



អង្គការ សមធម៌កម្ពុជា  
equitable cambodia

# A Snapshot of the Gold Mining Industry in Cambodia: Rights Violations, and Environmental Damage



**អង្គការ សមធម៌កម្ពុជា**  
**equitable cambodia**

Equitable Cambodia (EC) is a national leader in advocating for the protection and defense of housing, land, and natural resource rights in Cambodia. EC was established in 2012 to enhance and safeguard the rights of all Cambodians from a protracted land-grabbing crisis and human rights abuse. Through policy research, advocacy at the national and international level, coalitionbuilding and community organizing, EC endeavors to transform the land and economic development practices of the country into a model that respects, protects, and fulfills the human rights of the Cambodian people. EC accomplishes its goals through three dynamic programs, each striving toward our vision of a Cambodia in which all people are able to enjoy their basic human rights and natural resources are managed sustainably for the common good.

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## **Executive Summary**

For hundreds of years Cambodians have been operating small-scale “artisanal” mines of precious minerals and jewels for trade. The methods and materials used were simple, had minimal environmental impacts, and the low labor and operational expenses made these mines relatively cost effective. A Ministry of Environment report credits “the northwest region (being) one of the safest in Cambodia, thus being favorable for gold prospectors” in the 1980s, which in turn instigated a “gold rush by local farmers.” Since the turn of the century, the industry has been gradually shifting from its traditional “small-scale” characteristics to becoming a more corporatized sector, focused on large-scale mechanized production. A senior ruling party official in 2007 said the expansion of the industry would support Cambodia’s “diminishing reliance upon donor aid and upon burdensome loans” and generate “more money for education, health, infrastructure, and social program; and the increased employment opportunities for young Cambodians, both skilled and unskilled.” Since then, the corporate takeover of mining resources has continued steadily allowing many of the industry’s party-elite progenitors to maximize profits and exploitation of natural resources while effectively minimizing accountability. The expansion, mechanization, and chemicalization of the industry has exponentially increased the risk of land grabbing, environmental damage, and occupational health and safety for Cambodia’s citizens and communities,

especially Indigenous people. These risks also exacerbate existing human rights violations, in particular breaches of the International Covenant on Economic, Social and Cultural Rights, which enshrines the right to adequate housing and land necessary for subsistence, and the United Nations Declaration of the Rights of Indigenous Peoples. The cutting of roads to access remote areas for gold mining exploration and extraction drastically increases risks of continued globally high rates of deforestation. Indigenous voices continue to be ignored or downplayed, and special provisions for rights protections in international and Cambodian law have not been implemented in any systematic way. Environmental concerns related to deforestation, toxic waste management, and loss of biodiversity are still not being adequately addressed. State largesse still governs the issuance of mining licenses and the continued involvement of powerful political actors present problems for transparency and accountability. Given these circumstances, licensing provisions continue to be a primary focus for civil society’s criticisms of the industry. One of the operational extraction-stage mining sites in Mondulhiri province, has company history marked by a recent Australian national court settlement which fined the previous owner over USD 10 million for bribery payments to Cambodian officials<sup>1</sup>, which would be very difficult to write off as an isolated occurrence. Local communities conducting traditional Artisanal Small-Scale Gold Mining (ASGM) – especially those who practice more

<sup>1</sup> <https://www.afp.gov.au/news-centre/media-release/australian-mining-company-investigated-afp-over-alleged-foreign-bribery>

environmentally friendly techniques with little to no chemical use – are increasingly being victimized by larger companies moving further into areas historically used by ASGM miners. This feature is worse in some areas than others, but a pattern of pressure being placed on ASGM miners to abandon their operations is still present in many areas. Other issues also remain problematic: labor rights and working conditions still lag far behind other key sectors, public consultation processes and strategies for prospective operations are non-systematic and ill-defined from the regulatory perspective, and dialogue platforms with civil society actors have regressed in recent years. The Ministry of Mines and Energy (MME) says it has created a “social support fund” using money contributed by industry actors, but in addition to communities expressing how difficult it is to access the fund, it is unclear how effective this fund has been used to provide key infrastructural improvement for local communities. On a related note, there is systemic ambiguity on how anticipated increases in state revenue, derived from royalties and taxation, will boost funding for social support services, especially when revenue transparency continues to be a highly problematic issue within the country in all sectors.

This research paper attempts to provide insights into various aspects of the sector: a review of the history of the sector since its

corporatization, an analysis of state and civil society responses, and an assessment of the overall health of the sector as it stands in 2023.

The five case studies in this report will illustrate the current reality of the sector and its various stakeholders, including local populations, industry actors, and civil society members. After 20 years of continued corporatization of the gold mining industry, there are sadly very few signs of improvements in policy and practice, with respect to human rights and land rights, environmental protection, transparency, and accountability. Overall, the mining sector, as a whole, still suffers from significant problems in these areas. Drastic and immediate action is required to review all exploratory licenses and extraction-stage operations, to prevent future conflict with local communities, and further environmental damage, and to help Cambodia to present its extractive industries sector as an attractive industry as an attractive investment to potential good faith operators who wish to enter the industry. These reviews should entail a full accounting of human rights violations, past and present, and comprehensive action plans to address these issues, measures to reinforce environmental protection strategies, and measures to prioritize transparency with respect to beneficial ownership.

**It is critical that the mining sector as a whole center the Cambodian citizens and the environment as core considerations instead of focusing on corporate profits and royalties.**

## Research Methodology and Limitations

For the case studies in this report, data was collected by conducting focus group discussions (FGDs) with local communities living in and nearby mining areas, which are being exploited by large corporations. Interviews were also conducted with other key informants, including company workers, local officials (commune officials and village chiefs) and civil society organizations. In total, 59 people were interviewed for this research paper. The interviews and FGDs were conducted over a period of two months in 2023. The researchers encountered a few limitations: the

field work coincided with a highly contentious national election that took place in July 2023. The disqualification of the major opposition party from the ballot and a tense political environment resulted in respondents being less willing to engage as openly as possible for fear of retribution for any real or perceived criticism of government policy or practice. Additionally, contacting high-level government officials was particularly difficult, but again this may in some part be related to officials not wanting to discuss policy and practice matters within the context of an election campaign.

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Interview Profile	Number of Interviewees
Villagers affected by Mining Operations	31 (4 Indigenous people)
Commue Chiefs	1
Community Leaders	3
Company Workers	10
NGO representatives	8
Village Chiefs	5
Company supervisor/Manager	1

## Background and Policy Discussion

There has been much written about the gold mining industry in Cambodia. Various legal frameworks have been developed over the past 20 years, resulting in an equal number of civil society reviews of those frameworks, including real world applications in specific project operations. This snapshot of laws, policies and regulatory frameworks is not intended to be an exhaustive literature review. It will instead succinctly present the general policy discussion environment in the country and offer a broad analysis of the first modern attempts at codifying mining regulations in the country. Numerous key thematic issues arise from an analysis of two decades of literature around the mining sector in Cambodia, and some critical themes show an unfortunate lack of attention. The starting point for this analysis is the Law on Mineral Resource Management and Exploitation, 2001<sup>2</sup>, (the “Law”), the first significant modern attempt at reform in the extractive industries, and further draws on various legal framework changes and civil society responses until the present day.

### Environmental Protections

Article 21 of the Law deals with environmental protection and references the requirement to comply with the Law on Environmental Protection and Natural Resource Management. As will be made clear in this research paper, **environmental protections and the human rights of local villagers are usually treated as a secondary consideration**, with more

emphasis being placed on national economic imperatives by policy makers, and with civil society actors focusing more on transparency and accountability at the corporate-government stakeholder interface. No comprehensive studies have focused on trying to discover the extent to which the extractives industry is damaging the environment through deforestation, toxic waste disposal and biodiversity loss. Moving to the National Policy on Mineral Resources 2018-2028 , Point 5, Objective 2 states that: “in general, Prospecting and Exploration of mineral resources do not cause serious impact on the environment. However, these activities in the natural protected areas warrant specific procedures, unlike in other areas.” The associated Action Plan in the policy document includes the development of “a separate procedure to grant mining license in the natural protected areas and setting necessary measures for protecting the environment, ecosystems, biodiversity, flora, and fauna. Using up-to-date technology of mineral exploitation to minimize environmental impact” (sic). The authors of this report are unable to find any evidence that the government has acted on this commitment in any meaningful or substantial way. While the policy unfortunately muddies the water between exploration activities (mentioned explicitly) and extraction (only implied through action points), it at least implies a recognition that mining in natural Protected Areas is inherently riskier. However, there is little to no evidence that this recognition is being taken seriously to effect meaningful action or prioritize consideration of environmental issues in these areas.

## Land Rights

Under Article 25 of the Law, an indemnification scheme is established which creates a right for “landowners” to be indemnified by mining operators “both in and out of the license area against damages caused by his/her mining operations regardless of accidental or anticipated damages.” Unsurprisingly, the precise scope of this right is ill-defined: “...where the mining operation area determined in the license impact the owned land, the landowner shall permit the holder of the license to conduct the mining operation on such land with prior mutual agreement whereby the owner shall receive fair and just compensation.” From the paragraphs that follow the creation of this right, it can be ascertained that if this so-called “mutual agreement” (presumably, for the amount and/or type of indemnification) cannot be reached, the mechanism to resolve this stalemate involves either ministerial intervention or making a submission to a dispute resolution committee. If all else fails, the dispute is to be arbitrated by the highly politicized Cambodian judicial system. There is also no indication of how land value should be assessed, nor has the proposed dispute resolution committee ever arbitrated a case. One thing is clear, there are numerous examples of rural landowners complaining of losing land and receiving zero compensation from mining operations across the country, leaving them with the option of making public complaints,

which are then addressed in a non-systematic and ad hoc fashion. This provides a good example of a very poorly designed legislative scheme that allows for creative interpretation of the Law to suit vested interests, or simply to be ignored for lack of clarity. Article 26 is even more opaque. It appears to create a right of compensation for “people (who) are living in the license operation area”, which stipulates that the procedure to be followed is the same as that in aforementioned Article 25. It is unclear exactly what level of land tenure individuals would need to prove that they “live” in the area. For such a critical and complicated aspect of land rights determination the legislative provisions and protections are severely lacking. Implementation of these prima facie land rights has been extremely inconsistent and numerous news articles and civil society reviews have attested to repeated violations of these provisions. A 2010 report from the Japanese International Cooperation Agency (JICA)<sup>3</sup> states that interviews with concession owners revealed “difficulties in obtaining list of land occupants”, and separately makes references to “illegal occupants of land.” This is very revealing: the private sector is willing to abrogate responsibility for treating legitimate land rights as a core industry concern, to one which can be assigned to an ineffective bureaucracy.

