

Public private partnerships between smallholders, ELCs and the RGC in Cambodia

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1. The Council for Land Policy (CLP)

- **What is CLP:** CLP is established in 2000. It is an inter-ministerial body composes of 22 ministries/institutions as members. CLP has its General Secretariat (GS-CLP) located in Ministry of Land (MLMUPC);
- **CLP** is to assist in an operation of the Supreme Council for State Reform in the land sector;
- **Roles & Duties of CLP:** (1) Initiate and propose strategic plans, to the Supreme Council for State Reform, in relation to Land Administration, Management, and Distribution; (2) instruct the ministries, institutions, sub-national authorities to enforce policies and legal framework in land sector; (3) Coordinate activities of the ministries, institutions regarding work programs for land, (4) Propose land policies to the Supreme Council for State Reform for approval, (5) monitor the implementation of land policies and result framework in the land sector as directed by the Supreme Council for State Reform

2. Existing Policy and Legal Framework

- **Land Law (2001):** *Article 49 “Land concessions shall respond to a social or economic purpose. Land concessions responding to a social purpose allow beneficiaries to build residential constructions and/or to cultivate lands belonging to the State for their subsistence.”*
- **Interim Paper (Strategic Framework on Land Policy (2002):**
 - 8.3.3. New Models for Agro-Industry and Smallholder Partnership.** “Land distribution, particularly to the very poor, is not sensible without the means for livelihood and economic development. Likewise, land allocation for industrial agriculture creates little local impact if it does not provide jobs or a market for local inhabitants. It is recognized that there are substantial opportunities in Cambodia, particularly outside of the traditional rice-producing areas, to develop partnerships between smallholder agriculture and agro-industry. These could include the issuance in parallel of economic and social concessions in some areas. In other areas economic concessions could be sited to take advantage of the workforce living nearby. Economically viable opportunities exist for complementarity between smallholder production and estate production of cash crops such as tobacco, cotton, pepper, and sugar cane among others. These opportunities will be explored within the framework of State land allocation and decentralized land use planning described above.

- **Policy and SD#19 on Social Land Concession (2003):**

- 1. **Policy:** The policy has proposed

- To facilitate economic land concessions by providing housing and agricultural plots for workers of large plantations.
 - To rationalize land availability and demand for land concessions between provinces;
 - To link land concessions for social purposes with land concessions for economic purposes.
 - National SLC program may be implemented (a). where there is a program to resettle large groups of families, such as urban squatters, or displaced persons; and (b). where social land concession may be linked to economic land concessions to develop industrial agriculture.

- 2. **Sub-decree No. 19 on Social Land Concession:**

- *Art. 3.* Provide land for residential purposes to poor homeless households and land for land poor/landless households for family farming... to facilitate economic development..... and to facilitate economic land concessions by providing land to workers of large plantations (chamkar) for residential purposes or family farming.
 - *Art. 7.* A local social land concession program should be carried out where there is a social land concession program that may link to the economic concession in order to develop agro-industry.
 - *Art. 20.* The National SLC Committee is tasked to link the social land concession to the establishment, operation and reduction of economic land concession.

- **Policy and SD#146 on Economic Land Concession (2005):**

1. Policy on ELC :

- The state intends to have investor with financial and technical capabilities so that the investor could help the government achieving goals with taking account the environmental, social and economic issues (section 5.1).

2. Sub-decree #146:

- Art. 3 and Art. 14. The purpose of ELC is to increase employment in rural areas within a framework of intensification and diversification of livelihood opportunities and within a framework of natural resource management based on appropriate ecological system,
- Art. 5. Criteria to grant on (a). Creation of increasing employment; (b). promotion of living standards of the people; (c). linkages and mutual support between social land concessions and economic land concessions; ELC shall base
- Art. 12 and Art. 18. The application for ELC shall describe of any linkages and mutual support between social land concessions and economic land concessions. The prioritized method for granting ELC is through competitive solicited proposals with a consideration of linkages between social land concessions and economic land concessions.

