solutions to prevent and mitigate the direct impacts associated with their operations or as a result of business relationships with other parties. If troubles occur, businesses must find satisfactory solutions.

The “*business activities*” here include both actions and non-actions that lead to adverse impacts.

“*Business relationships*” are relationships with business partners and value chain actors, regardless of non-state actors or government entities which directly involve in their business, products or services.

For example, a company could have adverse impacts if the company refuses to allow workers to establish their own union/labor union. A company can cause adverse impacts if the company finances a construction project that leads to forced land acquisition or sets a deadline requirement for a contractor that is not enough time for them to comply with international labor standards. The activity, product or service of a company can directly lead to adverse impacts through business relationships if one of the subcontractors or service providers lacks of awareness and does not be provided full knowledge, use of forced labor. The last example is a company that did not cause or contribute to these issues but was aware of the problem but did not prevent and/or mitigate the impacts.

It should be noted that corporate responsibility is independent of the State’s capacity and readiness to enforce its human rights obligations. That means, in the case a country’s policy stipulates or recognizes human rights but its enforcement is limited, businesses must be still compliance with these regulations. Especially for countries with incomplete legal system and poor law enforcement, corporate responsibility has to exceed and be better than compliance with national laws and regulations on protection of human rights. It is understood that responsible enterprises are required to comply with

standards that are higher than national laws or adapt internationally accepted standards in their activities. The application of higher standards also demonstrates the entrepreneur's consciousness, responsibility and willingness to share benefits for the parties for sustainable development rather than taking advantage of imperfections in the legal and law enforcement systems while investing and doing business.

*Human rights that must be respected are internationally recognized human rights, and understood to a minimum, are those of the International Covenant on Human Rights and the Principles of Rights Fundamentally stated in the of International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at work.*

However, depending on the specific conditions, the business should consider other additional criteria, especially the rights of individuals in particular groups such as indigenous people, women, ethnic minorities and minorities, religion and language, children, people with disabilities, and migrant workers and their families.

(See Appendix 2: International Human Rights and Labor Conventions).

*Responsibility to respect human rights is applicable to all businesses including multinationals, regardless of scale, sector, region, ownership or organizational structure.*

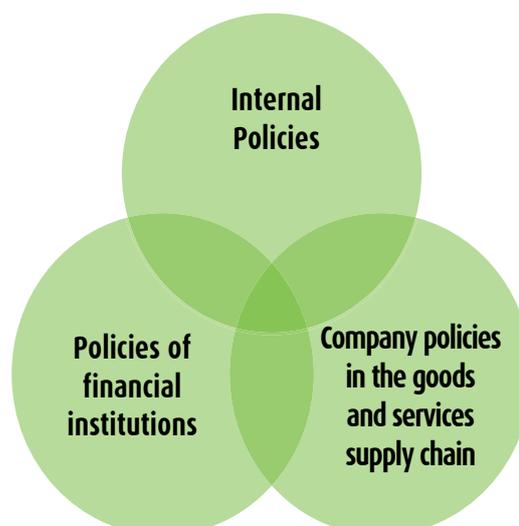
Although big companies have wider coverage and network resulting in potential greater impacts, it does not mean small and medium-sized companies will have lower impacts because of their smaller scale. The severity of the impacts is assessed not only in terms of scale but also in the irreversible or resilient components to the object affected. For example, a small project is implemented in a biodiversity sensitive area which is the habitat of endangered endemic species will cause great and serious impacts by irreversible or reversal nature of the adverse impacts.

For big companies, related information and impacts of projects may not adequately communicated to decision makers or responsibility takers. Therefore, large companies often build up stricter risk management mechanism and supervisory procedures than small

companies. However, small and medium-sized companies also have advantage that they can directly manage projects and impacts through simpler and more streamlined informal mechanisms. Therefore, the responsibility to respect human rights is applied fully and equally for all businesses.

## Depending on the size and actual circumstances, enterprises carry out their responsibilities through:

- Internal policies showing commitment to respect;
- Verification procedures for identifying, preventing, mitigating and explaining the resolution of impacts;
- Procedures that allow the application of remedies for any adverse impacts caused or contributed to by an enterprise;
- From this Respect Principle, it is possible to modelize the policies that is necessary for enterprises to implement to fulfill their responsibilities during their foreign investment activities as shown on the diagram below.



## What is “Remedy”?

Remediation is understood as both the measures and procedures for implementing the measures to overcome the adverse impacts and possible consequences if they can be reversed or improved. These measures can be expressed in many forms such as apologies, rebates, restorations, financial and non-financial compensations and punitive sanctions (criminal fines or administrative fines), as well as prevent disadvantages through a ban or a commitment not to repeat certain behaviors.

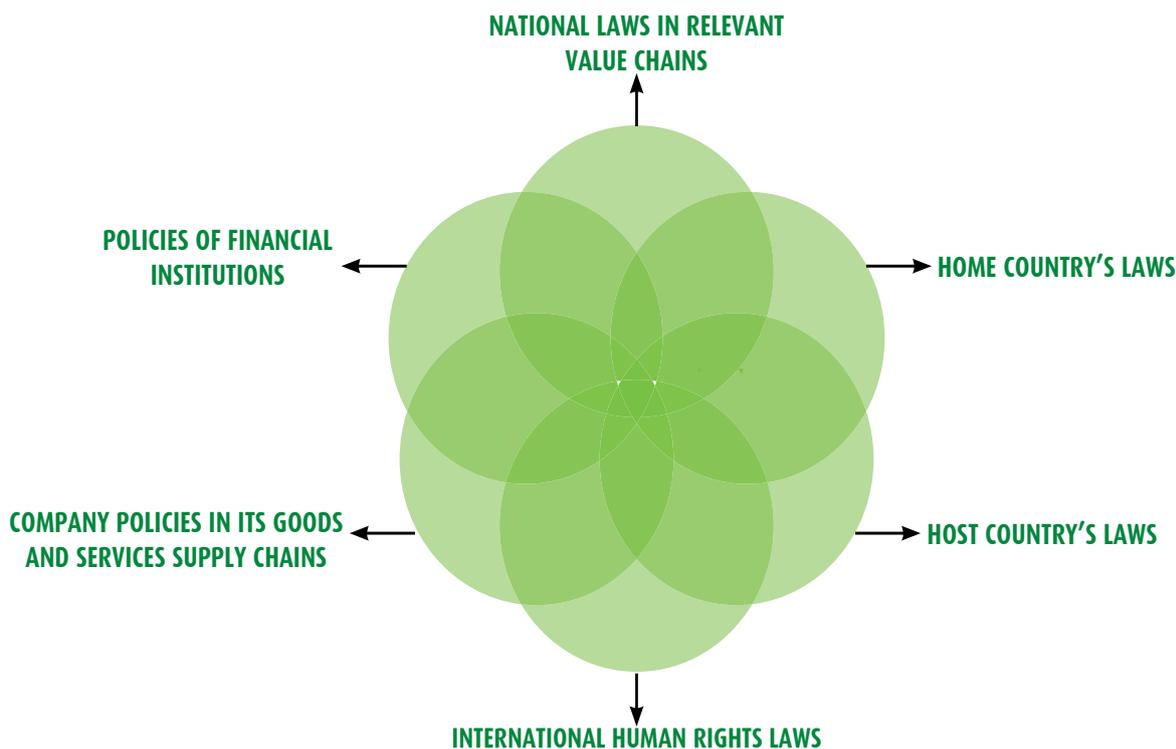
When an enterprise identifies that it has caused or contributed to an adverse impact, it should provide information or cooperate to overcome the consequences through legal processes. These processes may be the State’s judicial/procedural mechanisms, non-state judicial mechanisms or international United Nations mechanisms and other non-state dispute settlement mechanisms.

*(See Some dispute settlement mechanisms in Appendix 1)*

## Summary

Through the three Principles of Protection, Respect and Remedy, corporate responsibility will be governed/driven by the following modeled policies and laws:

It is easily seen that the risk of violating obligation of enterprises arises under the laws and policies mentioned above. Of the six types of responsibilities that arise in relation to business and investment activities, Vietnamese enterprises have only



focused on two types, namely the home country's laws (or the laws of Vietnam) and the host country's laws, but has not paid much attention to the types of responsibilities arising from international laws and other relevant policies and laws. In the context of integration and globalization with the increase and development of international relations and cooperation, Vietnamese enterprises should pay more attention and better assess their international responsibilities or follow international practices that are currently being applied around the world. It is very important for Vietnam's overseas investment enterprises, because their investment requires greater responsibility, transparency and accountability than domestic investments.

Being fully aware of the responsibilities associated with investment and business activities will help businesses minimize the corresponding risks arising from violations of these obligations. Full awareness of risks will help enterprises develop their internal policies as well as their own mechanisms and procedures to minimize the risks during the international integration.

## INSTRUCTIONS FOR USING THESE GUIDELINES

These Voluntary Guidelines are based on international guidelines as well as practical experiences and lessons learned from Vietnamese enterprises investing in agriculture in neighboring countries.

The Voluntary Guidelines are a reference and a tool to assist Vietnamese investors when investing overseas in the agricultural sector, particularly in the Mekong Subregion.

The Voluntary Guidelines are a complementary document that cannot replace any party's laws or policies such as laws of the host country, policies of banks, donors or clients.

## APPLICATION PRINCIPLES

The Voluntary Guidelines mention various investment-related issues from the provisions on legal procedures to the relationship between investors and communities and workers or environmental issues. Therefore, to ensure the harmony between economic objectives through investments and socio-environmental issues for sustainable development, the following principles are recommended to build common values as a collaboration platform among parties involving in

investment projects:

**Publishing Information:** *Investment related information should be fully provided, in time and easy for stakeholders to access.*

**Accountability:** *Business activities must be published, explained and clarified to stakeholders frequently and/or upon request. At the same time, they have to take responsibility for any incidents.*

**Constructive spirit:** *Finding possible solutions to problems on the basis of common interests of all stakeholders.*

**Voluntary spirit:** *Decisions must be made on the basis of the perception about the benefits of one's self, family and community, and must not be forced or manipulated by outside forces or acts of intimidation or revenge.*

**Democracy:** *Freedom of expression, every opinion and view needs to be heard, recorded and equally considered among concerned parties in order to ensure their interests.*

**Respect:** *To appreciate local regulations, customs, cultures as well as views of stakeholders on one issue.*

**Sincerity:** *All activities are actually carried out for common goals and interests of all stakeholders.*

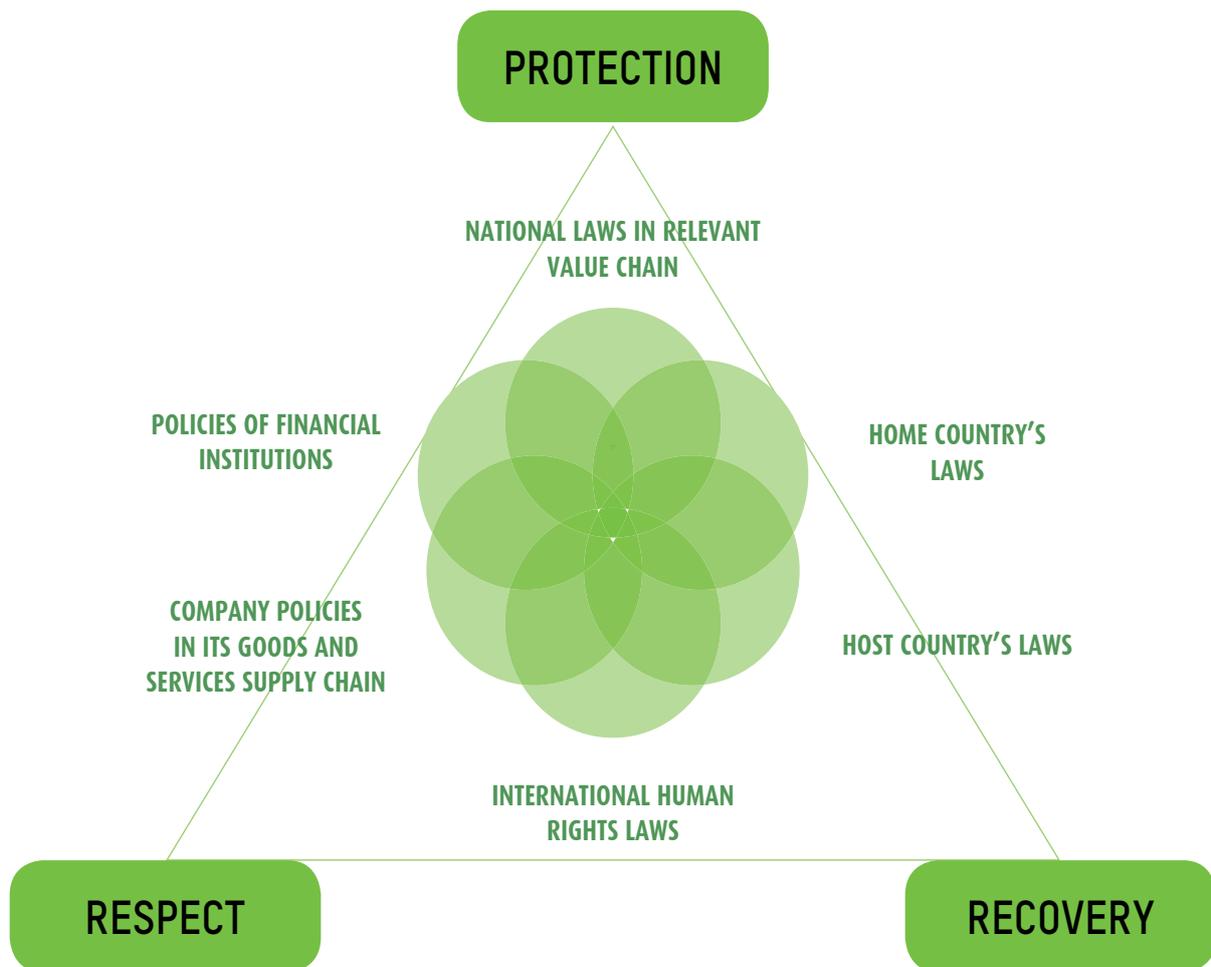
**Friendly:** *Open, caring and sharing through daily communication.*

**Relevance:** *Activities need to be conducted properly in terms of time, space, content, language and form.*

**Compliance:** *Respect and strictly follow the laws as well as committed agreements.*

## SUMMARY OF CONTENTS AND DESIGN PRINCIPLES

The Voluntary Guidelines are based on three fundamental principles of Protection, Respect and Remedies of United Nations Guiding Principles on Business and Human Rights. Vietnamese enterprises' outward investment risks can be resulted from violating of one or more of the six responsibilities arising from the implementation of three core principles mentioned above. This is specifically modeled as below:



There are many risks involving in investing and doing business; however, due to resource constraints, the authors of the Guidelines only focus on Environmental and Social Risks with four basic issues including (i) Land; (ii) Labor; (iii) Environment; and (iv) Culture and Indigenous People.