<sup>3</sup> *The Master Plan Study for Promotion of the Mining Industry in the Kingdom of Cambodia: Final Report*. Japan International Cooperation Agency - Industrial Development Department, and Mitsui Mineral Development Engineering Co., Ltd., 2010. Accessed at: [https://openjicareport.jica.go.jp/pdf/12006003\\_01.pdf](https://openjicareport.jica.go.jp/pdf/12006003_01.pdf)



## Indigenous Peoples' Rights

Cambodia ratified the United Nations Declaration on the Rights of Indigenous People (UNDRIP) in 2017, six years after passage of the Law. However, there have been no amendments to the Law that would enshrine recognition of Indigenous Rights into sectoral processes, and there are no clear examples of a regulatory shift to recognize these rights. Historically, Indigenous groups in Cambodia have been engaged in small-scale and relatively environmentally clean ASGM. But since the 1990s, they are continually being pushed out of these traditional ASGM areas, especially in Mondulakiri, Kratie, Ratanakiri, and Preah Vihear provinces – areas which the current study focuses on. As deforestation continues in these areas, especially as better roads are built to facilitate the expansion of mining operations, Indigenous civil society groups are increasingly concerned about severing cultural connections related to the customary and traditional relationship Indigenous people have with traditional and spirit forests, especially with respect to animist religions and traditional knowledge. The previously mentioned JICA report also writes about Indigenous Cambodia, who are the most affected by rights abuses and environmental damage related to the mining sector. The report's authors refer to a study

from the 1960s in a section about Cambodia's Indigenous communities and quote the phrase “not Khmer people, their ethnic background is not clear. The Cambodian government called highlanders Khmer Loeu (Highland Khmer) in the 1960s and tried to assimilate them with Cambodians.” **This surface-level understanding and, frankly, ignorant characterization of Indigenous people and cultures reveals a complete lack of awareness of issues related to Indigenous communities.** Moving to the National Policy on Mineral Resources 2018-2028<sup>4</sup>, which is the first national policy-level recognition of Indigenous rights, directly deals with the interests of Indigenous Cambodians under the “community development” section of the document. The whole section is worth repeating here:

*“Indigenous Peoples and Mineral Operations  
Some mineral deposits are located in the areas where Indigenous people live. Therefore, Mineral Operations in those areas must not affect the rights, freedoms, traditions, customs, beliefs, and religions of Indigenous peoples in the areas. Violation of Indigenous worship sites are prohibited. Mining companies need to understand the traditions, customs, culture, beliefs, and relations of each Indigenous group in their mining area to avoid any infringements thereof.*

*Action Plan:*

*Providing protection to Indigenous people in the mineral resource development areas by preserving their rights freedoms, customs, traditions, cultures, beliefs, and religions of Indigenous peoples in accordance with state policies and laws”*

The policy goes into no detail about the scope of Indigenous rights and traditions, such as communities’ cultural prioritization of forestlands, nor does it delve into what the protection of Indigenous people should look like. Notwithstanding, the policy at least recognizes that Indigenous communities have special interests that are legitimate. There has yet to be any concrete actions to harmonize industry practice with those considerations,

especially with respect to forest protection and respect for Indigenous land rights. With the exception of the quoted section above, broader national policies have typically de-emphasized concerns related to the rights of Indigenous people in Cambodia. In recent years, studies and news articles have been effective at shining a spotlight on how mining industry stakeholders have knowingly and systematically disregarded the special rights afforded to Indigenous people. Cambodia officials need to give proper consideration to indigenous issues; not only to assist Cambodia to fulfill its obligations under UNDRIP, but also to ensure investors are not further culpable in the repression of Indigenous people in the country.

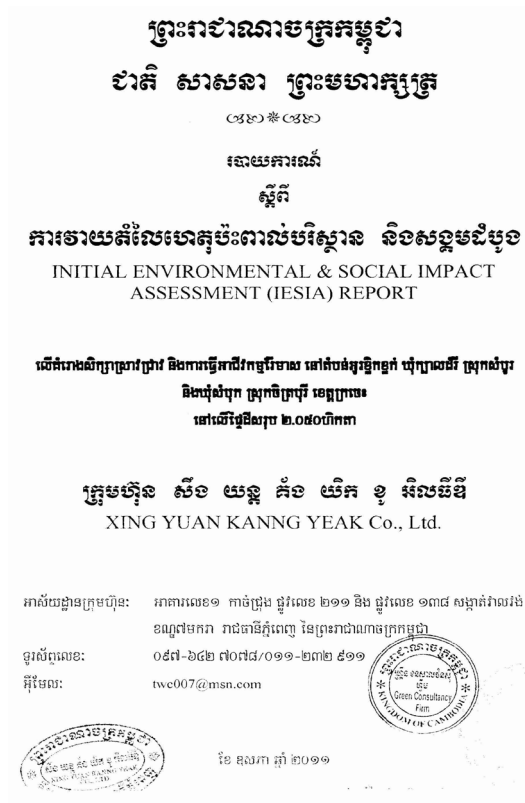


*A Jarai indigenous woman collecting water for consumption*

### Transparent Consultative Processes

Proper public consultation remains a particularly systemic problem in the extractives industry. The Law contains explicit requirements regarding Environmental and Social Impacts Assessment (ESIA) procedures. However, in practice, the commissioning of an ESIA is viewed more as a box ticking exercise by the industry and is often approved without the need for review or adjustment. There are no publicly available examples where the findings in an ESIA led to project rejection or changes in project design. The “gaps” in the legislative framework surrounding public consultations are discussed at length in a Transparency International<sup>5</sup> report from 2021. After a lengthy analysis, the report’s authors conclude that the problems associated with public participation and ESIA

stem from the government’s inability to both understand its own legislative framework and to implement it properly. It is also unclear, in the report’s discussion of the effectiveness of the Extractive Industries Governance Forum, which is a dialogue platform with civil society, if this forum has been able to constructively participate in a meaningful way. Whether the forum has been able to have real discussions with the Ministry of Mines and Energy (MIME) regarding problems with public consultation. Crucially, the authors buried a section of the report on page 19 highlighting a serious gap in the legal framework: the lack of a requirement for there to be ongoing consultations with local communities.



The cover page of the 2011 EISA conducted by Xing Yuan Kang Yeak mine site in Kratie. Despite being conducted 10 years before operations started, it is a rare example of a publicly available EISA

<sup>5</sup> Transparency International Rapid Assessment on Cambodia’s Mining Policy Framework, Transparency International Cambodia, 2021. Accessed at: [https://ticambodia.org/library/wp-content/files\\_mf/1637925265RapidAssessmentonCambodiasMiningPolicyFramework20152020.pdf](https://ticambodia.org/library/wp-content/files_mf/1637925265RapidAssessmentonCambodiasMiningPolicyFramework20152020.pdf)

## Artisanal Mining

Article 11 of the Law creates a legal framework for an Artisan Mining License. It restricts individuals with artisanal mining operations to “the help of family with no more than 7 persons,” and limits the size of an extraction site to no more than 1 hectare and maximum depth of 5 meters. In 2004, Oxfam released a report<sup>6</sup>, that focused on ASGM operators and their experiences with increased regulations. The report’s foreword, authored by then-Oxfam Executive Director Keith Slack, noted that “whether large or small-scale, mining is by definition an unsustainable activity; once the gold or other metal is taken from the ground it cannot be regenerated. Thus, mining cannot be a source of long-term ‘sustainable development.’ It is a reality, however, that in desperately poor countries, like Cambodia, few other income generating options may exist for poor communities.” The report estimates that around 5000 Cambodians were reliant on artisanal mining as an important livelihood resource, as of 2004. The report cites unlawful corporate pressure on artisanal mining operations, including the pressure on artisanal miners to pay “fees” and “taxes,” immediately after obtaining exploration licenses, in both Phnom Preuk in Battambang, and Romdeng in Preah Vihear, a pattern that unfortunately continues today. A 2012 report from Development Partners in Action<sup>7</sup> talks about several instances of local miners in Preah Vihear being granted permission by provincial stakeholders to continue with their artisanal practices, only for the situation to change once a larger company arrived. This change in position, and subsequent

criminalization of artisanal mining, was enforced by local military forces, with one community member in Preah Vihear being sent to jail. The outlook for the promotion and protection of ASGM as a crucial source of long-term sustainable income for rural Cambodians is looking bleak. Despite mentions of the importance of ASGM in some national policy documents, the trend is crystal clear: ASGM is being phased out and large-scale, chemicalized mining is being heavily promoted.



Open pit mine in Ratanakiri which researchers were able to view

<sup>6</sup> *Small-scale Gold Mining in Cambodia: a Situation Assessment*, Oxfam America, 2004 Accessed at: [https://data.laos.opendevlopmentmekong.net/library\\_record/small-scale-gold-mining-in-cambodia-a-situation-assessment/](https://data.laos.opendevlopmentmekong.net/library_record/small-scale-gold-mining-in-cambodia-a-situation-assessment/)

## Mining Licensing

The Law created a new licensing regime, offering six types of licenses, including three key types of licence:

- Artisan Mining License: This can be issued only to “Khmer nationals;” thereby excluding non-Khmer nationals, such as people of Vietnamese heritage.
- Exploration License: This presumably included gold exploration but there is no list provided in the Law.
- Industry Mining License: This is commonly called an exploitation license.

However, clear gaps are exposed within this framework. Article 12 of the Law states that where “an exploration or mining license application indicates a large-scale project of special national significance ... a supplementary Mineral Investment Agreement to be appended to the license.” There are no examples of these supplementary agreements being made publicly available. Article 17 establishes the right of modification or assignment of any such licenses, allowing companies to simply transfer their licenses to other companies or individuals relatively easily, without consideration of the risks under which these transfers can occur. Article 31 provides for a “special tax regime ... for application to the output and revenue gained from the 6 (six) categories.” This is problematic, not only because these special tax regimes are not public or transparent, but also because Exploration Licenses should entail no taxable outputs or revenue. On the point of state revenue collection, the 2004 Oxfam report refers to “a loss of state revenue owing to companies making profits whilst not having the necessary exploitation license which would

trigger the payment of royalties and taxes”. A 2009 Global Witness<sup>7</sup> report is a great resource to understand the systemic non-transparency and cronyism in the mining sector. The report illustrated extensive links between senior ruling party officials and military officials and the first wave of exploration concessions granted to large-scale operators exploring for gold. The report points to the involvement of Cham Borey, the brother of then-Minister of Commerce Cham Prasadh, in several mining ventures, none of which ever managed to get off the ground, even with this track record, records reveal Cham Borey’s continued involvement with another mining venture in the following years. None of the ruling party officials identified in the report as being specific backers of mining operations gave any responses denying involvement. Unfortunately, the procedures and regulations regarding licenses of all types were only developed in 2016, some 15 years after the 2001 Law was passed. This may have occurred as a response to the flood of criticism aimed at various senior political and ministry officials regarding the general state of the sector. During that period, a litany of journalistic pieces shone light on the hazardous nature of the industry and the absolute mismanagement of human rights and environmental risks. However, the provisions of the Sub-Decree have been the subject of some criticism from civil society, including a Transparency International Report<sup>8</sup> from 2017, which although positive in its assessment of some mitigated risks of corruption by virtue of Sub-Decree 72, still cites 14 specific risks that have not been adequately addressed.