- **Declaration on Land Policy (2009):** *“.... partnerships between small and large-scale plantation holders, and corporations in agricultural production, and between economic land concessions and social land concessions in order to generate employment opportunities and create market[s] for local residents”*
- **National Strategic Development Plan (2009-2013) :** “The Royal Government will foster partnership between small land holders and large-scale agricultural farms or corporations, and between economic and social land concessionaires, especially those involved in agroindustries such as rubber plantation ...”

- *Draft* **COMPREHENSIVE LAND POLICY**
“WHITE PAPER ON LAND”
 - the **White Paper on Land** covers the three pillars, Land Administration, Land management and **Land Distribution**.
 - Under Land Distribution, there are options and strategy on land distribution for economic development purpose and also for social purpose. Besides, there is a direction for a linkage required between the large-scale agro-industry and small-scale farming.
 - With this regards, PPP (3P) should be also a part of the White Paper on Land to be put in place.

Note: Currently GS-CLP is coordinating with relevant line ministries to draft the White Paper on Land.

3. GSCLP mandate on 3P

- **at the Official Inauguration of the New Building of the Ministry of Land Management, Urban Planning and Construction, Phnom Penh, 09 February 2012, Samdech Akka Moha Senabaddei Techo HUN SEN** discussed “Public-Private Partnership” which involves linking social and economic land concessions to create contract farming arrangements to benefit both the poor recipients of SLCs as well as the companies that hold the economic land concessions (ELCs):

“I would like to request the Secretariat of Council for Land Policy to seek a formula for the 3P principle to be concretely implemented, which could solve many problems.”

- GS-CLP responded immediately to the request and called the relevant line ministries for a meeting in order to establish a mechanism for inter-ministerial coordination in order to clarify roles and responsibilities
- Relevant line ministries are: MLMUPC, MAFF, MoI and MoE
- Results of the meeting/agreed next steps:
 - It is agreed that currently we have a complete set policy and legal framework s
 - Next we should have a concept paper on Public Private Partnership ;
 - There should be a field trip to visit a couple of ELC sites and try to have a clear pictures what's on the ground;
 - GS-CLP shall take coordination roles in drafting the Concept Paper on 3P.

4. Concept paper on 3P - Proposed

- As per mandated by the RGC, currently GS-CLP is coordinating to draft a **“Concept Paper on Public Private Partnership (3P)”**.
- There would be a number of options or models of possible PPP be introduced under the Concept Paper.
- **3 P options/models**, includes:
 - Leopard-skin: ELC in which there is peoples occupied within the ELC site;
 - SLC which is adjacent to ELC site;
 - SLC which is near/close to ELC site;
 - Government’s initiated program with participation of private sector, (or) Civil Society, (or) DPs.
 - Other options/models to be identified throughout the process of the Concept Paper drafting.

5. Next steps

- Throughout the process of Concept Paper formulation, GS-CLP plan to take a field visit to a couple of ELC sites to see the on-site implementation of cooperation between ELC and local residences.
- GS-CLP also look at different practice in other Countries, such as in Indonesia, Malaysia and Thailand. Then see what would be best approach/model for Cambodian context.

- **Public Consultation:**

- After GS-CLP has a draft of Concept Paper on 3P in hand, there shall be a public consultation to improve the text.
- The consultation shall be involved by stakeholders mostly concerned, i.e. Line ministries, DPs, private sector, NGOs and the peoples.

- **Piloting Projects:**

- GS-CLP may identify one or two ELC sites in order to start a piloting project. The piloting project is to implement the PPP model (s) as per introduced by the draft **Concept Paper on 3P**.
- The piloting project may be also involve stakeholders concerned.

5. Next steps

- **Put in use of the (draft) Concept Paper on 3P:**
 - After public consultation and see what come out of the piloting project, the Concept Paper on 3P might be officially put in use for wider implementation.

It is work in progress.... and we work together.

Thank you