In order to make it easy for enterprises to look up, the four mentioned issues are presented according to phases of an investment project. To simplify, the project investment process in this Guidelines is divided into three basic steps which are (i) Preparation; (ii) Implementation; and (iii) Termination. The following table describes the Guidelines framework according to investment steps and related issues.

Termination	Investment steps		
	Preparation	Implementation	Termination
Land			
Labor			
Environment			
Culture/ Indigenous Peoples			

Each phase of the investment process is put into one chapter, in which four related issues are discussed through specific proposals. The following table describes the design of the Guidelines for each chapter/project implementation phase:

Investment steps				
No	Risk Identification	Recommendations	Specific Measures	References and Examples
	Content 1			

## THE PIONEER GROUP

The Pioneer Group was established on the basis of discussions between the research team of People and Nature Reconciliation (PanNature), the Vietnam Chamber of Commerce and Industry (VCCI), Oxfam in Vietnam and enterprises during the field study of outward investment in agribusiness in Laos and Cambodia. The Group consists of eight members from six enterprises and two professional associations who volunteer to share their practical experiences in order to contribute to the development of the Vietnamese business community in particular and the sustainable development, the image and reputation of Vietnamese investors in the region in general.

The Pioneer Group includes representatives from:

- Gemadept Corporation
- The Vietnam Rubber Association
- Vietnam – Laos – Cambodia Association for Economic Cooperation Development
- Hoang Anh Gia Lai Agriculture JSC
- Economic Cooperation Company 385
- Huu Nghi Nam Lao Limited Liability Company
- Vietnam Rubber Group
- Tin Nghia Corporation

More information on the Pioneer Group is in Annex 4.



The photo "Dong Nai Rubber Plantations" by Do Minh Tuan, Dong Nai Rubber Corporation

# CONTENTS

## CHAPTER I: INVESTMENT PREPARATION

No	Risk Identification	Recommendations	Specific Measures	References and Examples
1	Developing Investment Plans			
1.1	Vietnam's Laws			
1.1.1	Land, Environment, Labor	Understanding Vietnam's laws and regulations related to environmental and social issues in outward investment projects.	<p>Current regulations of Vietnamese law do not mention issues of environmental and social accountability of outward investment projects, except for: (1) compliance with the laws of the host country; and (2) regulations on types of land-related documents to be submitted to relevant Vietnamese authorities to confirm the location of agricultural investment projects.</p> <p>However, policies and laws will be adjusted in the coming time following the development trends to minimize environmental and social risks. One of these adjustments is the policy of the State Bank of Vietnam in Directive No.03/CT-NHNN on March 24, 2015 on promoting green credit growth and managing environmental and social risks in credit extension.</p>	See Appendix 2: List of relevant legal normative documents
1.1.2		Consulting with related stakeholders	<p>Consulting information about outward investment and development policy trends from official information channels such as:</p> <ul style="list-style-type: none"> <li>• Foreign Investment Agency, Ministry of Planning and Investment;</li> <li>• Investment Promotion Center, Ministry of Planning and Investment;</li> <li>• Relevant business associations such as the Vietnam Chamber of Commerce and Industry (VCCI), Vietnam - Lao - Cambodia Association for Economic Cooperation Development Association (VILACAED), Vietnam Banks Association (VNBA), etc;</li> <li>• The State Bank of Vietnam and Vietnamese commercial banks; Vietnamese Embassies and Commercial Counselors in host countries;</li> <li>• The Vietnam Association of Foreign Investment Enterprises in host countries</li> </ul>	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
1.2	<i>Host country's Laws</i>			
1.2.1		Understanding host country's laws related to environmental and social issues in foreign investment projects	Identify environmental and social issues which may arise in relation to the investment projects in order to determine relevant regulations and policies needed to be reviewed. These which need considerations include, but not limited to, the following:	Refer to the Checklist of JICA Environmental and Social Considerations.
1.2.1.1	Land	The sensitivity of the project site	<p>Whether the project site is within or near one or some of the following special areas:</p> <ul style="list-style-type: none"> <li>• National parks, protected areas or protected areas in accordance with government regulations (coastline, wetlands, areas for indigenous peoples only or cultural heritage sites); Primary forests, natural tropical forest;</li> <li>• Important habitats or ecological areas (coral reefs, salt marsh swamps, tidal flats, etc.);</li> <li>• Habitats of threatened species whose protection are required by local law and/or international treaties;</li> <li>• Areas at increased risk of salinization or land erosion at large scale;</li> <li>• Areas threatened by significant desertification;</li> <li>• Areas having special value from an archaeological site, history, and/or culture, landscape;</li> <li>• Habitat of ethnic minorities, indigenous people, or nomads with traditional life style, or areas of special social value.</li> </ul>	See more at websites of specialized ministries or international organizations such as IUCN, WWF, FFI operating in host countries.
		Land quota granted to foreign investors	Find out the maximum land quota granted to foreign investors (if any) and compare with the project's expected area.	Example 11: Land quota in Cambodia

No	Risk	Recommendations	Specific Measures	References and Examples
1.2.1.1	Land	Involuntary resettlement	Involuntary resettlement scale (number of households, number of people) if the project is implemented.	
		Project scale	Scale of reclamation, land expansion, and/or clearance (ha).	
		Cutting down trees	Forest areas which need to be cut down in order to implement the project (ha) (if any).	
		Real land ownership	Practical application of land ownership in accordance with the local law and the customary law.	Refer to Example 7: Risks of land use rights under the national law and the customary law
		Dispute settlement mechanism	Land Dispute settlement mechanism	Refer to Appendix 1: Some dispute settlement mechanisms
1.2.1.2	Environment	Environmental Impact Assessments	Requirements for environmental impact assessments (including environmental and social impact assessments) before and during the project implementation. Pay special attention to projects within or near sensitive areas as mentioned above.	
		Licenses and other environmental requirements	Apart from environmental impact assessments, it is necessary to understand the regulations on other environmental licenses, such as using of groundwater, chemicals and fertilizers during implementing process.	Refer to Example 18: Environmental issues
		Pollution control	Requirements for pollution control such as water quality, waste, soil contamination, subsidence (especially in case of extraction of large amounts of groundwater), odors, etc., during the project implementation.	

No	Risk	Recommendations	Specific Measures	References and Examples
1.2.1.3	Labor	Labor source	Explore the local labor source and the ability to meet the project's labor demand.	Look up references at provincial departments of labor or district government
		Labor quota	The host country's regulations on foreign employment limit (if any).	Example 5: Foreign employment limit in Laos
		Labor force quality	The local community's working practices compared with the labor requirements of the project.	Example 12: Labor force "Crisis"
		Gender factor	Understand the gender-specific factors (roles, positions and social relationships between men and women) required for employment, especially for jobs requiring a large number of female workers.	
1.2.1.4	Culture/ Indigenous People	Indigenous/Ethnic minorities	Find out which indigenous groups live in project area; main characteristics of the culture, customs and specific legal mechanisms/priorities for groups (if any)	Example 8: Cultural conflicts
		Customary land	Understand practices and regulations of customary law in the use of land and resources, including customary land as sacred forests, spirit forests, water, etc.	Example 7: Risks of land use rights under the national law and the customary law
		Ability to convert production methods	The level of labor, production practices of the community and the ability to learn new skills to change occupations of people when their land is acquired or converted.	Example 12: Labor force "Crisis"
		Community livelihood	Assess the dependence of community livelihoods on the project areas such as non-timber forest product exploitation, rotational agriculture in project areas, etc.	

No	Risk	Recommendations	Specific Measures	References and Examples
1.2.2	Labor	Participatory implementation approach	<p>Extensive stakeholder consultation in order to collect information in formal and informal channels such as:</p> <ul style="list-style-type: none"> <li>• Official foreign investment portals of the host countries, such as the Council of the Development of Cambodia, the Investment Promotion Department of Laos, Ministry of Environment and Resources, Ministry of Labor etc;</li> <li>• Representatives of Vietnam Commercial Councils in the host countries;</li> <li>• Associations of Vietnamese Investment Enterprises in the host countries;</li> <li>• Conduct surveys and consult with the local authorities and communities in the planned project site;</li> <li>• Consult with social organizations/ NGOs/research institutions on the status of land management and use in the country.</li> </ul>	See Appendix 4: Useful contacts
<b>1.3 International Human Rights Law</b>				
1.3.1	Land, Labor, Environment, Culture/ Indigenous People	Understanding international conventions on human rights related to business and investment activities	Identify the international human rights treaties that the Government of Vietnam and the host country have entered into and committed to protect such as labor rights, land ownership rights and indigenous people rights.	Refer to Example 6: Sugar Production in Cambodia: A case study in Land-taking
			Find information on national participation in thematic and national treaties on the official website of the United Nations High Commissioner for Human Rights (OHCHR).	See Appendix 2: List of relevant legal normative documents
			Consult with social organizations/ NGOs/research organizations/human rights organizations in the host countries.	

No	Risk	Recommendations	Specific Measures	References and Examples
1.4	<i>Policy of financial institutions</i>			
1.4.1	Land, Labor, Environment, Culture/ Indigenous People	Understanding the safety policies of the financial institutions investing in the project	<p>Understand the social and environmental commitments made public on the websites of financial institutions that the enterprise borrows or plans to borrow and reflected through the corresponding safety policies applicable to customers.</p> <p>These safeguards are expressed under various names such as the World Bank's Environmental and Social Framework (ESF), (Safeguard Policy Statement - SPS) of the Asian Development Bank, and the Environmental and Social Considerations of the Japan International Cooperation Agency (JICA).</p> <p>Safeguard policies of financial institutions are also applied in the case of lending through intermediary financial institutions.</p> <p>Dispute settlement procedures when policies are breached.</p> <p>Enterprises should thoroughly understand the relevant terms and appendices of the contract; reconfirm environmental and social requirements of financial institutions that lend money due to the fact that environmental and social requirements are often stated as a condition and/or an Article in the Credit Agreement.</p>	<p>Refer to Example 6: Sugar Production in Cambodia: A case study in Land-taking</p> <p>See Example 3: Applying Safety Policy through intermediary financial institutions</p> <p>See Example 4: Land conflict resolution mechanisms in Cambodia</p>

No	Risk	Recommendations	Specific Measures	References and Examples
1.5	<i>Enterprise policy in supply chain of goods and services</i>			
1.5.1	Land, Labor, Environment, Culture/ Indigenous People	Understanding the environmental and social policies of enterprises in the supply chain of goods and services for the project	<p>Investors need to understand the policies of enterprises in the supply chain of goods and services. These policies are often published on their websites.</p> <p>In addition to the policies applied to the operations of the business itself, businesses also develop their own policies that apply to their suppliers of goods and services. It is the responsibility of businesses to prevent and mitigate direct impacts of their business relationships<sup>2</sup> with other parties.</p> <p>Environmental and social requirements are often stated as a condition and/or an article in a contract for the provision of goods or services. Therefore, enterprises should thoroughly understand the relevant contractual terms and appendices, reaffirm the environmental-social requirements with their business partners and customers.</p>	<p>Refer to Example 6: Sugar Production in Cambodia: A case study in Land-taking</p> <p>See also Example 9: CP Group's story on reducing environmental and social risks through Corporate Social Responsibility (CSR)</p> <p>See also Appendix 1: Some dispute settlement mechanisms</p>

<sup>1</sup> Businesses' social and environmental policies are developed to demonstrate their commitments to the society as part of their Corporate Social Responsibility (CSR). CSR is understood in many ways, in which the new understanding widely recognized by the parties is the one focusing on the responsibility of enterprises to identify and resolve the impacts on the society, avoiding adverse effects and maximizing benefits. In these Guidelines, CSR is understood this way as well as the definition by the European Commission.

Businesses' social and environmental policies are often expressed under various names such as CSR Policy, Sustainable Development Commitment, Safety Policy, etc... See Appendix 3 for a list of some international safeguards policies and guidelines for reference.

<sup>2</sup> "Business relationships" are understood as the relationships with business partners and value chain actors, regardless of non-state partners or government entities which directly involve in the enterprise's business activity, products or services.