<sup>7</sup> *Country for Sale*, Global Witness, 2009 Accessed at: <https://www.globalwitness.org/en/reports/country-sale/9>

<sup>8</sup> *Cambodia’s Mineral Exploration Licensing Process: Governance Risk Assessment*, Transparency International Cambodia, 2017. Accessed at: [https://ticambodia.org/library/wpcontent/files\\_mf/1507521680MiningReporttSmallsize100917.pdf](https://ticambodia.org/library/wpcontent/files_mf/1507521680MiningReporttSmallsize100917.pdf)

## International Guidelines for the Mining Industry

### *Extractive Industries Transparency Initiative (EITI)*

EITI was launched in 2002 at the World Summit on Sustainable Resource Development. The Initiative provides for and updated 2023 “Standard” of governance, which sets out broad “principles and requirements” for initiative members. These principles guide relationships between key stakeholders in the extractive industries and outlines best practice for the sector, to ensure that sustainable economic growth for poverty reduction is prioritized, in order to avoid negative economic and social impacts. Despite criticism from both the private sector (that the initiative has veered to far from its initial mandate to promote transparency), and civil society (that members are flouting their obligations under the principles without facing any redress), the principles serve as the most internationally recognized and comprehensive set of guidelines for the sector. Unlike many other low-middle income countries, of the time of writing, Cambodia is not yet an implementing country, despite some signals that Cambodia has intended to join. Cambodia’s non-membership may be related to several issues. Members are required to implement a national multi-stakeholder group comprising government, industry, and civil society representatives. The recent devolution of the CRRT may leave Cambodia short on this requirement. Members are also required to have an “open data” policy, and as numerous reports have pointed out, transparency in licensing and beneficial control has been a very difficult area for Cambodia to improve upon.

### *Chinese Guidelines*

The Chinese Chamber of Commerce of Metals, Minerals and Chemical Importer and Exporters is an industry association led attempt to codify best practice due diligence for corporations involved in “high risk areas” throughout the world. The guidelines largely mirror the UN Guiding Principles for Business and Human Rights and utilize the OECD’s 5-step due diligence framework<sup>9</sup>, and as with the EITI, creates a form of “Standard”. Given that the Guidelines have been produced by a Chinese agency with close ties to government, the guidelines should have some persuasive weight on Chinese companies operating abroad. Like EITI, its principal criticism is that there are no grievance or redress mechanisms contained in the Guidelines, but unlike EITI, it is not a membership-based initiative, where members are subject to expulsion for non-compliance. That being said, the Chinese Guidelines set out seven key measures for mitigating “security and related issues” for “upstream” companies. Notable measures include: “in areas in which minerals are illegally taxed or extorted, take immediate steps to ensure that upstream intermediaries and consolidators disclose downstream or public the payments (sic) made to public or private security forces for the provision of security.” Other positive measures of risk mitigation include to: “support the establishment of community forums to share and communicate information. One section dealing with risk mitigation measure pertains to protecting ASGM, suggests a measures to: “minimise the risk of exposure of artisanal miners to abusive practices by supporting host countries governments’ efforts for the progressive professionalization and formalisation of the artisanal sector, through the establishment of cooperatives, associations or other membership structures”. This kind of support for Artisanal Mining is a welcome contribution to the global understanding of best practice, however the guidelines broadly minimize any recognition that government actors could be involved in any bad practice with respect to the sector, either through policy or practice. That being said, the guidelines contain strong messaging around conducting proper due diligence throughout the supply chain broadly. This is somewhat surprising in that upstream companies generally learn of illegal taxation or extortion from their downstream supply chain partners, that being said the invocation of disclosing information to the public is an admirable one.

<sup>9</sup> OECD *Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, OECD (2011) Accessed at: <http://dx.doi.org/10.1787/9789264111110-en>

## Case Study 1

Location: Peak village and Plang village in Ou Ya Dav district, Ratanakiri province

**Mining Companies: Angkor Gold Corp, Mesco Gold**

### Summary of Feedback From Peak and Plang Villagers

1. Villagers are most concerned about continuing to lose the area's natural resources and their land, which are essential to maintain traditional Indigenous livelihoods and customs. This overlapped with concerns over continuing deforestation and farmlands critical to their survival.

2. Residents want better toxic waste management from Mesco and Angkor Gold and increased support for building community infrastructure, including

completion of the proposed access road and repairing the community's water system.

3. They also want the company to create a safer and fairer work environment at the mine site in line with occupational safety and labor rights standards, including providing mine workers with access to medical services.

4. In summation, they believed the mining investment had not come to invest in their futures nor had it created any real, long-lasting value for the community.

### Company History and the Mine Site

Angkor Gold Corp (Cambodia) Ltd. (henceforth "Angkor Gold") is a subsidiary of Angkor Resources Corp., which is a publicly listed company in Canada. Angkor Gold was granted an exploration license for over 150,000 hectares in Ratanakiri's Ou Ya Dav district in 2008. After confirming the viability of a gold mine near Peak village in 2015, Angkor Gold sold a 1,200-hectare section from its license for US\$1.8 million to Mesco Gold (Cambodia) Ltd. (henceforth "Mesco"). Angkor Gold's website details a "net smelter agreement" with Mesco, whereby Angkor Gold has rights to up to scaled 7.5% (a rate which is currently in effect) of all profits related to the mining site. Mesco is a subsidiary of Mideast Integrated Steels Ltd., which is registered in India. Mideast Integrated Steels recently faced trading suspension<sup>10</sup> due to non-compliance with securities regulations in India. The company is also facing scrutiny regarding

allegations of land grabbing<sup>12</sup> for construction of a steel plant in the Indian state of Odissa.

The mine site comprises three gold pits, each about 300 meters deep. Another of the pits is no longer in operation. Each of the pits are fitted with lights and cable lifts used to access the blast sites, and workers remotely ping the cable lift operator by ringing a bell. Before the COVID-19 pandemic in 2020, the company assigned workers to three shifts in a day, effectively allowing for work around the clock. However, operations now have been reduced to two shifts. The project currently employs around 20 ethnic Khmer workers to work in the pits and five Indian nationals who work in senior roles. It has been reported<sup>13</sup> in the media that Angkor Gold holds other exploratory licenses around Cambodia, making it a good case study for careful scrutiny of the operations of mining firms in the country.

<sup>10</sup> <https://www.angelone.in/announcements/market/suspension-of-trading-in-securities-of-6-companies-2>

<sup>11</sup> <https://www.orissapost.com/landless-former-mesco-workers-suffer-in-silence/>

<sup>12</sup> <https://www.phnompenhpost.com/business/canada-firms-exploring-andong-bor-copper-gold-licence>



*Workers house in the company mining site.*





**DISCLAIMER:**  
 Boundary of Mesco Operational Area is approximate only, as no official public data available. Boundary of operational area is taken from roads and other topographical features which encircle the primary areas of mining activity.



**Mesco Gold Operational Mining, Ratanakiri, Cambodia**

**Legend**

- Mesco Gold Operational Site
- Nearby Villages
- Interviewed Villages
- Roads
- Streams
- Mesco Gold Mining Concession
- Mesco Gold Operational Area

Scale: 1:150,000  
 C.R.S: W.G.S 1984  
 Data Sources:  
 Opendevelopment.net, Esri SatelliteImagery,  
 Google Earth, Handhelp GPS

## Village History

Peak village is located around four kilometers from the Angkor Gold mine site. The village has around 220 households, most of whom identify as Indigenous Jarai. Since 2013, around 40 ethnic Khmer families have migrated to the village and purchased farmland from the local community. Villagers say they earn money primarily from farming cassava, cashew, and other crops, earning on average between US\$200 to US\$500 per year.

They also supplement their incomes with the sale of non-timber forest products (NTFP), however, villagers report that incomes from NTFP sales have dramatically reduced over the years on account of deforestation in the area. Several villagers reported that they had previously worked in artisanal and small-scale gold mining; operations where workers would dig 8-meter-deep pits, filter for gold, and sell it at local markets.



*Community member's house Peak Village*

***“Wouldn’t even get one packet of Ajinomoto MSG later if you do not agree to this amount.” Community member relaying a quote from a local official***

## Public Consultation and Land Loss

Numerous villagers from Peak village said they had significant problems since the mining project was greenlit. They pointed to a lack of an exhaustive public consultation process prior to the start of mining operations and the forced sale of land to make way for the mine, which had triggered several protests around the time that exploration started. On the lack of a public consultation process, interviewees said that there was no attempt to map out a comprehensive consultative process by the government or company. Many village residents said they were kept in the dark about the mine site and operations that could potentially impact them. Instead, the company relied on local authorities to inform landowners who were going to be impacted by mining operations. But these interactions often involved threats or intimidatory tactics to get villagers to leave their land for meager compensation packages. One interviewee described being threatened by armed company guards to abandon 2 hectares of their farmland in 2009. She was told to give up her land or have the land taken by force and with no compensation provided. Similarly, another village resident said Angkor Gold and Mesco workers threatened him to give the companies four hectares of land for a modest US\$4,000. If he refused, the workers said he “wouldn’t even get one packet of Ajinomoto MSG later if you do not agree to this amount.” When this villager was away from the village, his wife agreed to the compensation because she was afraid the companies would take their land without giving the family the promised money.

According to group discussion participants, company officials often claimed that the community was not allowed to mine below a certain depth, only the company, and therefore this provides a justification for taking land. After a broader consultation process was agreed upon in 2015, various deals were struck between specific community members. This included a written contract from 15 July 2015 which provided for some modest CSR support, such as water wells and health clinics. Given the sweeping effects of this contractual agreement for the entire village, residents were left with no option but to trigger protests. This resulted in military police officers patrolling the village, another intimidation tactic used by the government against local residents in land disputes. Following these tensions, the companies proposed another compensation deal which provided villagers US\$500 to US\$18,000 for their land, though interviewees reported that the formula used for calculation of the compensation was not disclosed to the community nor was it clear who would be eligible under this deal.

At the same time, Mesco continued to clear forestland around the village, creating disputes with landowners. Mesco halted these activities as conflict resolution activities were undertaken. Later, in 2021, village residents said Mesco conducted “excessive drilling” on 38 hectares of land<sup>13</sup>, in breach of the boundaries set out in the 2015 contract. Further protests broke up, with Mesco eventually agreeing to move their equipment out of the disputed area.

According to one interviewee, company representatives informed six households in March 2022 that their land was the site of further exploration activities, but there was no plan for extraction. All but one of the households rejected the proposal. Since then, the company(s) have made several further requests to village residents to “dig pits” on their land, and according to one interviewee, “they were able to keep the company out.”

After a three-year lull in operations on account of the COVID-19 pandemic, mining operations recommenced in May 2023. On 6 May, Mesco blocked access to a main road, which villagers used to reach their farmland, the nearby forests and water sources, including the O’Trer stream. This significantly impacted villagers’ ability to farm, collect water for bathing, access the forests to collect NTFPs, and fish or graze

their livestock. Since the blockade, villagers reported increased food insecurity and lower income generation. The company agreed to clear and widen another access road for villagers, according to a recent agreement from July 2023. While this new road will in turn affect three households’ land holdings, villagers said the landowners had broadly agreed to compensation arrangements for the land.

Villagers from Plang village said they are worried the company will attempt to forcibly evict them from their traditional lands, and that this land loss will lead to livelihood deterioration. The companies have offered villagers work at the mining site for US\$300 dollars a month, but most villagers have rejected this offer and said they preferred to continue their traditional lifestyles.

### **Social and Environmental Impacts**

Traditionally, Peak villagers have used natural water sources (called “chrobs” in many indigenous languages) for drinking and bathing. However, since mining operations have started, villagers are reluctant to use surrounding water bodies because of the risk of contamination and landslides. They are, instead, purchasing water, increasing their families’ monthly costs.

The company is currently constructing a waste pit located around 200 meters from the O’Trer stream, and villages are concerned runoff from the pit will further degrade the quality of the water from the stream. Village residents said they want the waste pit to be located further away from the streamlet.

*“We want the waste (water) pits to be further away from the streamlet” - Community member*

## Social Inclusion, Labor Rights, and Occupational Health and Safety

Many villagers said they prefer to work on their farmland rather than work for a company, where above-ground work could earn them US\$5 to US\$8 a day. Apart from mentioning the potential “dangers and risks” of working at a mine site, villager residents did not detail their reluctance to a relatively high daily wage of US\$17 to US\$20. Interviewees said the death of two Cambodian workers after a lift cable snapped in 2020 had a considerable effect on villagers’ attitudes towards the project. As of publication of this report, only three Peak villagers are working for the company as plumbers inside the pits. Two workers at the mine site said they did not have full time contracts and were not aware of Mesco’s labor policies — which should be in line with Cambodia’s labor laws — and that even a request for paid leave would result

in the threat of wage deductions. They also pointed to Mesco’s and Angkor Gold’s lack of clear safety protocols given the hazardous nature of the work and potential for landslides triggered by mining operations. Villagers said company workers had access to a very simple dormitory, which had running water and sanitation. Additionally, workers were given very basic accident insurance by the company and the mine site had no trained first aid practitioners or medical services, not even a fully stocked first aid kit. Workers said they had never seen government officials performing oversight of working conditions at the mine nor did they have any opportunity to raise occupational safety issues to anyone other than the company, which frequently ignored their concerns.

## Infrastructure Improvement

Villagers said they were promised direct infrastructure development support from the company, including US\$60,000 for a bridge to assist villagers to access their farmland and community forest. An additional US\$100,000 was promised for installation of wells in every household, but neither of these promises materialized as of publication of this report. The installation of wells was abandoned in 2016 after underground granite was identified by the company, preventing the digging from proceeding. The company provided residents with large water jars for storage, which villagers

say are useful during the monsoon season but provided little help during the hot season. Village residents added that the company proposed digging a reservoir, which would be connected to community members’ homes for a fee. The company has not constructed the reservoir, nor was it clear if it has abandoned the proposal.

Angkor Gold had hired an English teacher for the local school; however, this support was only short-lived. The company also supplied a single laptop to the local school for teachers to share.

## Case Study 2

Location: Chong Plas commune, Keo Siema district, Mondulakiri province

**Mining Companies: Rong Cheng Industrial Investment (Cambodia), Renaissance Mineral (Cambodia)**

### Summary of Feedback From Interviewees

1. Three mine sites around Prey Meas and O'Kvau present a mixed bag of responses and provide a stark contrast between a company that is doing the bare minimum promised to communities and a company that is unconcerned with their wellbeing.
2. Villagers are largely happy with Renaissance Minerals, except for the company's encroachment on their traditional lands and the lack of transparency around the company's plans and activities early on.
3. Respondents believed that Rong Cheng should greatly review and improve their operations in the area and cease exploration activities in the community forest.
4. Even with all the mystery surrounding Unity's operations, the company should also cease all further exploration activities in the community forest.
5. Feasibility and EIA studies need to be easily accessible and more inclusive of community voices.
6. All three companies must respect the communities' traditional livelihoods by allowing traditional ASGM miners to continue their operations, allowing people to collect NTFPs, and to stop restricting farmers from undertaking shifting cultivation.

### Company Histories and the Mine Sites

#### *Rong Cheng*

Rong Cheng Industrial Investment (Cambodia) Co. Ltd was registered in 2015, according to the Cambodian Ministry of Commerce. It is unclear how long the company has been operating at the site and there is no transparency with its corporate structure.

A local commune chief revealed in 2015 that the company was formerly called Chung Cheng and that it was granted permission to conduct a feasibility study in 2004. However, in 2012, government officials shut down the site after making an assessment that the company was exploring for gold illegally. Rong Cheng's mining licenses and relevant EIA documents are not publicly available. After reported

deaths from poisoning in 2018, Rong Cheng disputed that it was conducting any mining around the time of the deaths. It was quoted in a news article<sup>14</sup> saying, "The company does not use chemical substances because the company does not operate gold mining yet, we have just been building infrastructure," said a company representative. He adds, "We welcome the national authority to come inspect us for chemical substances." Public statements from government officials at the time were contradictory as to the source of the poison, with one minister, Cham Prasidh speculating that toxic runoff from Rong Cheng mine was responsible.

<sup>14</sup><https://www.khmertimeskh.com/494101/miners-flee-amid-compliance-push/>



*Rong Cheng's drilling rig.*

This was later denied by officials from other ministries who linked the deaths to overdose deaths from rice wine. Rong Cheng's directors are each from different regions of China: Beijing, Henan, and Shenzhen, according to information on Cambodia's Ministry of Commerce company directory Yang Shujun, a former chairman of the company, was a shareholder at Zhong Xin Industrial Investment (Cambodia) Co., Ltd, which also lists influential Cambodian Senator Lau Ming Khin as one of its shareholders. They are recorded as transferring their shares to another individual in 2005. According to media reports, Zhong Xin was previously called Jinqu Mineral, which had

a listed address that matched the official address of Cambodian conglomerate Pheapimex, which is owned by the family of Lau Meng Khin. Zhong Xin has since been removed from the company register. One of the former directors of Rong Cheng, Jin Guangcai, had listed their official address as "Residential, Building of Henan Lingbao Gold Group Co., Ltd, China," which could potentially be the parent company of Rong Cheng. According to a 2016 news update from China's Ministry of Commerce, Lingbao Gold and Rong Cheng company signed a letter of intent to jointly develop the "MESAM" gold mine and were issued a mine development license in Cambodia. A preliminary analysis of prospects

at the MESAM gold mine was published by Lingbao staff in 2017, however, Lingbao does not mention any projects or assets in Cambodia in its annual reports. Additionally, an academic paper on the exploration of the MESAM gold mine by several research institutes affiliated with the Henan provincial government in China was published in 2022, which indicates that the MESAM gold mine is located in Mondulakiri province. The exploration of MESAM is a key project of the "Henan province Belt and Road mineral resources prospecting," which was funded by the government. Lingbao Gold is from Henan province and is listed on the Hong Kong Stock Exchange. The company was previously a provincial state-owned enterprise and most of the state-owned shares were sold in 2016 to D&R Asset Management Group Co. Ltd., a well-known Chinese private equity firm. D&R is in the process of purchasing further shares of Lingbao, and once the transaction is complete D&R will become the controlling shareholder of Lingbao Gold, with a 42.7% stake. In recent years D&R has been subject to disciplinary action by the Asset Management Association of China for various regulatory violations. There are several disputes in China related to the shares of Rong Cheng and/or the mine. Reports are on corporate paywalled databases. Rong Cheng currently operates 4 goldpits, each around 300 meters deep. There is one large wastewater pit.





*Aerial photo of Rong Cheng mine site, showing brown wastewater pit.*

***“Australian Federal Police reported that it had agreed to a settlement with Oz Minerals, which had earlier self-reported that its subsidiary in Cambodia had paid bribes to Cambodian officials to obtain its mining licenses.”***

## *Renaissance Minerals*



*Aerial view of Renaissance operations, deep in the forest.*

Renaissance Minerals (Cambodia) Ltd. was incorporated in 2006, as a subsidiary of Oxiana Limited, a company listed on the Australian<sup>15</sup> Stock Exchange. The parent company later merged with another company and rebranded as Oz Minerals. Oz Minerals later sold all of its Cambodian interests to another Australian company, Emerald Resources NL, another Australian Stock Exchange listed company in May 2012. A formal merger with Renaissance was completed in 2016. Extraction of gold at its O’Kvau mining site commenced in 2021 and has quickly ramped up production to be Cambodia’s largest producer of gold.

In August 2023, the Australian Federal Police reported that it had agreed to a settlement with Oz Minerals, which had earlier self-reported that its subsidiary in Cambodia had paid bribes to Cambodian officials to obtain its mining licenses. OZ Minerals agreed to forfeit all the money it raised from the sale of Renaissance to Emerald Resources (AU\$9.3 million) and a pecuniary penalty of AU\$3.65 million. This is the first instance of a mining operator admitting to having paid bribes to Cambodian officials, although due to diplomatic considerations, Australian Federal Police are not divulging the exact amount that was paid to officials.

<sup>15</sup> <https://www.afp.gov.au/news-centre/media-release/australian-mining-company-investigated-afp-over-alleged-foreign-bribery>

Having secured its licenses, albeit through admittedly corrupt means, Renaissance Minerals has shown some commitment to transparency and accountability and has been lauded by Cambodian ministry officials as being a leader in the field. Renaissance conducted an Environmental and Social Impact Assessment (ESIA) for its O’Kvau mine in July 2017, which is publicly available. However, the report was conducted by a Cambodian company with no online presence and in conjunction with an Australian company who appear to have not been involved in any of the field work and has instead validated information collated by the Cambodian partner. The ESIA says that “potentially affected residents and local authorities were regularly engaged through formal and information consultation in the assessment process”, but lists three specific meetings with details: a meeting with district officials to discuss “impacts,” another meeting with provincial officials and PPWS staffers to discuss the EISA, and a final meeting with provincial officials to discuss “resettlement of

the Okvau people.”