No	Risk	Recommendations	Specific Measures	References and Examples
<b>1.6</b>	<b><i>National law and policies in relevant value chains</i></b>			
1.6.1	Land, Labor, Environment, Culture/ Indigenous People	Understanding the national environmental and social policies of businesses in the business relationship	<p>In order to fulfill the obligation to protect the human rights of the country in accordance with international commitments, a number of countries have made or declared the requirements of complying with the standards on human rights, environment and society applied for enterprises who register and work in their country.</p> <p>Scope of compliance applies not only to registered enterprises operating in that country, but also to their business relationship network. Some requirements on businesses' obligations are even beyond the territorial scope, i.e. they are applied to those enterprises' activities overseas.</p> <p>Enterprises should carefully study these commitments of the host countries.</p>	<p>Example 1: Democracy and Human Rights; and The European Union (EU)'s Everything But Arms Policy (EBA)</p> <p>Refer to Example 6: Sugar Production in Cambodia: A case study in Land-taking</p> <p>Example 2: The Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development</p>

No	Risk Identification	Recommendations	Specific Measures	References and Examples
<b>1.7</b>	<b>Internal risk management policies</b>			
1.7.1	Land, Labor, Environment, Culture/Indigenous People	Building internal policies on risk management	<p>Review the company's risk management policies and mechanisms and its ability to meet the obligations and liabilities arising from the requirements of national law and policy from the above Section 1.1. to 1.6.</p> <p>Update and supplement internal risk management policies and mechanisms, or develop separate policies for high risk projects..</p>	<p>Example 9: CP Group's story on reducing environmental and social risks through Corporate Social Responsibility (CSR)</p>
<b>2</b>	<b>Environmental and social impact assessment</b>			
2.1	Environment	Integrating the surveys for environmental and social impact assessment reports into the process of preparing the feasibility study report of the investment project.	<p>Integrate multi-purposed criteria or survey designs to identify information, including:</p> <ul style="list-style-type: none"> <li>• The state of the environment (e.g. soil, water and reserves, climates, sensitive areas of biodiversity such as corridors of rare animals, national parks, protected areas);</li> <li>• Purpose of land use and ownership / use of land both in legal documents and in the field;</li> <li>• Culture, ethnicity and customs, especially the indigenous peoples living in and around the proposed investment region;</li> <li>• The quantity and quality of local labor resources and the potential for changing the occupations or working styles as well as the foreign worker quota in accordance with the law of the host country;</li> <li>• Current status of infrastructure and ability to meet future production and business needs of the project;</li> <li>• The impacts of the project on the social and natural environment during the preparation, implementation and operation of the project;</li> <li>• Future solutions and expected costs for the project to meet environmental standards and codes.</li> </ul>	<p>Refer to Example 7: Risks of land use rights under national law and customary law</p> <p>Refer to Example 8: Cultural Conflict</p> <p>Refer to Example 12: Labor source "crisis"</p>

No	Risk Identification	Recommendations	Specific Measures	References and Examples
2.2	Integrating the surveys for environmental and social impact assessment reports into the process of preparing the feasibility study report of the investment project.	Applying participatory methodologies	Consult with stakeholders during environmental assessments, including: <ul style="list-style-type: none"> <li>• State management agencies</li> <li>• Affected communities</li> <li>• Representatives of local non-governmental organizations;</li> <li>• Experts, research institutions (depending on each investment field).</li> </ul>	Refer to Free prior and informed consent – FPIC
			Conducting environmental and social impact assessments is a continuous process, so it is necessary to frequently exchange information between the two reporting groups for the most complete and accurate assessments.	
			Environmental impact assessment and land and property compensation consultations may be integrated.	
	Culture/ Indigenous People		Use appropriate language for each target group and interpreters for indigenous ethnic minorities (if any).	
<b>3</b>	<b>Pre-feasibility or feasibility report of investment projects</b>			
3.1	Land, Labor, Environment, Culture and Indigenous People	Fully assessing the environmental and social factors in measuring the project performance	<p>The reviews include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>- Costs of preparation of land, compensation, resettlement when implementing the project such as: <ul style="list-style-type: none"> <li>• Compensation for land, property and crops on land;</li> <li>• Resettlement cost for people who have lost their houses and land;</li> <li>• Cost of treatment for loss of livelihoods for the affected communities (including communities without loss of land and property by the project) such as career change;</li> <li>• Compensation and resettlement expenses;</li> <li>• Commitments with the Government and localities on land-related contributions such as exchanged land for infrastructure, closing fund, etc. (if any);</li> <li>• Financial cost related to loans;</li> <li>• Risk and opportunity cost.</li> </ul> </li> </ul>	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
3.2		Investment decision making should be based on adequate evaluations and sufficient information	Only decide to invest when having sufficient and reliable information from at least two available sources: <ul style="list-style-type: none"> <li>- Pre-feasibility report/ feasibility report; and</li> <li>- Initial environmental and social impact assessment.</li> </ul>	
			The decision should be weighed between risks and benefits, including not only project-level risks but also the risks of the business's reputation and the ability to raise funds, especially for public companies.	Example 10: Phising foreign investment projects
<b>4 Investment license and site approval</b>				
4.1	Land/ Environment/ Culture	Reviewing the information related to license issued	The information needs to be considered includes, but is not limited to the following: <ul style="list-style-type: none"> <li>• The authority to grant the investment license, usually on the bases of the project location, scale of land use and investment;</li> <li>• Land quota granted according to the authority and/or the maximum limit (if any);</li> <li>• The sensitivity of the project location;</li> <li>• Cultural diversity, such as many ethnic minority groups living in the area;</li> <li>• Financial commitments related to land allocation such as contributions, infrastructure commitments, etc... (if any).</li> </ul>	Example 11: Land concession quotas in Cambodia



Photo source: Photo Contest "Land and People", Oxfam

# CHAPTER II: IMPLEMENTATION

No	Risk Identification	Recommendations	Specific Measures	References and Examples
1	Land Preparation			
1.1	Land	<i>Identifying the location, boundary and land use rights of the involved parties and developing or modifying the maps of the allocated/granted land</i>	<p>Use GPS to draw maps and measure and identify landmarks;</p> <p>Compare with the information on the location, land boundaries, ownership and land use rights specified on paper and on site;</p> <p>Pay more attention to the areas located in or near biodiversity-sensitive areas such as national parks, protected areas or corridors of rare animals, etc.</p>	
1.2		<i>Determining the current status of assets on land</i>	<p>Draw up inventories and determine the current status of assets on land along with identifying boundaries, areas and land ownership and use rights.</p> <ul style="list-style-type: none"> <li>• The assets on land include, but not limited to, the following Infrastructure such as: buildings, schools, electrical systems, etc.</li> <li>• Trees, including perennial and annual trees</li> <li>• Cultural and spiritual assets such as pagodas, sacred forests, spirit forests, cemeteries, etc...</li> </ul> <p>Pay more attention to the cases where the land owners and the owners of assets on land are different.</p> <p>Pay more attention to the cases of benefiting from the rights not associated with land assets, such as access to water resources, fishery resources, non-timber forest products such as honey, sap, pollen, etc.</p>	Refer to Example 8: Cultural Conflict

No	Risk Identification	Recommendations	Specific Measures	References and Examples
1.3	Land	<i>Applying the participatory implementation approach</i>	<p>The participatory measurement process must involve the participation of at least the following stakeholders:</p> <ul style="list-style-type: none"> <li>• Adjacent landowners; Representatives of the land owner community;</li> <li>• Representatives of the bordering communities or the ones with related rights (eg. Use of the grazing land, hired cultivation)</li> <li>• The local authority where the land is located; The bordering local authorities (if any).</li> </ul>	Refer to Free prior and informed consent – FPIC
1.4		<i>Disclosure of results of measurements, maps, boundaries and landowners</i>	<p>Share a copy of the maps and results of verifying the status of assets on land with:</p> <ul style="list-style-type: none"> <li>• The land owners and users with information about their land and assets;</li> <li>• The community representatives if it is the land of the community or the entire boundary and area is within that community;</li> <li>• Representatives of the bordering communities or the ones with related rights</li> <li>• The local authorities where the land is located;</li> <li>• The bordering local authorities.</li> </ul>	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
2	Acquisition and compensation of land and property			
2.1	Land, Culture/ Indigenous People	<i>Negotiating the compensation</i>	Research the market value of land and assets in the project area and refer to similar projectsl.	
			Consult the affected people to get agreements on compensation and conversion (if any) <sup>3</sup> . Agree on the process and time of compensation.	
			Write minutes of agreed and pending issues after each consultation, which are confirmed by participants.	
			Pay attention to using appropriate language during each consultation, negotiation and agreement. Use interpreters for indigenous ethnic minorities.	
			Invite the third parties such as management agencies or representatives of NGOs/CBOs.	
2.2		<i>Enterprise - People Cooperation Model in project implementation</i>	In the case of cooperation in which land is contributed by members of the community, it is necessary to clarify the compensation or agreement on disposition of resources in the cooperation agreements.	Example 16: Commitment to exchange the infrastructure for land acquisition

<sup>3</sup> Note the compensation agreements or resource sharing solutions arising from the rights not associated with asserts on land such as access to water resources, fishery resources, non-timber forest products such as honey, sap, pollen, etc... .. In case of conversion of compensation and infrastructure or other works, it is also necessary to consult and clarify the scope, objects, level and duration of implementation;

No	Risk Identification	Recommendations	Specific Measures	References and Examples
3	Clearance/Reclamation			
3.1	Land, Culture/ Indigenous People	<i>Informing of site clearance and reclamation</i>	Selecting the time of clearance/reclamation	
			Give notifications of the plans and schedules of site clearance/ reclamation with the list of respective specific individuals and communities.	
			Investors need to clearly notify of any delays and replaced plans if any.	
			Use common language and native language (if any) if indigenous people are affected.	
			Publicize contact points with stakeholders to resolve arising issues (including interpreters) during the implementation.	
3.2		<i>Selecting the time of clearance/reclamation</i>	Pay attention to the schedule of site clearance/ reclamation in order to minimize the damage to communities and the environment such as post-harvest of agro-forestry products, the breeding season of endangered and rare plant and animal species, night time, etc.	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
3.3		<i>Selecting the methods of clearance / reclamation</i>	Implement the plans as informed to the parties;	
			Invite people who have land, related and bordering assets to witness if wished;	
			Choose suitable methods for each location and time. For example, limiting the use of machinery near sensitive biodiversity sites such as national parks, reservations or biological corridor of rare animals, or spirit and prohibited forests according to customs and habits of the indigenous community.	
3.4	Land, Culture/ Indigenous People	<i>Dealing with assets on land affected by clearance</i>	It should be applied in accordance with the laws of the host country;	
			Allow the local people to make extra income;	
3.5		<i>Dealing with disputes</i>	Maintain hotlines to receive and reflect information to the authorized people;	
			Organize fixed meetings, maybe once a month to listen to complaints and answer questions of the community;	
			Formulate the common working rules among the parties in solving disputes and clearly communicate the dispute resettlements to the community;	See Basic Principles in the Introduction.
			Use dispute resolution mechanisms such as conciliation and arbitration to assist in the resolution of disputes where necessary.	Appendix 1: Some conflict resolution mechanisms

No	Risk Identification	Recommendations	Specific Measures	References and Examples
<b>4 Land Procedures</b>				
4.1	Land	<i>Completing procedures for land lease, land allocation or certificate of land use rights/ownership</i>	Prepare a profile based on the laws of the host country;	
			Draw a map of boundaries and area of the acquired and compensated land in practice as a basis for signing Land Lease Agreement / Land Allocation Agreement and issuing Land Certificates.	
4.2		<i>Complying with financial liability relating to land allocation and granting of land certificates</i>	Prepare a profile in accordance with the laws of the host country.	
			Determine the financial incentives to be applied such as bilateral trade agreements, investment incentives in priority regions and areas, etc.	
Select and commit financial obligations according to actual capacity including the payment of lump-sum or annual rent (if any) and other commitments and contributions related to the rented area.	Example 16: Commitment to exchange the infrastructure for land acquisition.			
<b>5 Environmental Procedures</b>				
5.1	Environment	<i>Completing procedures for approving Environmental Impact Assessments</i>	Prepare dossiers for approval of environmental impact assessment reports according to regulations of the host countries (Decisions approving environmental impact assessment reports may serve as a basis for land lease project approval or contract conclusion in some countries).	
			Publicize the approved Environmental Impact Assessment reports at the head office;	
5.2		<i>Notifying to the involved parties of the approved Environmental Impact Assessment reports</i>	Inform the involved parties about the impacts and mitigation measures of environmental impacts which are approved in the EIA reports;	
			Disclose the budget / costs for implementation of mitigation measures	
Develop a plan to coordinate with stakeholders, especially the community and local authorities, in implementing and monitoring the implementation of mitigation measures.	Example 19: Turning restrictions into investment advantages			

No	Risk Identification	Recommendations	Specific Measures	References and Examples
6	Construction			
6.1	Environment	<i>Completing procedures on construction</i>	<p>The dossiers related to the construction of works include, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Construction planning and design submitted for approval;</li> <li>• Construction permit;</li> <li>• Agreements on the provision of services such as electricity, water, sewerage, internet, and connections to other infrastructure;</li> <li>• Fire prevention and fire fighting, etc.</li> </ul>	
6.2		<i>Applying measures to minimize the socio - environmental impacts from construction activities</i>	<p>Implement measures to minimize the environmental impacts associated with construction activities such as dust, noise, waste, etc., especially implementing the approved measures / requirements in the Environment Impact Assessment reports.</p>	Example 18: Environmental issues
			<p>Train and build capacity for migrant workers in the project area related to culture, customs, mitigation measures and community commitments.</p>	
6.3		<i>Construction activities</i>	<p>Select competent and responsible construction units</p>	
	<p>Make plans for effective construction supervision and acceptance of works.</p> <p>Mobilize community participation in monitoring activities, especially in the case of subcontractors.</p>		Example 15: Contractors	
6.4	<i>Machinery and equipment</i>	<p>Thoroughly understand the procedures for importation of machinery and equipment, especially the regulations on the import of used machinery and equipment.</p>		
		<p>Install, commission and accept (note that in some cases, it is necessary to confirm the acceptance of meeting the environmental standards before official operation).</p>		

No	Risk Identification	Recommendations	Specific Measures	References and Examples
7	Operating projects			
7.1	Labor issues			
7.1.1	Labour	<i>Making plans to use local labor</i>	Base on the results of the survey on the status of quantity and quality of labor when making the feasibility report and the progress of project implementation to determine the labor demand and potential location to attract labor force, and to create and recruit, especially technical workers;	Example 5: Foreign employment limit in Laos
			Build the recruitment mechanism, clearly defining the priority objects, specific remuneration and orientation of professional development;	
			Collaborate with a third party such as the Labor Office / Vocational Training Center or self-organize and develop appropriate training programs;	Example 12: Labor force "crisis"
			Contractual agreements, rules or notices should be in the local language and translated into the local language in the case of indigenous people who do not know the common language (if any);	Example 13: Productive Labor Team
7.1.2	Labour	<i>Making plans to use foreign labor</i>	Comply with the law of the host country on foreign employment (limits, permits, registration and management);	Example 5: Foreign employment limit in Laos
			Pay attention to the selection of insurance policies for foreign workers and the solutions to the cases of termination of the labor contracts and returning home countries due to the end of working age;	Example 20: Social insurance for Vietnamese laborers returning home.
			Develop strategies and frameworks for positions which need foreign labor and plans of replacing the positions by indigenous labor;	
			Develop training and technology transfer programs between foreign workers and indigenous workers. Native languages are encouraged in these programs;	
			Integrate information on the customs, habits and culture of the host country, in particular the taboos of indigenous communities where the project is implemented in the orientation of new foreign employees.	Example 8: Cultural Conflict