### ***Unity Metals***

Another company, often referred to by locals as “Unity,” has reportedly been conducting some feasibility studies in the area, but the precise scope of their investigations is not yet known. Unity has had several meetings with local officials, and at one meeting in April 2023, Unity offered a community forest committee member rice, instant noodles, fish, soap, and soy sauce. At this meeting, a Ministry of Environment official reassured all present that the company would only conduct activities underground. This was concerning village residents who felt references to the “underground” was to land directly on top of their community forest. A Unity representative’s proposal for exploration of the site was completely rejected by the community committee member, and no more meetings have taken place nor has any exploratory activity been reported from the area.



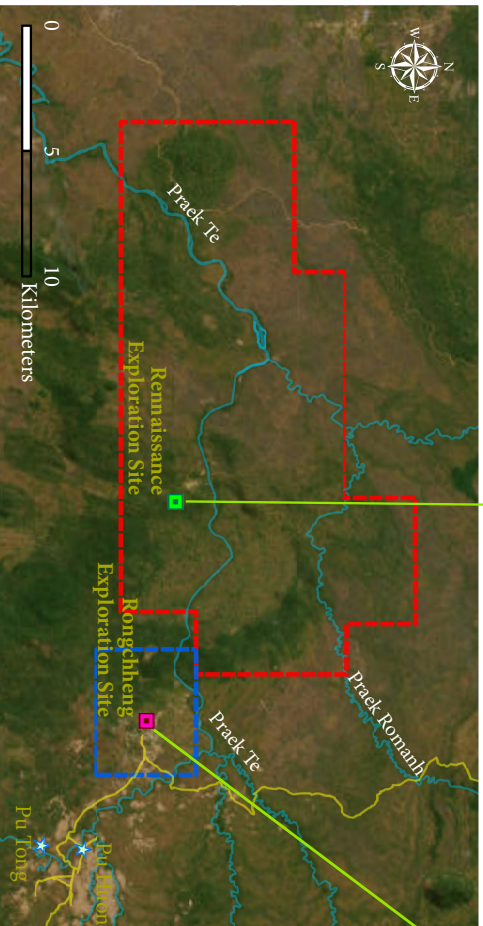
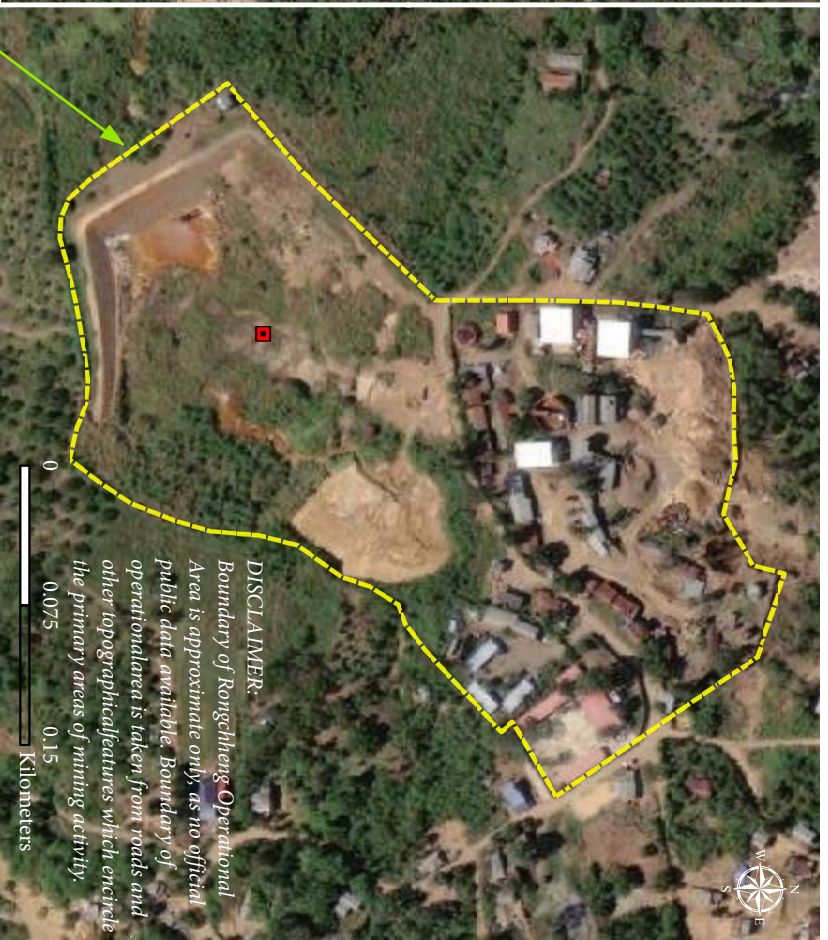
*Founder of Oxiana Ltd Group, Owen Hegarty. Oxiana Ltd agreed to an out of court settlement of bribery of Cambodian officials.*

## **Village History**

The three villages in Chong Plas commune are inhabited by mostly Indigenous Bunong residents, with some ethnic Khmer people moving into the villages since the 1990s, changing the indigenous makeup of the villages. Pu Tong village has been the site of small-scale mining by Indigenous communities for generations. Until the 1990s there were virtually no ethnic Khmer people living in Pu Tong village. As more Khmer people moved to the area, they offered US\$250 to US\$500 for lots of land in the artisanal mining area; causing some Indigenous residents to abandon the area out of fear of the newcomers. The area was referred to as “Gold Forest” in the Khmer language, owing to the vast gold resources there. Before the mechanization of mining operations in the 2000s, villagers would use simple tools, such as hoes and shovels, to dig pits. They would set fire to piles of dug-up earth so that rocks could be broken to find gold inside.

The area is notable for being a densely forested

area, with high value biodiversity located in two nearby protected areas: the Phnom Prich Wildlife Sanctuary and the Keo Siema Wildlife Sanctuary. Communities from the three villages also have a sizable community protected area that contains valuable resin trees in addition to being a critical source of NTFP and biodiversity conservation. This local protected area is controlled by a community committee. Some villagers possess ID cards which formally identify them as resin tree custodians. However, reports indicate that there has been illegal logging of these protected and valuable resin trees. Community members have somewhat shifted to cash crop farming, growing cassava and cashew, but still rely heavily on the collection of NTFPs from the fast-thinning forest. Traditional shifting cultivation of crops for subsistence living has been banned on account of regulations for Phnom Prich Wildlife Sanctuary.



### Renaissance and Rongcheng Operational Mining, Moundulkiri, Cambodia

- Legend**
- Interviewed Villages
  - Possible Toxic Waste Water Storage
  - Renaissance Operation Site
  - Rongcheng Operation Site
  - Roads
  - Stream
  - Rongcheng Operational Area
  - Renaissance Operational Area
  - Renaissance Mining Concession
  - Rongcheng Mining Concession
- Scale: 1:260,000  
C.R.S.: W.G.S 1984  
Data Sources: Opdevelopment.net, Esri  
SatelliteImagery, Google Earth, Handheld GPS

## Public Consultation

Interviewees from the three villages reported that only Renaissance Minerals had ever conducted a public consultation, which was facilitated by local authorities. However, this one consultation meeting was framed more as a presentation of what was planned for the area, rather than a meaningful consultation that allowed for community feedback and responses. The consultation meeting was held at the commune office about 7 kms from the

Pu Tong village, but many villagers, including one interviewee, were completely unaware of the event. The final environmental impact assessment was never presented to the affected community members for their consideration or feedback. Interviewees said Rong Cheng has held no public consultation events so far and, unlike Renaissance Minerals, does not allow any villagers into their mine site to observe operations.

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## Social Inclusion, Labor Rights, Occupational Health, and Safety

Both Renaissance Minerals and Rong Cheng have provided employment opportunities for local villagers, although most villagers said they prefer to do farming. Renaissance Minerals has actively offered jobs for the local community, ensuring that job offers are well advertised. They require applicants to prove that they are local residents by asking for their national identity cards and have started employment programs promoting work for women. Interviewees relayed positive feedback about the general work environment at the mine site. The company honored breaks for national holidays and offered favorable leave conditions.

Renaissance Minerals also provided good onsite medical facilities, conducted regular physical checkups for staff, and was equipped with an ambulance in case of medical emergencies. Renaissance also provides maternal health support packages, villagers added. Rong Cheng, on the other hand, was worse in its offerings for employees. Interviewees reported having no paid leave arrangements, and little to no medical support or proper first aid treatment available at the office or mine site. One interviewee reported that at least one worker had died at the mine site in Prey Meas and offered a negative outlook on the state of safety at the mine.

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*“In Prey Meas, when there had been a conflict regarding the richer people and the villagers, the richer people would prevail as they would share some of the land plots with some government officials, but the loser would always be the Bunong people.” - Indigenous community member*

## Social and Environmental Impacts

Many ASGM miners have been slowly pushed out of the Prey Meas area, where Rong Cheng operates, and the O'Kvau area, where Renaissance Minerals reportedly paid nominal compensation to the miners who were forced to move. Small-scale miners who had been using traditional techniques in Prey Meas were banned by local officials after Rong Cheng commenced exploration activities on a larger scale in 2017. However, some small-scale miners have been allowed to stay in Prey Meas, but the criteria for being allowed to continue small-scale mining is not clear. Interviewees allege that private smaller-scale miners and Rong Cheng have in the past ignored official calls for suspension of operations and continued mining activity in the area. During interviews, community members said Renaissance Minerals has constructed a road that cut through their community forest, destroying around 200 resin trees. The company reportedly paid some nominal compensation to villagers who lost trees. ASGM miners in who were living in the area and forced to move were compensated between US\$1,000 and US\$5,000 depending on their land size, and are now settled in an area adjacent to Prey Meas. These villagers report that despite the welcome compensation, their livelihoods have been dramatically reduced since moving. Many of those who lost resin trees during the construction of the road are still yet to be compensated. Small-scale miners from the Prey Meas area said they were coerced into selling their land by wealthy illegal operators and pushed to leave the area. One respondent said, "In Prey Meas, when there had been a conflict regarding the richer people and the villagers, the richer people would prevail as they would share some of the land plots with

some government officials, but the loser would always be the Bunong people." Apart from loss of resin trees, Indigenous residents in both areas said road construction activity had affected their spiritual forests and the graves of their ancestors. Interviewees report that drug use is increasingly a problem in the community because of the community's traditional ways of living being disrupted. Interviewees said there had seen a significant increase in illegal logging in the area, on account of the new road constructed by Renaissance Minerals, connecting Prey Meas to O'Kvau. Village residents said this was a common occurrence — once a new road cuts through the forest, illegal logging increases dramatically. Renaissance Minerals has also restricted traditional hunting activities in the forested areas around O'Kvau, interviewees said. One Interviewee alleged that there is potential collusion between illegal loggers and ministry officials to facilitate the illegal deforestation. Whenever this villager raised this issue with officials, he was accused of being a political opposition operative. Officials often want villagers to make specific accusations of illegal logging, including identifying those involved. But villagers are reluctant to name the people involved for fear of retribution. Interviewees made no accusations of illegal logging against the company, rather that the presence of the new road allowed for much easier exploitation of the forest by illegal loggers. Many interviewees claimed that Rong Cheng engaged in bad environmental practices, including toxic wastewater management that had caused numerous events where mass fish deaths were reported in streams, especially O'Te.