No	Risk Identification	Recommendations	Specific Measures	References and Examples
7.1.3		<i>Establishing transparent recruitment process</i>	Recruitment information such as job title, job description, working time, treatment regimes must be transparent. In addition, recruitment results need to be publicized.	Example 15: Labor Contractors
			Publicize the number of local and foreign laborers employed, especially the number of local laborers as committed when implementing the project (if any).	Example 5: Foreign employment limit in Laos
			Set up labor conditions and standards applicable to labor supply units such as contractors.	
			Develop a feedback mechanism for violations related to the employment regime, especially through contractors.	
7.1.4	Labour	<i>Ensuring working conditions</i>	Comply with the laws and regulations on working conditions in the host country;	
			Equip and train how to use working tools and labor protection equipment;	Example 18: Environmental issues
			First aid training for common occupational accidents;	
			Organizing annual health checks for employees;	
			Provide first aid kits at the workplace or shelter area and maintain a health-care center for workers;	
7.1.5		<i>Building corporate culture</i>	Build corporate culture, engage employees through activities such as home visits to the sick, maternity, activities such as team building, club or competitions among groups/units;	Example 13: Productive Labor Team
			Build teams including both local and foreign members;	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
7.1.6	Culture	<i>Creating corporate image with the community</i>	Facilitate the community to access and safely use resources/ assets which are owned and used by the company to increase income;	Refer to Example 14: Improving the lives of workers and the community
			Prioritize the use of labor from the affected community or around the project as part of the local employment plan;	
			In the case of employing labor contractors, it is necessary to post a clear notice on the remuneration, area, technical requirements and procedures for checking and accepting payment procedures in the local language;	Refer to Example 15: Labor Contractors
			Consult with the community on activities, contributions to meet their urgent needs;	
			Note that for infrastructure contribution commitments or land conversion for infrastructure, the company needs to notify the implementation plan with specific schedule to the community and the local authorities;	Refer to Example 16: Commitment to exchange the infrastructure for land acquisition.
			Consider the selection of activities and contributions with long-term effects;	Refer to Example 17: Corporate Social Responsibility (CSR).
			Establishing common activities often helps to increase participation and mutual understanding between the parties, such as participation in collective events, cultural and spiritual events of the local community, organizing sports friendship tournaments, etc.	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
7.1.7	Land, Labor, Environment, Culture / Indigenous People	<i>Cooperation between Enterprise- Indigenous People</i>	Identify the cooperation model between businesses and indigenous people, clarifying the specific rights and obligations of each party as well as time to implement; benefit and risk sharing ratio/methods; solutions to the unilateral termination of the contract; mechanisms for monitoring and settling of complaints;	
			In cases where enterprises apply many cooperation models such as people's contribution of land and labor or businesses' products selling, it is necessary to clarify the difference between the models, evaluate their advantages and disadvantages so that people can choose;	
			Develop monitor mechanisms in which each party can supervise the contract compliance of the other party such as the reporting regime; access of information and accompanying documents relating to implement of the contract;	
			Establish mechanisms to receive and resolve complaints and inquiries relating to cooperation agreements;	
			Develop a regime for the storage, management and disclosure of information relating to co-operation as evidence of the settlement of arising disputes such as information on the number of recruits and the number of the local employees recruited, the number of training and capacity building courses for local labors, the implemented environmental protection measures, the coordinated activities in the implementation of environmental protection measures, etc;	
			Register or certify cooperation agreements with third parties such as community representatives or local authorities to jointly monitor the implementation of the agreements;	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
7.2	Environment issues			
7.2.1		<i>Strictly implementing environmental management plans</i>	Disclose approved environmental management plans, especially the specific and easy to understand and monitor criteria such as planting trees 50 meters away from water sources on each side of the river ...	
			Implement the approved environmental impact mitigation measures, including the solutions to environmental problems arising from seasonal labor.	See Example 18: Environmental issues
7.2.2	Environment	<i>Complying with the process of using fertilizers and chemicals to minimize environmental impacts</i>	Comply with legal regulations on the use of fertilizers, pesticides or related chemicals.	Example 19: Turning restrictions into investment advantages
			Train workers how to use these chemicals and fertilizers properly.	See Example 18: Environmental issues
			Encourage the use of natural pest control instead of chemicals. Take advantage of the natural environment to produce high quality organic products.	Example 19: Turning restrictions into investment advantages
7.2.3		<i>Cooperating with the community to implement environmental protection</i>	Carry out initiatives to mobilize community participation in implementing environmental protection;	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
7.3	Security issues			
7.3.1	Labor	<i>Coordinating with local authorities</i>	Coordinate with local authorities in matters of public order and security.	
			Comply with regulations on managing and reporting on migrant workers.	
7.3.2		<i>Coordinating with local communities</i>	Building teams/groups that include members who are community representatives and company staff coordinating to solve security issues and protect the assets of the company as well the community.	
7.4	Reporting issues			
7.4.1	Labor, environment, land	<i>Fully fulfilling the tax obligations and the tax finalization report regime</i>	Coordinate with the specialized management agencies in the host countries in fulfilling tax obligations and tax finalization report regime	
7.4.2		<i>Implementing the reporting regime on investment activities</i>	Report the implementation of the project to the local licensing and direct management agencies such as local labor use and the implementation of environmental protection measures, etc...	
	Report the overseas investment status to the Foreign Investment Agency, Ministry of Planning and Investment and other relevant agencies in Vietnam.			



The photo "The droplet of Rubber Latex" by Do Minh Tuan, Dong Nai Rubber Corporation

# CHAPTER III: TERMINATION

No	Risk Identification	Recommendations	Specific Measures	References and Examples
1	Termination or transfer of projects			
1.1	<i>Dealing with ongoing obligations to the community</i>			
1.1.1	Land	<i>Dealing with obligations in the cooperation agreements between enterprises and indigenous people</i>	Negotiate plans relating to contract termination or transfer between enterprises and indigenous people before proceeding;	
			Note the application of the term of unilaterally terminating the contract if no voluntary termination or transfer agreement is reached;	
			Make plans to deal with rights and obligations in the cooperation agreements;	
			Notify the plans to the involved parties when cooperation agreements are terminated or transferred to new partners;	
			Hold meetings and hand over documents and plans to the related parties;	
1.1.2		<i>Implementation or transfer of commitments on compensation / infrastructure conversion for land for project implementation</i>	Review the practical results, clarify the pending contents;	Example 16: Commitment to exchange the infrastructure for land acquisition.
			Make plans to deal with pending commitments, including specific solutions, transfer and implementation timelines;	
			Hold meetings with the involved parties on specific plans and actions;	
			Notify the involved parties on the implementation or transfer of obligations in the commitments;	

No	Risk Identification	Recommendations	Specific Measures	References and Examples
1.1.3	Land	<i>Building a checklist of obligations and commitments</i>	<p>Develop a checklist of obligations and commitments that are being implemented and will be implemented, at the same time making detail plans for each obligation and commitment respectively;</p> <p>The checklist of obligations and commitments should be a part of the contract in the event of transfer to another party.</p>	
<b>1.2 Dealing with obligations to workers</b>				
1.2.1	Labor	<i>Obligations of the employers</i>	Negotiate to continue hiring old employees in the event of transferring the project;	
			Comply with regulations relating to the termination of labor contracts;	
			Complete financial obligations such as salary, insurance policies for employees;	
			Inform workers in advance of the termination or transfer of the project so that they can arrange suitable and timely alternatives.	
<b>1.3 Dealing with obligations to the State</b>				
1.3.1		<i>Financial obligations</i>	Inform the financial obligations to management agencies on completion or transfer the project to the receiving parties.	
			Report and carry out procedures for transferring investment money back to Vietnam or reinvesting in other projects.	
		<i>Reporting Obligations:</i>		
		<i>Completing legal procedures in the host country</i>	Carry out project liquidations, termination or transfer the obligations in accordance with the provisions of law.	
		<i>Completing legal procedures in Vietnam</i>	Notify the State management agencies of Vietnam to withdraw the outward investment license.	

# EXAMPLES

Name of example	Content
<p>Example 1: Human Rights, Democracy, and the Everything But Arms Policy of the European Union</p>	<p>On June 25, 2012, the European Union (EU) approved the EU Strategic Framework on Human Rights and Democracy, which posited that principles of respect for human rights, democracy and rule of law are the bases of all the policies of the Union.</p> <p>The European Union’s Everything But Arms (EBA) policy is a global initiative that helps the least developed countries integrate deeper into the global economy through tax exemptions and quotas for all goods imported into Europe, with the exception of military weapons. This is a preferential treatment complying with the EU’s General Scheme of Preferences. This policy was launched in 2001, revised in 2014 under the new General Scheme of Preferences; currently 49 countries are benefiting from it. In 2011, the EBA’s incentives for export value amounted to €10.5 billion, accounting for 12% of the total tariff preferences for developing countries.</p> <p>Although Myanmar was one of 49 countries benefiting from the policy, the preference was cut in 1997 due to serious and systematic violations of core international labor conventions. After the decision of the International Labor Organization (ILO) in June 2012, the European Commission proposed to re-instate membership to Myanmar in September 2012. Currently the proposal of Commission is being discussed in the European Parliament and the Council of Europe.</p>
<p>Example 2: Guidelines for Multinational Enterprises of The Organization for Economic Co-operation and Development</p>	<p>The Guidelines for Multinational Enterprises of the Organization for Economic Co-operation and Development (OECD) are recommendations which were approved by governments for multinational enterprises operating in or belonging to OECD countries and other countries that agreed to comply with these Guidelines.</p> <p>The Guidelines formulate non-binding social, environmental principles and standards with the aim of responsible business in a global context. They are consistent with international legislation and standards. The Guidelines are a multilateral agreement and code of conduct on responsible business which is committed to promote by governments.</p>
<p>Example 3: Applying safeguard policies through intermediary financial institutions</p>	<p>The Vietnam Enterprise Investments Fund (VEIL) is a closed-end unit trust established in 1995. The fund is capitalized at more than US \$500 million and is managed by Dragon Capital Company, a subsidiary of Dragon Capital Group (DCG). The International Finance Corporation (IFC) has invested \$16.4 million in the Fund. The fund invests in issuing public or private securities to Vietnamese companies and aims to provide incentives for the development of the Vietnamese capital market by increasing the liquidity of Vietnamese securities. Hoang Anh Gia Lai (HAGL) is one of the companies receiving investment from DCG through this fund.</p> <p>In February 2014, local communities in 17 villages in Ratanakiri Province, Cambodia lodged a complaint to the IFC’s Compliance Advisor Ombudsman (CAO) with the support and assistance of five NGOs in Cambodia. The complaint raises a series of environmental and social concerns for HAGL’s operations in Cambodia, including impacts on water and fish resources, land loss, lack of compensation, lack of disclosure, lack of local community participation, threats to spiritual practices, culture and indigenous people as well as the use of child labor. This complaint alleged that the company has not complied with the IFC’s policies, procedures and Cambodian law. The complainants requested the CAO to keep their personal information confidential.</p> <p>The CAO is an independent aid mechanism of the IFC and the Multilateral Investment Guarantee Agency (MIGA). The CAO reflects complaints of affected communities in project with the aim of improving their social and environmental outcomes in practice.</p>

Name of example	Content
<p>Example 4: Land dispute settlement mechanisms in Cambodia</p>	<p>There are three mechanisms in Cambodia for land disputes, including: (i) The Cadastral Commission; (ii) the judiciary; and (iii) the National Authority for Land Dispute Resolution (NALDR). In addition, the Commune Council and the administrative committees are also involved, but they do not have the authority to make decisions. The use of mechanism depends on the type of land and registration of land.</p> <p>Based on the 2001 Land Law, land disputes are settled by the Cadastral Council and the judiciary; meanwhile, NALDR was established under Decree NS/RD/0206/067 dated February 26, 2006. Some documents assert that the demarcation of the NALDR's functions and roles in comparison with the two land dispute resolution mechanisms based on the 2001 Land Law is unclear.</p>
<p>Example 5: Limitation of foreign employment in Laos</p>	<p>In Laos, the Labor Code stipulates for the maximum percentage of foreign workers to be recruited. In the 2006 Labor Code, this rate is 10% and 15% respectively of the total labor force for manual labor and skilled labor. In the 2013 Labor Code, this rate was raised to 15% and 25%, but the calculation method was changed from the total number of labor force into the total number of Laotian workers in the unit using labor.</p> <p>In large projects and government priority projects with duration under five years, the percentage of foreign workers will be implemented based on a contract between the project owner and the government.</p>
<p>Example 6: Sugar Production in Cambodia: A Case Study in Land-taking</p>	<p>This example refers to a land acquisition dispute in Koh Kong province. The dispute arose in 2006 when almost 10,000 hectares of farmland were requisitioned for two concessions to produce and refine cane sugar for export. The dispute between landlords and producers was prolonged, and the conflict became more tense and even violent. This case study also illustrates the fact that if all methods of resolving dispute in the host country have been failed, farmers who are supported by NGOs will have to resort to international legal mechanisms for justice.</p> <p>(For more information, see details of Example 6 below).</p>
<p>Example 7: Risks of land use rights under national law and customary law</p>	<p>This is about an enterprise investing in agriculture in Laos. The first land that the company was granted was mainly woodland and abandoned fields. After bulldozing and compensation by the company, villagers built a fence and claimed that the land was theirs, bought from other people. Although the company made a report to the district authority and requested re-verification of the land, the issue was not resolved. Therefore, the company had to compensate villagers again. The company did not dare to take coercive measures in fear that local villagers would cause damage to their crops later on. According to the company's representative, "When it comes to land, not only in Laos but also in Vietnam, people often lack knowledge of land laws, so they apply very strong customary law." (Source: Survey in Laos from 15 to 23 May 2016).</p> <p>Comments: The indigenous people are living on rotational agriculture, i.e. they farm in one area and then move to other areas for cultivation in the following years. Normally, the land is unoccupied for 5-7 years and then people return to the next crop, and they repeat this on all the land they had cleared. In their communities, people respect "ownership" as well as their customary land boundaries and protect it strongly. Some countries respect "ownership" and self-determination rights of indigenous people".</p>