## Infrastructure Improvement

Interviewees agree that Renaissance Minerals had done more to contribute to local infrastructure. This included building the new road, making contributions for renovation of bridges and schools in three villages, supporting tree planting events, assisting with storm damage, and providing support for health programs. Renaissance Minerals has also been active in supporting the local community by contributing annually to a community development fund, although it was unclear to many interviewees

who could access these funds and could not provide a single example of someone who had successfully accessed the funds. However, many respondents said these positive actions needed to be weighed against the current and future deforestation caused by the new road constructed by Renaissance Minerals. On the other hand, Rong Cheng appears to have contributed little to the local community. Not a single respondent reported positive development activities by Rong Cheng in the area.



*Access road into Prey Meas, showing the O' Clor health care center.*



## Case Study 3

*Location: Trapaeng To Tuem Romdeng Village | Bangkeum Phal Village, Rovieng district, Preah Vihear*

**Mining Companies: Delcom (Kampuchea) PTE, Xinshan Industrial (Cambodia)**

### Summary of Feedback From Interviewees

1. Community members wished for the mining operations to stop expanding immediately, for the companies to return traditional lands so residents could return to doing farming and ASGM activities.
2. The companies operating in the area should be monitored closely for their work on toxic waste management.
3. Local authorities should play a greater role in sharing information with people from the company, including making ESIA documents public so community members can play a greater role in overseeing any harmful activities by the companies.
4. Companies should engage in dispute resolution of acquired land in good faith, refrain from using threats or intimidatory tactics, and ensure there are public consultations for any new activities by the companies.
5. Allow community members to continue their traditional ways of living, especially Indigenous people, including harvesting NTFPs and ASGM, which have low ecological impacts.

### Company Histories and the Mine Site

#### *Delcom*

Delcom (Kampuchea) PTE. Ltd (Delcom) was originally established by National Assembly member Thavy Nhem, with Malaysian national Vivekanathan Nathan, who is the director of a Malaysian conglomerate now-called Deleum Berhad. Nathan was also on the Delcom board at the time of incorporation. Several extremely complicated ownership changes occurred in the 2000s and early 2010s, which resulted in the involvement of other Malaysian and American corporations in the project. One of the American companies is Elray Resources, which is incorporated in Nevada, United States. The company listed Cham Borey as one of its directors. Borey is the brother of Cham Prasidh, who was the commerce minister at the time. Another U.S.-registered company called

Angkor Wat Minerals Incorporated established a Cambodian subsidiary called Angkor Wat Minerals Limited (AWML), with Cham Borey again listed as a board member. The US company was a subsidiary of Elray Resources. AWML held a 60% stake in the joint venture with Delcom, who were in possession of the exploration license. To fulfill the requirements of Canadian law for investor compliance, an independent technical report was undertaken by AWML. The report stated that the company had not “undertaken any legal due diligence on the legitimacy or otherwise of the mineral tenements in Cambodia... (nor had it) investigated potential project risks associated with specific national regional or district legislative requirements,

landowner/occupier issues, or environmental issues.” Despite this admission, the report went ahead to make assessments regarding licensing and the licensing benchmarks achieved to date. AWML was purchased by Goldmine Resources Plc, a U.K. registered company, who provided shares to the previous owner Elray Resources, with Cham Borey still sitting on its board. After several allegations were made that ASGM miners were forcibly evicted in mid-2011, Cham Borey sold his shareholding in Elray Resources. In 2012, Goldmine Resources was dissolved and for a few years the fate of the license was unclear. Further disputes were reported in the media between company representatives and the local community in 2015. Next, Delcom partners with then-National Assembly member Nguon Nhel to continue its exploration activities, although his shares were subsequently sold in 2015 to Hin Bun Heang, the head of the Prime Minister’s Bodyguard Unit Sor Serey Vichet, a subordinate of Hin Bun Heang, is then seen taking on the role of community liaison around this time. Sor Serey Vichet is actively involved with the ruling Cambodian People’s Party’s United States’ affiliate organization. Delcom’s original license then expires in 2016. In 2017, fresh land grabbing claims were made with several accusations that Hing Bun Heang

was now controlling the company, which was denied by the Ministry of Mines and Energy. Specific disputes between villagers and the company highlighted by environmental group Mother Nature Cambodia were resolved with attendance by members of the Prime Minister’s Bodyguard Unit. A series of behind-the-scenes maneuvers resulted in the introduction of Chinese shareholders and mine operators, such as the current Delcom director Li Yikui, and a placeholder director called Ly Sokthay.

#### *Xinshan*

Xinshan Industrial (Cambodia) Co. Ltd was registered in March 2015, according to Cambodia’s business registry. It lists two directors, who are Chinese nationals. They each provide official addresses in Hainan Anhui province in China. There is little reported information about the company, Sor Serey Vichet, who also represents Delcom as a community liaison, has participated in numerous consultations with villagers on behalf of Xinshan.

#### *Vietnamese-controlled companies*

Interviewees mentioned dealing with other unknown Vietnamese companies operating smaller-scale project in the area.

***“Don’t behave like Kuy people, because [that would be] acting stupid.” - district governor***

## Village History

Once an area primarily populated by Indigenous Kuy people, community members in the two villages interviewed say the local population is now majority Khmer. In the past, Indigenous villagers lived close to the dense forest and relied on NTFP to support their livelihood. Now, most villagers primarily rely on agriculture as their primary source of income. However, many people are still involved with ASGM, especially after rapid deforestation limited their ability to solely rely on NTFP collections.

Villagers reported companies prospecting the area in 1994, which was followed by a wave of small-scale prospectors later in that decade. ASGM operations in the area have been largely located around Phnom Anlung, a hill just east of the Delcom mine site.

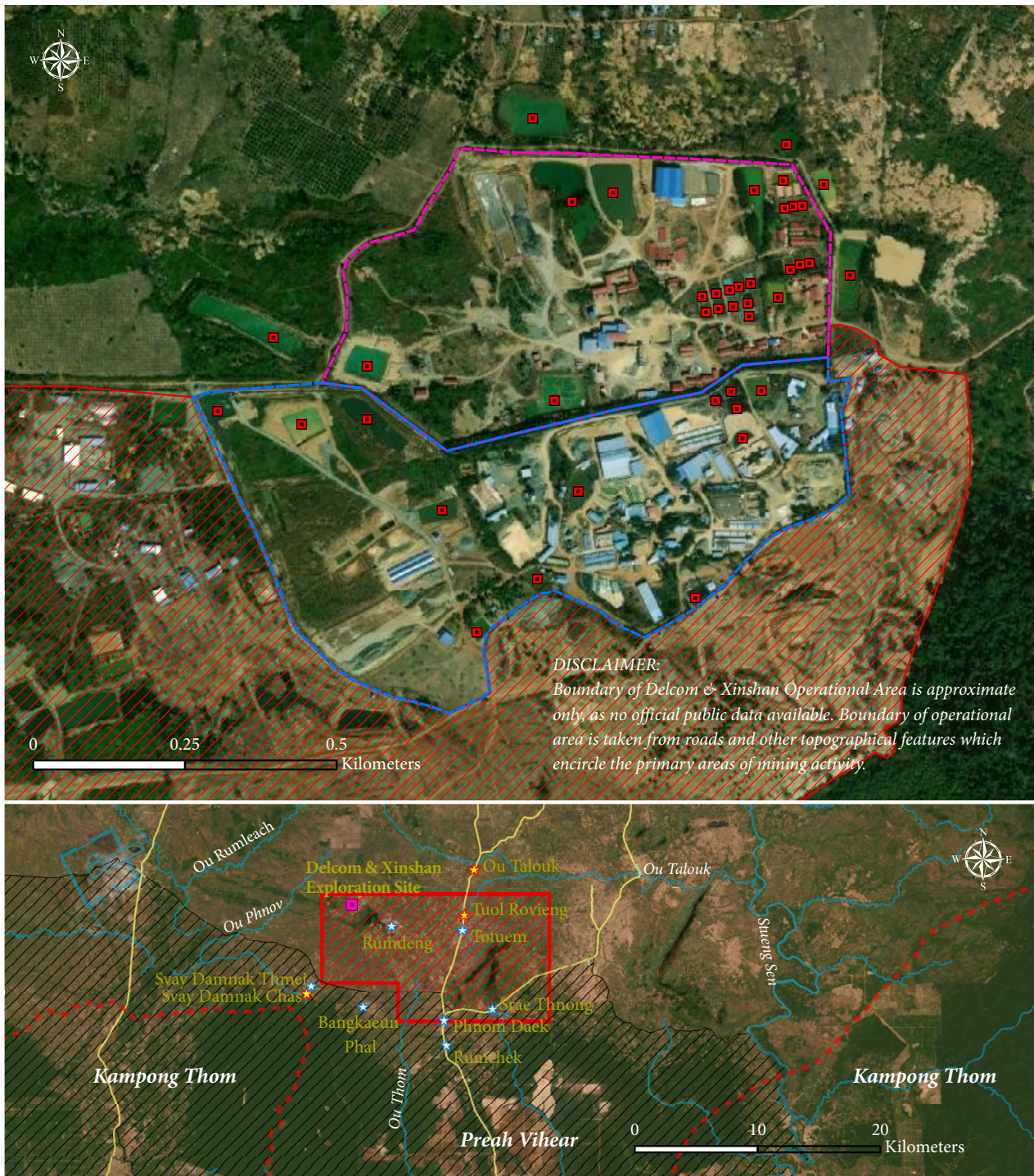
There is an overriding push from sub-national authorities, especially at the district level, for Indigenous communities to reject their cultural traditions. Local authorities have made several comments recently about Indigenous people and their traditional ways of living, revealing officials' wanton disregard for Indigenous cultures and as such a potential reason for their reluctance to assist them in disputes.

One respondent said that during a 2021 protest demanding the community regain control over a reserved forest, the deputy commune chief said that "Indigenous peoples' [ways of living] are out of date, and now we need to be living in a modern way."

Migration has been a marked feature in the community, with a lot of residents, especially women, moving to Thailand or Phnom Penh for better work opportunities. One interviewee said that she had been working in Thailand for 15 years to earn money for her family.

Interviewees all reported that both Delcom and Xinshan company representatives were putting pressure on villagers to sell their land, offering compensation well below market rates, around US\$500 to US\$1,000 a hectare. Residents have been threatened with forced eviction and zero compensation if they do not comply.