Name of example	Content
Example 8: Cultural conflict	<p>This example mentions a cemetery area violated by the company (located within the area of a farm). According to the local people, this is the old cemetery area of the village, including 47 graves. When the company arrived, this area was completely leveled, now the only trace of the cemetery is a large tree still standing in the area of the former graves. The company does not believe this story, claiming the remains date from the time of the border war. In addition, the company claims that the Lao only perform cremation rites instead of burial. However, according to the local people, the remains belong to Brau ethnic minority people, not the Lao majority, and so they still bury the dead according to their customs. Up to now, the company still has not taken any responsibility for these graves. (Local people also stated that there were 02 staff instructing to level the area on this farm).</p> <p>(Source: Survey in Laos from 15 to 23 May 2016)</p>
Example 9: CP Group's story on reducing environmental and social risks through Corporate Social Responsibility (CSR)	<p>Charoen Pokphand Group (CP Group) is a large multinational corporation of Thailand, which invests in the food processing sector in many countries in the Mekong region. In Vietnam, CP Group is also one of the largest meat processors. The CP Group was accused of helping farmers to deforest because the providers in their meat supply chain deforested to build cattle and poultry farms and then sold meat to CP Group. Stopping the purchase of meat from these farmers led to pressure from the government to buy agricultural products for the livestock and concerns about the livelihoods of the community from other NGOs. The CP Group's solution being applied is to buy only meat from farmers who have a legal farm land certificate. For undocumented farmers, they only buy if there is an international (and reputable) NGO that certifies that the household will implement the measures and commit to reforestation. However, they have partly dealt with the potential social and environmental risks from their business investments and supply chains.</p> <p>In order to prevent future risks, CP Group established the Sustainable Development Department, developed sustainability principles and made a commitment on sustainable development with 17 specific objectives.</p>
Example 10: Phishing of foreign investment projects	<p>Many Vietnamese enterprises have invested overseas but the management agencies and commercial counselors in the host country are not informed. They are only informed after phishing incidents happened, so it is difficult for them to support enterprises. Phishing is often very sophisticated and largely happens through familiar relationships. In one case, the "commission merchant" even made copies of a full profile and land map of the project for selling to Vietnamese enterprises. Many people spend millions of dollars to buy a project but in practice the project is not real or is owned by another unit. Vietnam diplomatic missions have had to give warnings about investment fraud in Laos and Cambodia.</p> <p>(Source: Survey in Cambodia, December 2015)</p>
Example 11: Land concession quotas in Cambodia	<p>According to Article 59 of the 2001 Land Law of Cambodia, the land allocation limit shall not exceed 10,000 ha. The area of concession land exceeding this limit will be reduced, except for some exceptions due to the impact on the mining process. Specific procedures for reduction and exemption are defined by the decrees. It is strictly forbidden to grant a concession that exceeds this limit in preference to a specific person or a legal entity managed by the same person.</p> <p>However, the understanding and interpretation of this Article 59 between different Government agencies and social organizations is different, leading to their different applications and risks to businesses when considering violations.</p>

Name of example	Content
<p>Example 12: Labor force "crisis"</p>	<p>The local people were unfamiliar with industrial habits and working styles, preferred to work on a day-by-day basis and wanted to be paid at the end of the day. The enterprise had to pay for all members of a family even if only one person worked in fact. Meanwhile, the labor productivity was low and did not meet the production expectations.</p> <p>From 2013 to 2014, the company coordinated with the provincial Labor Department to organize training courses and encourage workers to work on the contract basis. As of 2015, the company provided free onsite training to about 200 workers (the company paid all expenses from meals, training materials and training fees) and coordinated with the provincial department and district to grant working skill certificates to the workers. However, when they finished training, they did not go to work anymore but left to work for another company or to work in Thailand.</p> <p>The company's labor demand will be more than 3,000 workers at full capacity. At least 250 workers will be needed in 2016 alone but so far the number is fewer than 70 workers. In fact, the number of trained workers is nearly the expected number, but the workers did not fulfill their commitments, which means labor contracts are just for fun, while the company cannot enforce them. At the same time, the 10% foreign worker limit has caused the company many difficulties in their production and business activities.</p> <p>The lesson learned from this case study is that enterprises need to understand the customs and habits of the indigenous people to determine whether the company's type of production is appropriate or not. At present when harvesting has started, the company is stuck in serious labor problems (Source: Survey in Laos from 15 to 23 May 2016)</p>
<p>Example 13: A productive labor team</p>	<p>Labor productivity contributes 90% to high rubber output. To ensure productivity, one company divides workers into teams. Each team is headed by a Vietnamese leader and a Lao vice-leader who are paid allowances for their responsibilities. Vietnamese leaders check the payroll of Vietnamese workers; Lao vice-leaders check the payroll of Lao workers. Each team has a record of production and workers sign daily. Therefore, each worker can calculate how much he or she earns on a daily basis based on the yield and price and compare to the total amount recognized at the end of the month. In 2015, the company managed to be 51 days ahead of schedule and rewarded 150 million VND in bonuses, which was then distributed equally to all Lao and Vietnamese workers without any distinctions.</p> <p>At the beginning of the year, the company often launches emulation movements, stating the criteria for labor ratings for year-end awards, including technical process, working time, output and Lao New Year bonus for all workers. There are also instructions in Lao language for the teams. Teams vote internally and report their numbers and rankings so that the company rewards them based on the company's annual bonus fund rather than equal sharing, to encourage hard working workers. (Source: Survey in Laos from 15 to 23 May 2016)</p>
<p>Example 14: Improving the living conditions of workers and the community</p>	<p>The company has studied and applied a variety of models to increase income for workers in difficult circumstances. For the first three years of the rubber plantation, the company encouraged farmers to intercrop their crops. Even if the people did not have money, the company lent them and bought their products. The company also allowed livestock activities such as geese and hens in areas with water to sell for money to increase their income and improve their livelihood. In Vietnam, coffee trees are planted under rubber trees to increase income while rubber prices fell sharply. (Source: Survey in Laos from 15 to 23 May 2016)</p>

Name of example	Content
Example 15: Employment contractor	<p>According to the information collected by the people, the daily rate paid by the company is from 40,000 to 50,000 kip. However, because the company did not pay directly to the workers but through the Vietnamese or Lao middlemen, the workers were only paid between 20,000 and 30,000 kip. One of the “tricks” of middlemen was to say that their work quality was not satisfactory. For example, when digging holes for planting rubber, the middlemen initially agreed with the villagers about the pit size. However, by the end of the day, when the company’s staff came to accept their work, the requirements were different. As a result, people’s wages were reduced. (Source: Survey in Laos from 15 to 23 May 2016)</p>
Example 16: Commitment on exchanging land acquisition for building infrastructure	<p>The company promised to build irrigation canals, dams, roads, bridges, and schools for the local people in exchange of their support in land allocation, but the company has not implemented their commitments so far. At present, the local people are still supporting the company and the local government in the hope that the company will fulfill its promise. The construction of schools is the most important (because all schools were damaged), and it is good if roads, bridges, and irrigation works can be also constructed because people are currently only using rain water. 10 years has gone but the company still delays without any explanations. The local people believe that the government will push the company to solve this issue.</p> <p>- Community Representative in Laos - Investment companies in Laos should have capital for development of public facilities/ infrastructure as requested by of the local people, the province and the Government. In the last few years we can sympathize because the company has earned no income, so the village encourages the company to carry out their responsibilities but in the coming time the province will force companies to implement. The province will require companies to inform their implementation plan to promote the future actual implementation. Otherwise the province will intervene by not renewing the license, not renewing the land lease or not granting more land if there is no commitments and specific timelines.</p> <p>- Representative of Lao Agriculture and Forestry Department - (Source: Survey in Laos from 15 to 23 May 2016)</p>
Example 17: Corporate Social Responsibility (CSR)	<p>In my opinion, CSR means that the use of labor must be accompanied by professional training, labor protection for workers, contributions to public works and compliance with the policies and laws of the State.</p> <p>I was newly assigned and have moved here to work for about one and a half months, but it is observed that over 30 children have not gone to school as they have to work on the farm with their parents. Therefore, the company is going to hire a teacher and organize a Lao class for these children. The company’s employees and I will also have to go to this class to communicate with the local community.</p> <p>- Representative of an enterprise investing in Laos - (Source: Survey in Laos from 15 to 23 May 2016)</p> <p>Comments: Corporate Social Responsibility (CSR) is understood in many ways. The traditional definitions focus on the voluntary contributions of the enterprise to community development, charity and other environmental and social contributions. However, there is a new definition of CSR which is widely recognized. This definition focuses on the responsibility of enterprises in recognizing and addressing the impacts of business activities on the society with the aim of avoiding any unfavourable impacts and maximizing benefits. In this document, CSR is understood as the new approach and as defined by the European Commission.</p>

Name of example	Content
<p>Example 18: Environmental issues</p>	<p>The use of chemicals to clean raw latex bowls: Before 2013, the company used light chemicals so there were no impacts on the workers' health, hands, or the environment. At the moment, because of the rubber price decrease, workers have to use hazardous chemicals to clean latex bowls, affecting their noses and throats as well as the environment. These chemicals flow to streams causing fish deaths and foot and mouth disease in cattle.</p> <p>- A worker in a rubber company in Laos - The company used a large amount of pesticides, then the Provincial Department of Agriculture and Forestry did not allow them to use anymore, so they have reduced by 80%. The local people had comments, the company was also punished by the district officials and asked not to use herbicides and to improve the environment, but nothing has improved so far.</p> <p>Waste from fertilizer packaging, pesticides and personal hygiene are thrown away due to workers' poor awareness. Houses for Vietnamese workers have toilets, but Laotian workers' houses don't. In addition, temporary shacks of workers in the peak season also do not have toilets, causing pollution. The construction of temporary housing for workers near rivers and streams is not appropriate. There are about 40 workers living in that area. In addition, the company also built houses and offices near the rivers and streams, so the local people fear that pollutants from domestic activities and pesticides flow into the streams. Besides, the waste water reservoir does not have sufficient capacity, occasionally spilling into the streams.</p> <p>-A representative from the local community surrounding the company in Laos - (Source: Survey in Laos from 15 to 23 May 2016)</p>
<p>Example 19: Turning restrictions into investment advantages</p>	<p>The use of fertilizers and pesticides in Laos is difficult because people do not want to use them.</p> <p>The Laotian government bans the use of herbicides and restricts the use of pesticides. Currently, if pesticides are used, Vietnamese workers are in charge of spraying the chemicals, and Laotian workers only come back to work one week after that. However, we have identified this as the focal area for the development of high-tech agriculture such as coffee, vegetables and high quality crops. This area is favorable thanks to its suitable climate and the people's habit of natural cultivation, which means the land is not as polluted as in Vietnam. The company has a roadmap to build a clean coffee cultivation process using organic fertilizer, aiming towards building a clean Boloven Plateau coffee brand in Vietnam. This strategy will require strict procedures and higher labor demand. Meanwhile, the local people are only good at extensive farming, so we are also considering provision of training and technical advice and intensive farming technology transfer.</p> <p>- A representative of a company investing in Laos - (Source: Survey in Laos from 15 to 23 May 2016; survey in Vietnam from 12 to 19 July 2016)</p>
<p>Example 20: Social insurance for Vietnamese laborers returning home</p>	<p>It is difficult for the company to recruit skilled workers, especially for managerial positions. Meanwhile, when Vietnamese workers are past working age, it is difficult for the company to pay their pensions because their insurance coverage is paid overseas. At present, there is no way to help Vietnamese workers to receive pensions from abroad. This is also a reason why Vietnamese workers do not want to work overseas. (Source: The Pioneer Group's discussions)</p>

## EXAMPLE 6: SUGAR PRODUCTION IN CAMBODIA: A CASE STUDY IN LAND-TAKING

This case study concerns a land-taking dispute in Koh Kong province in south-western Cambodia. The dispute began in 2006 when approximately 10,000 hectares were taken from farmers to establish two economic land concessions (ELCs) to grow and refine sugar cane for export markets. The ensuing dispute between the farmers and the sugar producers has been bitter, protracted, and often violent. This case study is instructive in showing that, when all of the domestic avenues for resolving the dispute were exhausted, the farmers, with the assistance of NGOs, turned to international legal forums for justice.

### GENERAL INFORMATION ABOUT KOH KONG PROVINCE

Most of the approximately 140,000 people living in Koh Kong depend on agriculture for their livelihoods. This generally involves slash and burn farming on small land holdings of approximately 1 to 3 hectares (WFP 2013). Few farmers have formal land titles and claim ownership through continuous long-term possession of land (APRODEV 2011).

To diversify the economy and increase wealth, Cambodia's National Strategic Development Plan promotes industrialized agriculture in the province (Open Development 2013). A key aspect of the plan is to grant ELCs to agricultural investors. The investors clear the land and plant industrial export crops such as sugar (Open Development 2013).

Industrial agricultural development in the province has been significantly strengthened by Everything But Arms (EBA), a preferential European Union (EU) trade scheme established in 2001 to help farmers in the world's least developed countries (LDCs). Under this scheme, the production of sugar in Cambodia has become highly lucrative as it can be sold to the EU duty free and at a guaranteed minimum price per tonne. Approximately 100,000 hectares in four Cambodian provinces, including Koh Kong, have been granted as ELCs for sugar production (EC&IDI 2013: 8).

### TAKING LAND FOR ELCs

In August 2006, the Ministry of Agriculture, Forestry and Fisheries (MAFF) granted two ELCs of nearly 10,000 hectares each in the Sre Ambel and Botumsakor districts in Koh Kong to two Cambodian entities—Koh Kong Plantation Co. Ltd. (KKPT) and Koh Kong Sugar Industry Co. Ltd. (KCSI). Local business entrepreneur and senator Ly Yong Phat's company, the LYP Group, held a 20 percent ownership stake in each company. He later sold his stake to Khon Kaen Sugar Industry Public Company Ltd. (KSL), a Thai sugar company.

KSL currently has a 70 percent stake in the two Cambodian companies that were granted the ELCs. Taiwanese company Ve Wong owns the other 30 percent. KSL hold a five-year contract to supply sugar to UK sugar trader Tate and Lyle Sugar (TLS).

What land was taken to form the ELCs? Local villagers farmed about 5000 hectares of the land granted to KCSI and KKPT (Sokha 2007). They were informed by the LYP Group that their farmland formed part of the newly granted ELCs. 456 families were forcibly evicted from the land by guards recruited from the local police and the military to make way for a sugar plantation (Sokha 2006).

#### The Farmers' Claim

The farmers argue that the ELCs granted to KKPT and KCSI were illegal and should be cancelled. They made four main claims:

- Under the Land Law 2001, the maximum size limit for an ELC owned by a single company is 10,000 hectares. The ELCs granted to KKPT and KCSI are twice this legal limit (Land Law 2001, art. 59) because KKPT and KCSI are owned by the same company.
- The farmers had well-documented possession rights under the Land Law 2001 and were eligible for land title certificates. According to the Land Law 2001, ownership titles are granted where farmers can prove continuous occupation for more five years. In this case, the farmers produced household registration papers or UN identification papers demonstrating long-term occupation (EC&IDI 2013: 25).
- Cambodian land law prohibits interference with land pending the issuing of land titles (Land Law

2001, arts 30–39). The farmers claimed that the ELCs interfered with their rights of possession during the conversion process.

- The ELCs did not follow the procedures stipulated in Sub-decree 146 on Economic Land Concessions 2005. Article 3, Sub-decree 146, requires public consultation for environmental and social impact assessments showing voluntary resettlement plans for landholders. This consultation did not take place before the ELCs were granted by MAFF (ERI 2013). In fact, some farmers were evicted from their land by KKPT and KKSJ in May– June 2006, two months before the ELCs were officially granted. According to Teng Kao, a village representative in Koh Kong who lost nearly 10 hectares to the plantations: “When the company came in May 2006, they bulldozed without consultation or any environmental impact assessment... They bulldozed the fields and streams. They shot our animals. After about 100 families’ land was taken away, we started taking pictures” (Hodal 2013). Another Koh Kong farmer stated, “We had no warning—they came one day and began clearing the fields—they cleared my field and I want to know why” (Open Development 2013).

Only 23 farmers received compensation for their losses. Most compensation payments ranged from US \$75 to \$750, and small land allotments (0.2 hectares), much less than the market value of the land taken for the ELCs (EC&IDI 2013: 64).

## DOMESTIC DISPUTE RESOLUTION FORUMS

### Consultation and mediation

The dispossessed farmers staged peaceful protests that were often met with organized suppression from the police and the military (Human Rights Asia 2006). In March 2007, villagers travelled to Phnom Penh and submitted a petition to various government agencies including the National Assembly, the Prime Minister’s Cabinet, the Ministry of the Interior, and the Council 45 of Ministers. They also filed a complaint with the National Authority for Land Dispute Resolution. This is the body responsible under the Land Law 2001 for resolving disputes concerning unregistered land.

Although these government agencies entered into

dialogue with the farmers, in five years they have not produced any concrete resolutions binding the sugar companies or government agencies (SRS&G 2007: 17). Attempts by the villagers to negotiate solutions directly with the sugar companies were unsuccessful. In August 2008, a Cambodian NGO, the Community Legal Education Center (CLEC), wrote to KSL about the illegality of the ELCs on which they were growing and processing sugar and the negative impact the sugar industry had on the dispossessed farmers. In September 2008, KSL replied denying any knowledge of the complaints (SRS&G 2007: 10). They claimed that villagers had been compensated. In a recent meeting with LYP Group representatives in February 2013, a farmer representative reported:

“The company is saying it has reached a resolution with all the families except nine, but this is not true. We have not gotten any compensation for the 1,300 hectares taken from us. (Titthara 2013)’

### Court action

In tandem with petitioning central government authorities, the farmers filed criminal and civil cases against KKSJ and KKPT in the Koh Kong Provincial Court in February 2007. The CLEC drafted a statement of claim seeking to cancel the two ELC contracts (ERI 2013: 9). The court dismissed the criminal case. The civil case was finally set for a hearing on July 26, 2012, five years after it began (Channyda 2012). However, it was delayed again, as the attorneys for the sugar companies failed to appear.

In addition to delaying the court proceedings, the judges of the Koh Kong Provincial attempted to push the case back to administrative authorities (e.g. Cadastral Committee), claiming that the court lacked jurisdiction (ERI 2013: 13). In fact, the case is about the legality of the ELC contract, not the land claims by the farmers, a matter that is clearly within the court’s jurisdiction.

In the six years since the dispute began, the farmers attempted to push their claims through every dispute resolution forum provided by the law. Although the claims were not rejected outright, none of the forums allowed the farmers to discuss liability and compensation with the developers on a relatively equal footing. The developers were not required to answer the specific details of the farmers’ claims.

## International Dispute Resolution Forums

In 2010, after exhausting all domestic political and judicial dispute resolution mechanisms, the villagers, with the aid of various NGOs, embarked on a multi-pronged campaign to enlist international dispute resolution forums to resolve the dispute.

## Complaints with foreign governmental agencies

NGOs acting for the villagers turned to a range of transnational forums to pressure the sugar companies to negotiate with the villagers (ERI 2013: 10). This tactic relies on the extraterritorial jurisdiction in the EU and the USA that holds firms domiciled in these jurisdictions liable for actions carried out anywhere in the world.

In 2010, the CLEC wrote to the European Commission, requesting that it investigate KSL's contract with Tate and Lyle Sugar (TLS) (ERI 2013: 10). It will be recalled that TLS is a UK registered transnational corporation. In 2012, 97 percent of Cambodia's (Euro) 10 million sugar exports were sent to the EU; TLS bought 99 percent of these exports.

In October 2012, the European Parliament instructed the EU Commission to investigate the rising number of human rights abuses caused by the dispossession of farmers by ELCs in Cambodia (ERI 2013: 10). The European Parliament recommended the temporary suspension of trade preferences on agricultural products where human rights violations had occurred (EC&IDI 2013: 83).

CLEC, together with other NGOs, have filed petitions with other European agencies requesting that they investigate companies and groups that have invested in KSL and that might be in breach of ethical guidelines. For example, in November 2011, CLEC and Earth Rights International (ERI) petitioned the Norwegian Council on Ethics to investigate the activities of KSL (ERI 2013: 11). The Norwegian Global Pension Fund is an investor in KSL. CLEC and ERI argued that the Pension Fund's financial stake in KSL violates the Fund's Ethical Guidelines (SRS 2007: 10). An outcome is still pending.

Petitions have also been lodged with US agencies. On October 31, 2012, CLEC and ERI filed a complaint on behalf of dispossessed farmers with the US National Contact Point (NCP) about human rights abuses relating to the operations of the sugar

companies in Koh Kong province (US Department of State 2013). The complaint alleges that American Sugar Refiners (ASR), through its subsidiary TLS, purchased sugar from KSL that was produced at the Koh Kong Plantations on land that was unlawfully acquired (US Department of State 2013). ASR is bound by the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. Under these guidelines, it "...had an obligation to avoid contributing to conduct inconsistent with the Guidelines and, given it was the sole purchaser of sugar from the Koh Kong plantation, had the opportunity and responsibility to use its leverage to mitigate such conduct by the operators of the plantation" (US Department of State 2013).

ASR initially cooperated with the US NCP and agreed to participate in mediation to find a solution to the land dispute. But ASR withdrew from the mediation when it learned that CLEC had launched litigation against TLS in the UK (discussed below) (US Department of State 2013). The US NCP closed this case on June 4, 2013 because the parties failed to agree about the terms of consultation and mediation, saying: *The NCP recommends ASR evaluate the issues raised by the NGOs and consider how to address them, even if the conditions may not exist now to address them through the NCP process. In particular, the NCP recommends that ASR conduct a corporate human rights policy review process, consistent with the recommendations of the Guidelines and the UN Guiding Principles. Such a policy process could include consultations with external stakeholders.* (United States Department of State 2013).

## Transnational codes of practice

Cambodian NGOs also attempted to use transnational codes of practice to pressure transnational corporations involving in the Cambodian sugar industry. Transnational NGOs, such as Bonsucro, formulate codes of practice governing labor and other conditions in the sugar industry (Bonsucro 2013). Firms engaging in the sugar industry, including TLS, require certifications from Bonsucro to sell their products into western markets.

In 2011, CLEC and Equitable Cambodia (EC), a Cambodian-based NGO, filed a complaint with Bonsucro about the activities of TLS in Cambodia (ERI 2013: 10). After investigating the complaint about the dispossession of farmers in Koh Kong

province, on July 8, 2013, Bonsucro suspended TLS's membership. According to reports, TLS had failed to cooperate to resolve the complaint and had ignored the request to review the compensation paid to the dispossessed farmers (Bonsucro 2013). The suspension of membership meant that TLS was unable to market its sugar as a certified ethical product. This would have price implications in western markets where consumers pay a premium for ethical products (Bonsucro 2013).

### Court litigation in third-party countries

In addition to relying on governmental and transnational codes of practices, NGOs acting for the dispossessed farmers turned to courts in third-party countries to prosecute their claims. On March 28, 2013, CLEC filed a civil law suit against TLS, a UK registered firm, in the UK High Court (commercial division) (The High Court of Justice Claim 2013 Folio 451: Particulars of claim). The statement of claim alleges that TLS purchased sugar that was produced on land that was wrongfully taken from farmers in Koh Kong province. It claimed that TLS "knew that the villagers were the owners of the raw sugar or ought to have known given its position as a leading player in the sugar market" (Davies 2013; Hodal 2013). It further claimed that TLS "'wrongfully deprived' the villagers of their property for its own benefit" (Davies 2013). The sugar cane harvested on the contested land was first processed in Cambodia and then in Thailand until it was on-sold to TLS for final processing. The statement of claim argued that "pursuant to Cambodian law, the claimants are the owners of the land" and as such "are entitled to the sugar cane" (The High Court of Justice Claim 2013 Folio 451: Particulars of claim).

After the litigation was filed, TLS was sold to American Sugar Refining, which is now the defendant. It counter-claimed that TLS had no knowledge of any prior ownership of the land in Koh Kong province (The High Court of Justice Claim 2013 Folio 451: Counter claim). Further, it also counter-claimed that the farmers had no claim to the sugar cane grown on the disputed land, even if they did previously own it, because they had not paid for the seed stock or production costs. The farmers also claimed compensation for some of the 48,000 tonnes—or roughly €24 million worth—of sugar that TLS's London refinery had allegedly received since 2010 (Hodal 2013). In July 2013, after a preliminary attempt at mediation failed, the case was set for

hearing in the High Court later in 2013.

Ou Virak, President of the Cambodian Center for Human Rights, called the case "extremely important" for several reasons (Brinkley 2013). First, it makes the point that Cambodia's own courts are thoroughly corrupt and inept and are incapable of resolving this type of action domestically. As previously mentioned, complaints lodged with the domestic courts in 2007 have still not been heard. Ou concluded that "such companies will be exposed to a greater level of scrutiny in the future. This in itself could potentially have an effect on the level of land grabs that we're currently seeing" (Brinkely 2013).

## CONCLUSIONS

The Cambodian case studies show that the best-drafted land laws cannot protect land users without independent and competent state institutions. The Cambodian Land Law 2001 is one of the most comprehensive land laws in East Asia. It provides individual property rights for farmers who can show long-term use of land. However, the law relies on a competent and transparent land administration department to impartially issue land titles in accordance with the ground rules established in the Land Law 2001. The World Bank withdrew support for the land titling program in Cambodia, complaining that local authorities were not issuing titles to farmers in areas that were scheduled for conversion into ELCs. Once land titles are issued to farmers, it is much more difficult for the authorities to clear land for industrial agricultural concessions.

Further compounding the problems for Cambodian farmers, the individualized nature of property rights recognized in the Land Law 2001 does not support collective action by farmers. Instead, farmers relied on NGOs to mobilize resources and take collective actions to protest land takings without adequate compensation.

As the Koh Kong case study showed, domestic dispute resolution forums comprehensively failed to give farmers a platform to negotiate an equitable compensation deal with the sugar producers. Since 2007, the Cadastral Commission has failed to organize consultations or mediation between the farmers and the sugar producers. Attempts to challenge the legality of the ELCs in the courts have also been blocked. The Cambodian courts have delayed hearing actions and attempted to

push the action back to government agencies for determination.

Frustrated by their lack of success in domestic dispute resolution forums, the farmers have taken their dispute to international forums. EU and US bodies have been petitioned to investigate human rights abuses resulting from the dispossession of Cambodian farmers. Farmers have also attempted to pressure Tate and Lyle, the main international purchaser of sugar produced by the Koh Kong ELCs. Tate and Lyle has lost certification for its products by Bonsucro, a transnational standards organization. So far this pressure has not forced the sugar producers to negotiate compensation agreements with the dispossessed farmers.

In another development, farmers have taken Tate and Lyle to court in the UK. This strategy relies on the extra-territorial jurisdiction of UK courts to hold firms registered in the UK liable for activities conducted around the globe. If successful, this action will give the dispossessed farmers access to the profits generated from the sugar grown on their land. In effect, UK courts will be enforcing the private rights granted under the Cambodian Land Law 2001, a function that Cambodian state institutions have consistently failed to perform.