A human rights complaint was filed with provincial and national authorities in 2021, including to the office of then-Prime Minister Hun Sen, but there appears to have been no substantial response.



### Delcom and Xinshan Gold Operational Mining, Preah Vihear, Cambodia

**Legend**

- Delcom & Xinshan Operational Site
- Possible Toxic Waste Water Storage
- ★ Nearby Villages
- ★ Interviewed Villages
- Roads
- Stream, River
- Provincial Boundary
- Delcom Operational Area
- Xinshan Operational Area
- Delcom & Xinshan MC
- National Protected Area

Scale: 1:420,000  
 C.R.S: W.G.S 1984  
 Data Sources:  
 Opendevelopment.net, Esri  
 SatelliteImagery, Google  
 Earth, Handhelp GPS

## Public Consultation

There appears to be no formal, structured public consultation process initiated by the mining companies, except for local authorities using dispute resolution mechanisms to resolve disputes reported in the media. Rather, most interviewees said land acquisition happened through explicit intimidation or coerced land sales. One interviewee said that when people attempted to speak to company representatives, they were told, “We do not need to talk with the local authority because we have a license from the national level, from MME.” A consultation meeting was held on 26 April 2023, which was attended by the district governor, district council members, an official from the Ministry of Mines and

reluctant to strongly push forward the opinions of village residents. However, recently, the local commune chief showed more willingness to engage with company officials on behalf of villagers, but only after she realized she might lose her land to the companies. These disputes also arise because villagers only have soft titles — land titling given by local officials and less secure than hard titles — over their farming lands. Company representatives and affiliates of Sor Serey Vichet have insisted that a mining licensing granted by the ministry superseded soft land titles. Interviewees say there is no real attempt to discuss these complex issues with villagers, instead they are facing intimidation and

***“We do not need to talk with the local authority because we have a license from the national level, from MME.” - comment from a company official to community member***

Energy, and Sor Serey Vichet and around 5 of his bodyguards. At that meeting, villagers from Romdeng and Trapeang Totueng were told that “the company, Delcom, has been granted 1,800 hectares for exploration, and the company also has the land extraction license”. At that meeting, officials instructed attendees that ASGM activities around Phnom Anlung were now illegal. When villagers attempted to discuss mediated solutions, the district governor stated, “Don’t behave like Kuy people, because [that would be] acting stupid.” Ad hoc consultative processes like the 26 April meeting are common, especially licenses changing hands frequently and ever-expanding exploration areas. In such a situation, people are left to rely on local authorities to negotiate with company stakeholders. But local commune and district officials in the community have been

threats from local officials and company representatives. To make matters worse, there is no formal grievance mechanism established by either Delcom or Xinshan. The companies are dealing with land disputes on a case-by-case basis, resulting in two outcomes: residents with complex claims are being ignored and only those with strong, sustained support from local NGOs are able to negotiate for compensation. Now, 20 households have banded together to make a formal legal joint complaint to the Preah Vihear Provincial Court. The excessive time and resources needed to sustain a lawsuit through Cambodia’s judiciary, widely perceived as lacking independence, means that only nine plaintiffs are still fighting the case. Overall, though, the pattern is clear: Delcom and Xinshan have taken residents’ land and have chosen to deal with any subsequent disputes at a later time.

## Social and Environmental Impacts

Respondents said there has been significant destruction of community lands, forested areas, and community gravesites as part of the two companies' gold mining operations. Although some villagers have been able to reclaim land, it has been cleared for family farming. Interviewees report significant environmental damage from the release of chemicals in nearby water sources and in the air. One interviewee said wastewater from mining operations is poorly managed and often damages downstream environments and habitats. Villagers also report that large-scale logging commenced in 2018 and there was almost no forest left in the areas surrounding Rumchek village. Another interviewee said that "as of 2022, logging activities have ceased as there is no longer any forest to cut down." The gradual degradation of streams, ponds and canals from mining operations started in 2010. This led to district officers and Department of Environment officials saying that villagers should begin purchasing bottled water due to the fact that natural water sources still showed high levels of acid rock discharge, even after boiling the contaminated water. All villages living downstream from Delcom have noticed that streamlets including O'Pnov, Krasaing, and Kanseng streamlets are affected by poor water quality, affecting the local aquatic flora and fauna. One interviewee said, "The water quality was tested in the rainy season. The result indicated that the nitrate (NO<sub>3</sub>) levels reached over 1,000 mg/L, which is extremely high. The red color [of the water] means it is severely contaminated." but in some rainy seasons, the nitrate levels are not as high." Villagers from Bangkaeun Phal reported that the two gold mining companies have been responsible for "using a lot of chemicals and acidic substances for gold extraction which then flows into the

O'Thom stream and O'Pour streamlet." These streams connect to the Stung Prey Pros stream, Stung Sen River and finally into the Mekong River. Similarly, villagers in Trapaeng Toteum and Romdeng have stopped using the "dark red color" water from streams. Water testing undertaken by local NGO Non-Timber Forest Products Organization reveals poor results and confirms the polluted state of the streamlet. Some community members said they still use well-water or water from around Phnom Daek, but they have to filter and boil the water. Villagers have tried to add herbs to the water to try to minimize odors in the water. A respondent said she no longer grows vegetables because "the water now consists of chemicals, it is a dark color and very sour tasting, but I have grown used to the taste now," adding that fish, snails, crabs, insects, and lizards have all but disappeared in and around the streams. Regarding water around Phnom Anlung, a company canal runs directly into the O'Pour streamlet. Some village residents use this water for bathing and have reported itchy and inflamed skin. The interviews reveal that the community's health has dramatically degraded over the past 5 years. Many villagers report increased incidences of cancer, swellings, abdominal pain, Alzheimer's, nephritis, and tumors in the community. One villager in Trapaeng Toteum said her grandchild, who lived close to one of the two gold mining companies, was diagnosed with epilepsy and frequent fevers. Similarly, Bangkaeun Phal and Trapaeng Toteum village residents said that gold mining companies have cleared large areas of forest and have begun to destroy the nearby Anlung Mountain with explosives. Interviewees reported that the O'Thom streamlet used by the community is completely dry and unusable.

## Social Inclusion, Labor Rights, and Occupational Health and Safety

Mine workers characterized their workplace as one of the two “illegal” mining companies, saying one run by a Chinese-owned company and one by a Vietnamese company. All those interviewed were working with open-ended contracts and being paid daily rates. Workers said some of the “illegal” companies were paying them overtime upon request, adding US\$1.5 dollars to their hourly rate during the daytime and US\$2.5 during the evening. Workers said they earn around US\$300 to US\$500 dollars a month, depending on the work. Workers said they were provided safety equipment, like boots, helmets, gloves, lights, and masks. Those who were working in the pits used the cable lifts and descended to depths of 30 to 50 meters, using walkie-talkies to communicate with cable lift operators. Once in the pits, workers said conditions were relatively good, although there were potential hazards such as noise, dust, and unknown odors. The workers said they received no structured training before starting work at the mine site and were expected to “learn on the job.” They did not have time off on the weekends and were given only one day holiday for the

national Khmer New Year celebrations, as opposed to the three-day mandated holiday issued by the government. Workers had no access to annual leave, sick leave, maternity leave, seniority payments or National Social Security Fund, which can be used for state-funded preventive health services, medical treatment and care services. Notably, one employee remarked that when a new worker starts with Delcom, they are monitored by military police for while they are on probation. Workers remarked that, generally speaking, Delcom is the best company to work for in terms of on-site conditions, with better safety and conditions than any of the “illegal” companies. Concerningly, interviews did claim there were deaths at the mine site, which has not been reported previously. One interviewee said they had heard about “an expert on chemicals working for the gold mining companies who died due to improper safety measures and lack of protective gear.” According to other respondents, three Chinese employees died three years ago due to electrocution, but interviewees were unclear if any remedial action to prevent such accidents was taken in the wake of this event.

## Infrastructure Improvements

Villagers said Delcom had supported the construction of a primary school building in Phnom Daek village, but that there was no ongoing support for education nor had a much-needed access road been constructed. An interviewee said the company had previously expressed to them that the road was not developed because “they don’t want any

ministry or NGO to criticize them [for the road construction].” Interviewees reported that there has been an increase in demand for hospitality and small businesses like food vendors and small grocery shops, on account of an increase in the local population working at the mines. Even with this increased commerce, incomes were still small and just enough for subsistence.

## Case Study 4

*Location: O'Tron Village, Kratie Province*

**Mining Companies: Xing Yuan Kanng Yeak Co, Ltd.**

### Summary of Feedback From Interviewees

1. The government should allow people to resume small-scale mining activities in the area and make allowances for people to dig wells deeper than 5 meters so they can access water in the dry season.
2. A large share of revenues collected by the government should be directed to support local communities affected by the negative aspects of the mining operations.
3. Any further development activity from Xing Yuan Kanng Yeak must require careful consultation with the wider local community, not just the village chief.
4. Xing Yuan Kanng Yeak should create a systematic process for compensating people who have lost land to the company.
5. Xing Yuan Kanng Yeak must have a medical practitioner, a proper first aid system, and drastically improved healthcare support for its workers.
6. Independent mine experts must come to inspect the mine site to ensure its safety.
7. Xing Yuan Kanng Yeak should prioritize providing jobs for local villagers.
8. The company should comply with Cambodian labor regulations, by providing paid sick leave and other workplace benefits.
9. Local NGOs should work with residents and improve their ability to better understand their rights under Cambodian law.