(Source: UNDP 2014. Land-Taking Disputes in East Asia: A Comparative Analysis and Implications for Vietnam)



Photo source: Photo Contest "Land and People", Oxfam

# APPENDICES

## APPENDIX 1: SOME CONFLICT RESOLUTION MECHANISMS

No	CONFLICT RESOLUTION MECHANISMS	EXAMPLES
1	Court procedures National courts	
2	National dispute settlement procedures Conciliation Arbitration	
	Other agencies, depending on each country	In Cambodia: The Cadastral Commission The National Authority for Land Dispute Resolution - NALDR
3	International human rights procedures	
	Special Procedures of the Human Rights Council	The special procedures of the Human Rights Council are independent human rights experts with mandate to report and advise on human right from thematic or country-specific perspective in order to support the Human Rights Council in protecting and promoting human rights in the world. The system of Special Procedures is a central element of United Nations human rights machinery and cover all human rights: civil, cultural, economic, political and social. As of March 2017, there are 43 thematic and 13 country mandates (including Cambodia and Myanmar).
	Human Rights treaty bodies	There are ten human rights treaty bodies that monitor implementation off the core international human rights treaties: <ul style="list-style-type: none"> <li>• Human Rights Committee (CCPR)</li> <li>• Committee on Economic, Social and Cultural Rights (CESCR)</li> <li>• Committee on the Elimination of Racial Discrimination (CERD)</li> <li>• Committee on the Elimination of Discrimination against Women (CEDAW)</li> <li>• Committee against Torture (CAT)</li> <li>• Subcommittee on Prevention of Torture (SPT)</li> <li>• Committee on the Rights of the Child (CRC)</li> <li>• Committee on Migrant Workers (CMW)</li> <li>• Committee on the Rights of Persons with Disabilities (CRPD)</li> <li>• Committee on Enforced Disappearances (CED)</li> </ul>
4	Non-state dispute settlement procedures	
4.1	Procedures of financial institutions	The Compliance Advisory Ombudsman (CAO) of World Bank Group The Accountability Procedure of Asian Development Bank (ADB) The Complaints Procedure of European Investment Bank The Project Complaint Procedure) of the European Bank for Reconstruction and Development The Objection Procedures of Japan International Cooperation Agency (JICA) and Japan Bank for International Cooperation (JBIC)

No	CONFLICT RESOLUTION MECHANISMS	EXAMPLES
	Multi-party procedures	
4.2	Procedures of multi-party sustainability initiatives:	<p>Forest Stewardship Council (FSC) Complaints Procedure through reporting violations of FSC's Principles and Criteria</p> <p>Complaints of Roundtable on Sustainable Palm Oil (RSPO) of certification</p> <p>The Complaint Resolution process about Bonsucro's code of conduct in Bonsucro Certification to sugarcane producers/ industry.</p> <p>Grievance Procedure of the Roundtable on Sustainable Biomaterials (RSB) for violations of RSB's principles and criteria of certification.</p>
	Multinational procedures	National contact point of The Organization for Economic Co-operation and Development (OECD) following the Guidelines for Multinational Enterprises, applying environmental and social standards for responsible business activities.
4.3	Dispute settlement procedure following in-house policies	<p>Nestlé published the Creating Shared Value commitment with many policies to protect human rights, environment and society. Nestlé has adopted The Nestlé Corporate Business Principles and The Nestlé Supplier Code in order to ensure fulfilling their commitments. Nestlé also has specific policies such as The Nestlé Policy on Environmental Sustainability and The Nestlé Commitment on Child Labour in Agricultural Supply Chains.</p> <p>The violations of the business commitments are resolved through two procedures: Integrity Reporting System enables employees to report; and "Tell us" Compliance Reporting System that enables external stakeholders to report.</p>

## APPENDIX 2. LISTS OF RELATED LEGAL NORMATIVE DOCUMENTS

No	Documents
<b>A</b>	<b>Vietnam's Laws</b>
1	Law on Investment 2014
2	Decision No. 236/QĐ-TTg dated February 20, 2009 approving the scheme on promotion of Vietnam's outward investment by the Prime Minister
3	Decree No. 83/2015/ND-CP dated September 25th 2015 regulating on outward investment
4	Circular No. 09/2015/TT-BKHDT dated October 23, 2015, promulgating form on outward investment by Minister of Planning and Investment
5	Circular No. 12/2016/TT-NHNN dated June 29, 2016, guiding foreign exchange management for outward investment by Governor of the State Bank of Viet Nam
6	Circular No. 36/2013/TT-NHNN dated December 31, 2013, providing the opening and use of foreign currency for outward direct investment by the State Bank of Vietnam
7	Circu Circular No. 11/2010/TT-BTC of January 19, 2010 guiding the fulfillment of tax obligations by Vietnamese outward investors by Minister of Finance
8	Directive No. 03/CT-NHNN dated 24 March 2015 promoting green credit growth and socio - environmental risks management in credit granting activities by the State Bank of Vietnam
<b>B</b>	<b>Cambodia's Laws</b>
<b>B.1</b>	<b>Land Law</b>
1	Sub-Decree #146 on Economic Land Concessions_051227
2	Land Law_010430
3	Law on Providing Foreigners with Ownership Rights in Private Units of Co-Owned Buildings_100524
4	Order No.01 on Economic Land Concession Management
5	Prakas #021 on the Collection of Rental Real Estate Tax ( Buildings and Vacant Land)_94
6	Sub-Decree #114 (RGC) on the Mortgage and Transfer of the Rights over a Long -Term Lease or an Economic Land Concession_070829
7	Sub-decree 19ANKR on Economic Land Concession
8	Sub-Decree on Declaration of State's Properties
9	Directive 01: Measures to strengthen and enhance the effectiveness of management of economic land concessions (ELC) (2012)
10	Law on Concessions (2007)
<b>B.2</b>	<b>Environmental Law</b>
11	Law on Environmental Protection and Natural Resource Management_961242
12	Sub- Decree #72 ANRK.BK on Environment Impact Assessment Process (PDF)_990811
13	Sub-Decree #27 on Water Pollution Control_990406
14	Sub-Decree #36 on Solid Waste Management_990427
15	Sub-Decree #42 on the Control of Air Pollution and Noise Disturbance
16	Sub-Decree on Air Pollution and Noise Disturbance Control
17	Law on Nature Protection Area (Protected Areas Law)_080104_080104

No	Documents
<b>B.3</b>	<b>Labor Law</b>
18	Law on Social Security (Royal Kram NS/RKM/0902/018) (the “Social Security Law”)_020925
19	Law on the Protection and the Promotion of the Rights of Persons with Disabilities_090812
20	Press Release of Labor Advisory Committee (MoLVT & LAC)_061019
21	The Labor Law of Cambodia_970313
<b>C</b>	<b>Laos’ Law</b>
1	Law on Agriculture (1998)
2	Law on Land (2003 – under revision)
3	Law on the Promotion of Foreign Investment (2004)
4	Forestry Law (2007 – under revision)
5	Environmental Protection Law 2012
6	Laos Labor Law 2013
7	Order 13/PM (2012) on Halting Investment Projects Related to Mining, Rubber, Eucalyptus in Lao
8	Decree 88/PM (2008) on Implementation of the Land Law in English
9	Decree 112/PM (2010) on Environmental Impact Assessment in English
10	Decree 135/PM (2009) on State Land Lease or Concession in English
11	Decree 84/PM (2016) on Compensation and Resettlement of People Affected by Development Projects in English
12	Regulations for Implementing Decree 192/PM (2005) on Compensation in English
13	Ministerial Instruction 8029/MONRE (2013) on The Process of Initial Environmental Examination of the Investment Projects and Activities in English
14	Ministerial Instruction 8030/MONRE (2013) on Environmental and Social Impact Assessment Process of the Investment Projects and Activities in English
<b>D</b>	<b>International Laws</b>
<b>D.1</b>	<b>United Nations (UN)</b>
1	Universal Declaration of Human Rights
2	International Covenant on Economic, Social and Cultural Rights
3	International Covenant on Civil and Political Rights
4	Optional Protocol to the International Covenant on Civil and Political Rights
5	Convention on the Rights of the Child (CRC)
6	International Convention on Protection of the Rights of All Migrant Workers and Members of Their Families (ICMRW)
<b>D.2</b>	<b>Indigenous Peoples:</b>
7	UN Declaration on the Rights of Indigenous Peoples
<b>D.3</b>	<b>International Labor Organization (ILO)</b>
8	International Labour Organization’s Convention 169
9	International labour Organization’s Declaration on Fundamental Principles and Rights at Work

## APPENDIX 3. SOME INTERNATIONAL SAFEGUARD POLICIES AND GUIDELINES FOR REFERENCE

No	Documents
1	G4 Sustainability Reporting Guidelines - Global Reporting Initiative (GRI) Website: <a href="https://www.globalreporting.org/Pages/default.aspx">https://www.globalreporting.org/Pages/default.aspx</a> Vietnamese version: <a href="http://www.pwc.com/vn/vn/services/gri-about.html">http://www.pwc.com/vn/vn/services/gri-about.html</a>
2	The Safeguard Policy Statement of Asian Development Bank (ADB) Website: : <a href="https://www.adb.org/sites/default/files/institutional-document/32707/files/safeguard-policy-statement-june2009-vn.pdf">https://www.adb.org/sites/default/files/institutional-document/32707/files/safeguard-policy-statement-june2009-vn.pdf</a>
3	World Bank's The Environmental and Social Framework (ESF) Links: <a href="https://consultations.worldbank.org/Data/hub/files/consultation-template/review-and-update-world-bank-safeguard-policies/en/materials/the_esf_clean_final_for_public_disclosure_post_board_august_4.pdf">https://consultations.worldbank.org/Data/hub/files/consultation-template/review-and-update-world-bank-safeguard-policies/en/materials/the_esf_clean_final_for_public_disclosure_post_board_august_4.pdf</a> (applied since 2018)
4	Guidelines for Environmental and Social Considerations of Japan International Cooperation Agency (JICA) Link: <a href="https://www.jica.go.jp/english/our_work/social_environmental/guideline/index.html">https://www.jica.go.jp/english/our_work/social_environmental/guideline/index.html</a>
5	Respecting free, prior and informed consent Link: <a href="http://www.fao.org/3/a-i3496e.pdf">http://www.fao.org/3/a-i3496e.pdf</a>
6	OECD Guidance for Responsible Agricultural Supply Chains Link: <a href="http://www.oecd.org/corporate/mne/1922428.pdf">http://www.oecd.org/corporate/mne/1922428.pdf</a>
7	Guidance for Responsible Agricultural Supply Chain Link: <a href="http://www.oecd.org/corporate/mne/1922428.pdf">http://www.oecd.org/corporate/mne/1922428.pdf</a>
8	Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) Link: <a href="http://www.fao.org/docrep/016/i2801e/i2801e.pdf">http://www.fao.org/docrep/016/i2801e/i2801e.pdf</a>

## APPENDIX 4. THE PIONEER GROUP

<p><b>GEMADEPT CORPORATION</b></p>	<p>Gemadep Corporation was founded in 1990. Gemadep became one of the first three companies to be equitized in 1993 and listed in Vietnam Stock Exchange since 2002. Gemadep is a multidisciplinary company, operating in real estate, forestation, port operation and logistics. GEMADEPT is currently implementing a rubber plantation project in Cambodia covering 30,000 ha.</p> <p>Website: <a href="http://www.gemadep.com.vn/">http://www.gemadep.com.vn/</a></p>
<p><b>THE VIETNAM RUBBER ASSOCIATION</b></p>	<p>The Vietnam Rubber Association (VRA) is a voluntary organization of enterprises operating in the rubber industry and related ones, aiming at assisting its members' business activities and contributing to the sustainable rubber industry development. VRA was established in late 2002, has been operating since the end of 2004, and now, VRA has about 140 members who are composing of producers, processors, manufacturers, traders, exporters, importers and organizations of finance, research, training, supporting and services related to rubber industry. As of 2015, the Association has seven members investing in rubber plantations in Laos with a total area of about 38,000 hectares and 15 members investing in growing rubber in Cambodia with a total area of about 90,000 hectares.</p> <p>Website: <a href="http://www.vra.com.vn">http://www.vra.com.vn</a></p>
<p><b>VIETNAM – LAO – CAMBODIA ASSOCIATION FOR ECONOMIC COOPERATION DEVELOPMENT</b></p>	<p>Vietnam – Lao – Cambodia Association for Economic Cooperation Development (VILACAED) was established under Decision No. 103/QĐ-BNV on 13 February, 2008 by the Ministry of Home Affairs with the principle/purpose of gathering and uniting its members in order to develop and enhance the effectiveness of economic cooperation among Vietnam, Laos and Cambodia; consultation, appraisal and social feedback on strategies, planning, plans, mechanisms, policies, and administrative reforms related to economic cooperation with these two countries.</p> <p>The Association consists of 6 centers for cooperation and development assistance; 3 institutes of research, training, consultancy; 4 member associations in Laos and Cambodia; 3 representative offices in Laos, Cambodia and Ho Chi Minh City; 1 newspaper and 1 magazine. The Association is expanding its activities in connection with the development cooperation process of the ASEAN Economic Community.</p> <p>Website: <a href="http://www.vilacaed.org.vn/">http://www.vilacaed.org.vn/</a></p>
<p><b>HOANG ANH GIA LAI AGRICULTURE JSC</b></p>	<p>HAGL Agrico was established in 2010, when Hoang Anh Gia Lai Joint Stock Company (Parent company) carried out its corporate restructuring. HAGL Agrico is organized under the parent -subsidiary model with 23 subsidiaries and 1 affiliate. In 2015, the company officially offered for sale of shares and listed on the Ho Chi Minh City Stock Exchange on 10 July, 2015.</p> <p>At present, the company mainly focuses on growing and processing products from rubber trees, oil palm, sugar cane and cows raising. HAGL Agrico has become one of the enterprises which has the largest agricultural land, providing jobs for nearly 14,000 regular employees and seasonal employees in Vietnam, Laos and Cambodia.</p> <p>Website: <a href="http://haagrico.com.vn/">http://haagrico.com.vn/</a></p>

<p><b>ECONOMIC COOPERATION COMPANY 385</b></p>	<p>Economic Cooperation Company 385 belongs to State-owned Corporation 15. The company is mainly operating in rubber plantation, rubber products trading, civil construction, coffee plantation, live stocks and 2-terminal services.</p> <p>The company started investing in Laos in 2006 and now has 2,000 hectares of rubber plantations, 200 hectares for live stocks, creating jobs for 800 local people.</p>
<p><b>HUU NGHI NAM LAO LIMITED LIABILITY COMPANY</b></p>	<p>South Laos Friendship Company Limited is a 100% state owned enterprise. The company is operating in two main business activities: growing, caring, processing, trading rubber trees and coffee; and producing construction materials. The company started to invest in Laos in 2006 and Cambodia in 2009. In addition to business investment, the company also supports these countries in building projects with support from the Vietnamese Government.</p>
<p><b>VIETNAM RUBBER GROUP</b></p>	<p>Vietnam Rubber Group, formerly known as the Southern Rubber Board, was established in 1975 and started operating in 2006 as a state economic Group. The Group currently has more than 120 member companies and employs nearly 100,000 people in Vietnam, Laos and Cambodia.</p> <p>The main business of the Group is planting, processing and trading rubber, processing artificial wood with the total rubber area of 280,000 ha in Vietnam, 26,000ha in Laos and more than 90,000ha in Cambodia.</p> <p>Aside from member companies, the Group also has subsidiaries such as the Rubber Research Institute, the Rubber Industry Graduate School, the Rubber Journal and the Rubber Health Center to support the development of the entire rubber industry.</p> <p>Website: <a href="http://www.vnrubbergroup.com/en/">http://www.vnrubbergroup.com/en/</a></p>
<p><b>TIN NGHIA CORPORATION</b></p>	<p>Tin Nghia Corporation was established in 1989 and now has 8 subsidiaries (more than 50% equity), 11 affiliates (less than 50% equity) and 5 divisions. Its business fields include industrial estates, agricultural products, logistics, petroleum, real estates, tourist and resort, building materials and merchandising. Tin Nghia started to participate in the agricultural sector when investing in Laos in 2008 and in the same year the company set up a Laos branch to carry out the project of growing, tending and trading coffee in Paksong district, Champasak province with 511.43 hectares of coffee.</p> <p>Website: <a href="http://www.timexco.com/">http://www.timexco.com/</a></p>

\* Information updated at the time of establishing the Pioneer Group, 2016.

## APPENDIX 5. SOME USEFUL CONTACTS

In Vietnam	
<p><b>FOREIGN INVESTMENT AGENCY (FIA) – MINISTRY OF PLANNING AND INVESTMENT</b></p> <p>Address: 6B Hoang Dieu, Ba Dinh, Hanoi</p> <p>Tel: 080-48461</p> <p>Fax: 047343769</p> <p>Email: <a href="mailto:tonghop.dtnn@mpi.gov.vn">tonghop.dtnn@mpi.gov.vn</a></p> <p>Website: <a href="http://fia.mpi.gov.vn">http://fia.mpi.gov.vn</a></p>	<p><b>INVESTMENT PROMOTION CENTER – NORTH VIETNAM</b></p> <p>Address: 65 Van Mieu, Dong Da, Hanoi</p> <p>Tel: (84-4) 37475998</p> <p>Fax: (84-4) 38437927</p> <p>Email: <a href="mailto:ipcn@mpi.gov.vn">ipcn@mpi.gov.vn</a></p> <p>Website: <a href="http://www.ipcn.mpi.gov.vn">http://www.ipcn.mpi.gov.vn</a></p>
<p><b>INVESTMENT PROMOTION CENTER – CENTRAL VIETNAM</b></p> <p>Address: 5th Floor, Office III Building – Ministry of Planning and Investment, 103 Le Sat, Hai Chau District, Da Nang City, Vietnam</p> <p>Tel: (84) - 511 - 3797 669/689/699/738</p> <p>Fax: (84) - 511 - 3797679</p> <p>Email: <a href="mailto:ipcmentrung@gmail.com">ipcmentrung@gmail.com</a></p> <p>Website: <a href="http://www.centralinvest.mpi.gov.vn">www.centralinvest.mpi.gov.vn</a></p>	<p><b>INVESTMENT PROMOTION CENTER – SOUTH VIETNAM (IPCS)</b></p> <p>Address: No.178 Nguyen Dinh Chieu, Ward 6, District 3, Ho Chi Minh City.</p> <p>Tel: (+84-8) 9306671 (20 lines)</p> <p>Fax: (+84-8) 9305413</p> <p>Email: <a href="mailto:ipcs@ipcs.vn">ipcs@ipcs.vn</a> hoặc <a href="mailto:ipcs@mpi.gov.vn">ipcs@mpi.gov.vn</a></p> <p>Website: <a href="http://www.ipcs.vn/vn/">http://www.ipcs.vn/vn/</a></p>
<p><b>GENERAL DEPARTMENT OF VIETNAM CUSTOMS</b></p> <p><a href="http://www.customs.gov.vn">http://www.customs.gov.vn</a></p> <p>Address: 162 Nguyen Van Cu, Long Bien District, Hanoi</p> <p>Tel: 4 3872 7033</p> <p>Fax: 4 3872 5949</p> <p>15B Thi Sach, District 1, Ho Chi Minh City</p> <p>Tel: 8 3823 3536</p>	<p><b>STATE BANK OF VIETNAM</b></p> <p><a href="http://www.sbv.gov.vn">http://www.sbv.gov.vn</a></p> <p>Address: 49 Ly Thai To, Hoan Kiem District, Hanoi</p> <p>Tel: 4 3824 1534</p> <p>Address: 17 Ben Chuong Duong, District 1, Ho Chi Minh City</p> <p>Tel: 8 3829 2157/3829 215</p>
<p><b>MINISTRY OF LABOUR, WAR INVALID AND SOCIAL AFFAIRS</b></p> <p><a href="http://www.molisa.gov.vn">http://www.molisa.gov.vn</a></p> <p>Address: 12 Ngo Quyen, Hoan Kiem District, Hanoi</p> <p>Tel: 4 3826 4222/3826 9557</p> <p>Fax: 4 3824 8036</p> <p>45 Pham Ngoc Thach, District 3, Ho Chi Minh City</p> <p>Tel: 8 3823 0853</p> <p>Fax: 8 3822 4115</p>	<p><b>GENERAL DEPARTMENT OF TAXATION</b></p> <p>Website: <a href="http://www.gdt.gov.vn">http://www.gdt.gov.vn</a></p> <p>Address: 18 Tam Trinh, Hai Ba Trung, Hanoi</p> <p>Tel: 04-3-9.712.310</p> <p>Fax: 04-3-9.712.286</p>

<p><b>MINISTRY OF INDUSTRY AND TRADE</b>  <a href="http://www.moit.gov.vn">http://www.moit.gov.vn</a>  Address: 54 Hai Ba Trung, Hanoi  Tel: 4 3220 2222  Fax: 4 3220 2525  45 Tran Cao Van, District 3, Ho Chi Minh City  Tel: 8 3829 4631  Fax: 8 3824 3273</p>	<p><b>VIETNAM IMMIGRATION DEPARTMENT</b>  Address: 89 Tran Hung Dao, Hanoi  Tel: 4 3822 0579  254 Nguyen Trai, District 1, Ho Chi Minh City  Tel: 8 3920 1701/3824 4074 - Fax: 8 3825 6829</p>
<p><b>MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT</b>  <a href="http://www.mard.gov.vn">http://www.mard.gov.vn</a>  Address: 2 Ngoc Ha, Ba Dinh District, Hanoi  Tel: 4 3846 8161/3843 6171  Fax: 4 3845 4319/3737 0752  135 Pasteur, Ward 6, District 3, Ho Chi Minh City  Tel: 8 3822 8471/3822 4106  Fax: 8 3822 4776/3823 8241</p>	<p><b>MINISTRY OF FINANCE</b>  <a href="http://www.mofa.gov.vn">http://www.mofa.gov.vn</a>  Address: 1 Ton That Dam, Ba Dinh District, Hanoi  Tel: 4 3199 2000/3199 3000  Fax: 4 3823 1872</p>
<p><b>USEFUL CONTACTS OVERSEAS</b></p>	
<p><b>In Laos</b></p>	
<p><b>VIETNAM EMBASSY IN LAOS</b>  Address: No. 85, 23 Singha Road, Vientiane, Lao PDR  Tel: +856-21-451990, 413409  Fax: +856-21-41379  Email: <a href="mailto:vnemb.lao@mofa.gov.vn">vnemb.lao@mofa.gov.vn</a>  Website: <a href="http://www.mofa.gov.vn/vnemb.la">http://www.mofa.gov.vn/vnemb.la</a></p>	<p><b>CONSULATE GENERAL OF VIETNAM IN LUANGPRABANG</b>  Address: No. 427-428, That BoSot Village,  Luangprabang District , Luangprabang Province,  Lao PDR  Tel: +856-071-254745  Fax: +856-071-254746  Email: <a href="mailto:tlsq-lpb@mofa.gov.vn">tlsq-lpb@mofa.gov.vn</a></p>
<p><b>CONSULATE GENERAL OF VIETNAM IN PAKSE</b>  Address: No. 31 Banphabat, Pakse Town, Champasak  Province, Lao PDR  Tel: +856-031- 0085631. 212827  Fax: +856-031- 0085631 / 214140 / 212058  Email: <a href="mailto:vnemb.la@mofa.gov.vn">vnemb.la@mofa.gov.vn</a></p>	<p><b>CONSULATE GENERAL OF VIETNAM IN SAVANNAKHET</b>  Address: No. 118, Sisavangvong Road, Kayson  Phomvihan Town, Savannakhet Province, Lao PDR  Tel: +856-41-251583  Fax: +856-41-212182  Email: <a href="mailto:lanhsusavan@mofa.gov.vn">lanhsusavan@mofa.gov.vn</a></p>

In Cambodia	
<p><b>VIETNAM EMBASSY IN CAMBODIA</b>  Address: 440 Monivong Blvd, Phnom Penh, Cambodia  Tel: +855-23-726.274  Fax: +855-23-726.495  Email: <a href="mailto:tccpc@mofa.gov.vn">tccpc@mofa.gov.vn</a></p>	<p><b>CONSULATE GENERAL OF VIETNAM IN BATTAMBANG</b>  Address: Road No. 3, Sangkat Svay Por,  Battambang Province, Cambodia  Tel: +855-53-6888867  Fax: +855-53-6888866  Email: <a href="mailto:battambang.kh@mofa.gov.vn">battambang.kh@mofa.gov.vn</a> or  <a href="mailto:consul.battambang@mofa.gov.vn">consul.battambang@mofa.gov.vn</a></p>
<p><b>CONSULATE GENERAL OF VIETNAM IN SIHANOUKVILLE</b>  Address: 310 Ekareach Street, Mittapheap District,  Sihanouk Province, Cambodia  Tel: +855-34-933.466  Fax: 855-34-933 669</p>	
In Thailand	
<p><b>VIETNAM EMBASSY IN THAILAND</b>  Address: 83/1 Wireless Road, Lumpini, Pathumwan,  Bangkok 10330, Thailand  PBX Tel: (+66) 22515838; (+66) 22517202  Fax: +66 (0) 2 251 7201; +66 (0) 2 251 7203  Email: <a href="mailto:vnemb.th@mofa.gov.vn">vnemb.th@mofa.gov.vn</a></p>	<p><b>VIETNAM’S COMMERCIAL COUNSEL IN THAILAND  (CONCURRENTLY NEPAL)</b>  Address: 83/1 Wireless Road, Bangkok 10330,  Thailand  Tel: (+66) 2 650-8454  Fax: (+66) 2 252-6950  Email: <a href="mailto:th@moit.gov.vn">th@moit.gov.vn</a></p>
In Myanmar	
<p><b>VIETNAM EMBASSY IN MYANMAR</b>  Address: No. 256-268, Ahlone Road, Dagon District,  Yangon City, Myanmar  Tel: + 95-1- 2303227  Fax: + 95-1- 2303226  Email: <a href="mailto:vnembmyr2012@gmail.com">vnembmyr2012@gmail.com</a></p>	<p><b>VIETNAM’S COMMERCIAL COUNSEL IN MYANMAR</b>  Address: No.70-72 Than Lwin Road, Bahan  Township, Yangon City, Myanmar  Tel: + 95 1 511 305 (109)  Fax: + 95 1 514 897  Email: <a href="mailto:mm@moit.gov.vn">mm@moit.gov.vn</a></p>

<p><b>VIETNAM'S COMMERCIAL COUNSEL IN MALAYSIA</b>  Address: No. 4 Persiaran Stonor 50450 Kuala Lumpur, Malaysia  Tel: 603 2141 4692; 603 2141 5134  Fax: 603 2141 4696  Email: <a href="mailto:my@moit.gov.vn">my@moit.gov.vn</a></p>	<p><b>VIETNAM'S COMMERCIAL COUNSEL IN INDONESIA (CONCURRENTLY TIMOR-LESTE, PAPUA NEW GUINEA)</b>  Address: Jl. Bondowoso No. 12, Menteng, Jakarta 10350, Indonesia  Tel: (+62 21) 3190 4344  Fax: (+62 21) 3193 8005  Email: <a href="mailto:id@moit.gov.vn">id@moit.gov.vn</a>; <a href="mailto:minhhlh@moit.gov.vn">minhhlh@moit.gov.vn</a></p>
<p><b>VIETNAM'S COMMERCIAL COUNSEL IN PHILIPPINES (CONCURRENTLY PALAU)</b>  Address: 670 Pablo Ocampo Street, Malate District, Manila, Philippines  Tel: (632) 404 3659  Fax: (632) 404 3661  Email: <a href="mailto:ph@moit.gov.vn">ph@moit.gov.vn</a></p>	<p><b>VIETNAM'S COMMERCIAL COUNSEL IN HONG KONG (CONCURRENTLY MACAU)</b>  Address: 17/F, Golden Star Building, 20 Lockhart Road, Wan Chai, Hong Kong  Tel: (852) 2865 3218; (852) 2527 0495  Fax: (+852) 2865 3808  Email: <a href="mailto:hk@moit.gov.vn">hk@moit.gov.vn</a>; <a href="mailto:hkvtrade@gmail.com">hkvtrade@gmail.com</a></p>
<p><b>VIETNAM'S COMMERCIAL COUNSEL IN AUSTRALIA (CONCURRENTLY VANUATU, MARSHALL ISLANDS, MICRONESIA, SOLOMON ISLANDS)</b>  Address: 115 Commonwealth Street, Surry Hills, Sydney, NSW 2010 Australia  Tel: (+61) 2 921-16664  Fax: (+61) 2 921-16653  Email: <a href="mailto:au@moit.gov.vn">au@moit.gov.vn</a>, <a href="mailto:vntrade@bigpond.net.au">vntrade@bigpond.net.au</a></p>	<p><b>VIETNAM'S COMMERCIAL COUNSEL IN KOREA</b>  Address: 6th Floor, Golden Bridge Building, Chungjeongno 3-ga, No. 222, Seodaemun-Gu, Seoul, 120-708, Korea  Tel: (+82) (02) 364-3661 / 364-3662  Fax: (+82) (02) 364-3664  Website: <a href="http://www.ttnn.com.vn/nuoc-lanh-tho/132/thuong-vu.aspx">http://www.ttnn.com.vn/nuoc-lanh-tho/132/thuong-vu.aspx</a>  Email: <a href="mailto:kr@moit.gov.vn">kr@moit.gov.vn</a></p>
<p><b>VIETNAM'S COMMERCIAL COUNSEL IN JAPAN</b>  Address: 50-11 Motoyoyogicho, Shibuya-ku, Tokyo 151-0062, Japan  Tel: + 813 3466 3315; + 813 3466 3466  Fax: 813 3466 3360  Email: <a href="mailto:jp@moit.gov.vn">jp@moit.gov.vn</a></p>	<p><b>VIETNAM'S COMMERCIAL COUNSEL IN NEW ZEALAND (CONCURRENTLY FIJI, SAMOA)</b>  Address: Level 2, 90- 92 Dixon St. PO Box 11095, Manners St., Wellington 6142  Tel: (+64) 4 8033 775  Fax: (+64) 4 8033 777  Email: <a href="mailto:nz@moit.gov.vn">nz@moit.gov.vn</a></p>

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