### Company History and Mine Site

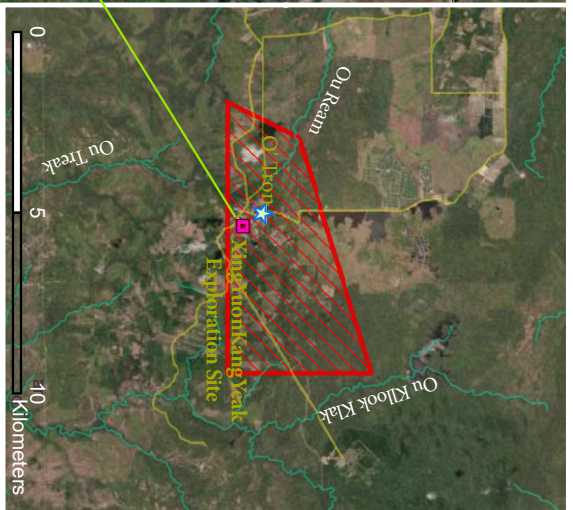
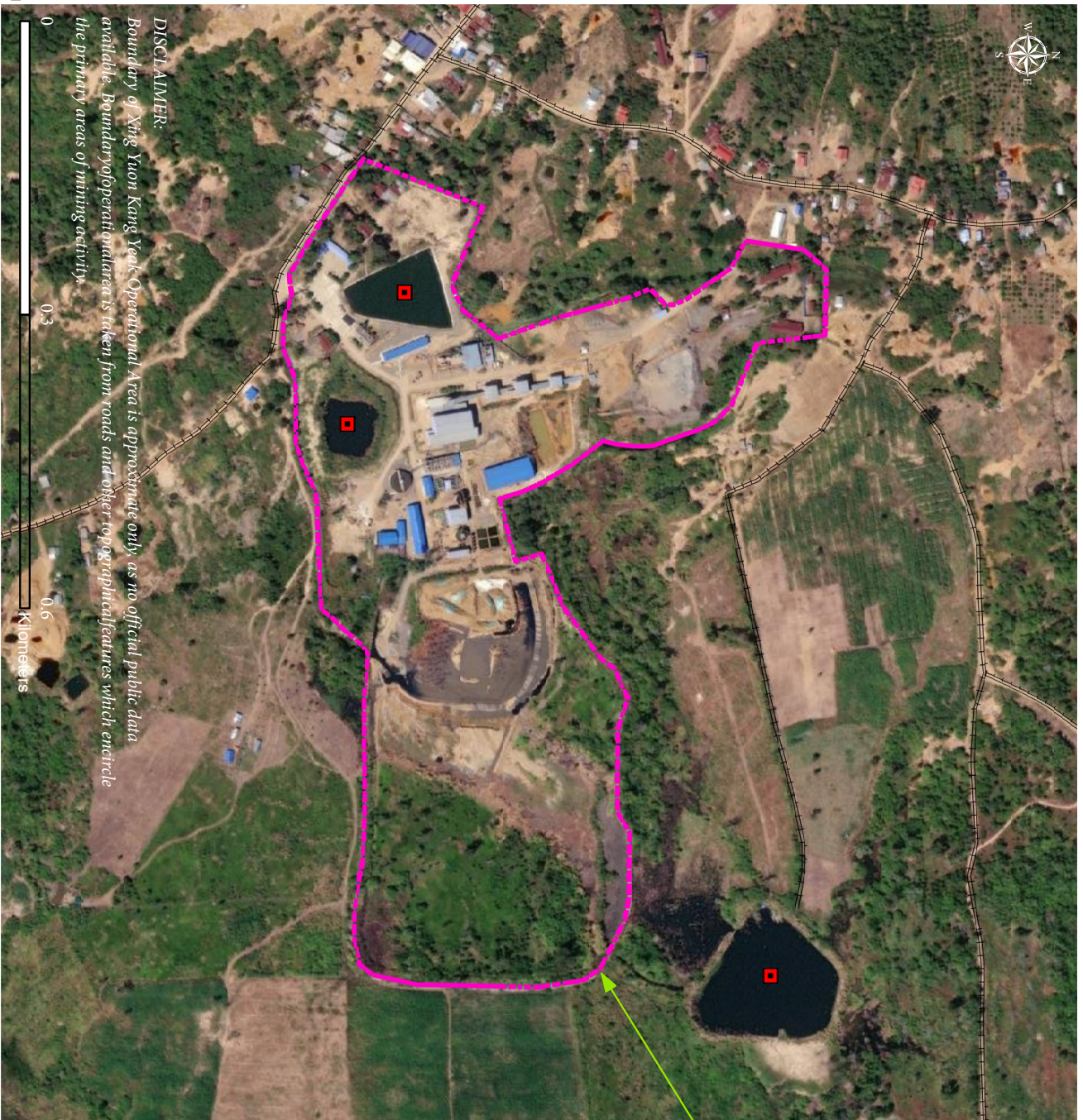
Xing Yuan Kanng Yeak Co. Ltd was registered in August 2011. The company appears to have connections to ruling party Senator Lau Ming Kin. The area covering the mine site was at one time subject to an overlapping mining exploration license granted to a company called Zhong Xin, which was earlier called Jinqi Minerals. This company had its registered address as the Pheapimex office, which is a Cambodian conglomerate owned by the family of Lau Meng Khin. Yang Shuping is listed as the chairperson of Xing Yuan Kanng Yeak, but is also the chairman of Yuetai Property Management, which is a subsidiary of Guangzhou Yuetai

Group Co. Ltd., which is listed on the Shanghai Stock Exchange. Guangzhou Yuetai Group was originally state-owned and under the name Guangzhou Donghua Industrial Co., Ltd. In 2001 Guangzhou Donghua listed on the Shanghai Stock Exchange and changed its name to Guangzhou Yuetai Group in 2016. At the time, Yuetai Holdings was the controlling shareholder. The company CEO is Yang Shuping. Yang Shuping's son, Yang Shuo, is an executive at the company. Yuetai Group's shareholders all appear to be privately owned investment firms and individuals.



Yuetai Group has faced serious financial and regulatory problems in recent years. The company has been fined for false advertising in China and has also been penalized for disclosure failures by the Shanghai Stock Exchange. CEO Yang Shuping has personally been sanctioned for various regulatory violations. The company's profits have been in decline since 2017. In August 2021, it was reported that several of Guangzhou Yuetai's top shareholders had declared bankruptcy. On 27 August 2021 the chairman of Yuetai's board resigned. A disclosure by Guangzhou Yuetai Group Co., Ltd in January 2023 to the Shanghai Stock Exchange states that it is uncertain if the company can continue as a going concern. Yang Shuping received Cambodian citizenship in 2012 and Yang Shuo in 2015 (taking the name Sam Yeung). Yang Shuo also reportedly holds Canadian citizenship. Sometime in 2014, the original XYKY company went bankrupt, and the exploration license was transferred to new owners. Another change of ownership

occurred sometime between 2015 and 2019, until the current owners took possession of the mine in 2019. During the period from 2014 to 2018, local O'Tron ASGM miners took the opportunity to collect gold ore that had been dumped by company workers around the abandoned mine site. To this day, some villagers still collect dirt along the road near a vacant mining pit. Before the company recommenced operations in 2019, local ASGM miners said they could earn good money and are now selling their collected ore back to the company. In recent years, the mining operation has substantially increased in size and has intensified its gold extraction techniques with the use of chemical processing. Currently Xing Yuan Kanng Yeak has five gold pits, each with either three or four layers about forty meters deep. The company has stated that it plans to deepen each of the pits to 800 to 1000 meters. There is also a 500m-by-500m waste pit which has been strengthened since 2019.



### Xing Yuon Kang Yeak Operational Mining, Kratie, Cambodia

#### Legend

- Xing Yuon Kang Yeak Operation Site
- Possible Toxic Waste Water Storage
- ★ Interviewed Village
- Roads
- Stream
- Xing Yuon Kang Yeak Mining Concession
- Xing Yuon Kang Yeak Operational Area

Scale: 1:180,000  
 C.R.S: W.G.S 1984  
 Data Sources: Opdevelopment.net, Esri  
 Satellite Imagery: Google Earth, Handhelp GPS

## Village History

O'Tron village was originally called O'Tek Toak (or O'Klek Kloak) and was previously inhabited by Indigenous people. They practiced ASGM until around the mid-1980s when more ethnic Khmer families moved into the area to partake in the mining activity. After 1997, a further 30 to 40 ethnic Khmer families moved to the area. They engaged in basic, environmentally sound ASGM. They dug shallow pits, crushed large rocks, and filtered the resulting rubble with pans to remove gold chips and dust. Although not formally recognized as a village, it now boasts around 40 to 50 households. The

unofficial village chief expressed frustration with the process of registering O'Tron as a formal administrative village. He noted that whenever he took community grievances to the mining company, the registration process would stall. Local ASGM miners were ordered in 2009 to cease all mining activities and a more formal announcement was made in 2015 that all mining activities in the area were illegal. A company representative at that time informed villagers that "you can live on the land, but you cannot do anything underground."

## Social and Environmental Impacts

Interviewees reported that their ability to earn decent money from ASGM has plummeted substantially after the new owners of Xing Yuan Kanng Yeak resumed mining in 2019. One respondent said, “the gold mining company had broken O’Tron “miners’ rice pots,” referring to a Khmer-language phrase meaning they were unable to survive this hardship. Many ASGM miners said they had switched to farming, but that their income was lower than before the company arrived. Villagers reported that groundwater supplies have been drastically reduced after the company began more intensive operations in the area, and constructed a road, which led to further water scarcity for agricultural crops, digging wells or collecting water in the area. One interviewee said, “These activities were prohibited and considered illegal without any compromise or understanding of the villagers’ hardships.” The construction of a road, villagers claimed, had also led to increased incidents of flooding given that the construction blocked the O’Ream and O’Tanem streams to make way for the new road, which is used by the company to transport gold ore. There has been a significant impact on the O’Tron stream, which people used for drinking water before mining operations started. Now, people only drink bottled or packaged water or use water from a reservoir, which is discussed below. Villagers also expressed frustration that Xing Yuan Kanng Yeak had cleared traditional gravesites in forestlands near the mountain. The nearby forest has been completely cleared by the company, affecting the villagers’

ability to collect NTFPs. One of the only remaining, usable natural resources is a large reservoir, built by an agricultural economic land concession. Villagers are allowed to use the reservoir to fish and collect water. Respondents also expressed frustration that some villagers had their land seized by the company without any compensation, specifically related to the construction of a waste pit outside the mining compound. One villager said they had lost three hectares of land. Villagers complained of a “strong chemical odor” from the chemicals used to extract gold in the area near the company’s compound.” Large cracks had also appeared in their houses, which they said was from the blasting activity underground and there was frequent noise pollution. One interviewee commented, “I am living in a vibrating bomb-like sound situation as they excavate the rock!” However, as explosions have moved further underground, they said this problem has abated. Around 20 villagers said they are currently working for Xing Yuan Kanng Yeak, while the rest either do ASGM in vacant areas or are involved in logging activities on behalf of the company. One interviewee stated that “We villagers never had any expectations even though we heard that mining operations would benefit the state, and that investment would improve the livelihoods of local people. But already as the second generation of O’Tron [village residents], we have never received any benefits from state revenues gained from gold production in this area.”

## Public Consultations

Residents in the area said an EIA for the project conducted in 2011 has never been shared with the local community. The EIA contains references to the potential loss of forest, estimated at 16% in the assessment, although the scope of that percentage is not clearly defined. Under a section dealing with habitat loss and impacts on wildlife, the study states there will be “about 6 hectares of forest loss,” which is later described as “mostly bamboo and ‘mixed forest’ with low density.” This is contradictory to claims from villagers who say that high-value forestland has been lost to the company’s operations. Further, the report discusses sixty-six hectares of forest loss for the construction of the solid waste landfill and admits that there will inevitably be loss of wildlife and biodiversity. The EIA further notes the dangerous consequences of mercury seepage into the air and the importance of ensuring drainage pits do not dry out allowing for release of mercury. Paragraph 170 of the EIA states, concerningly, that “although this area is uninhabited, this impact (noise pollution) will have an impact on the staff working there.” This is clearly an erroneous finding that should have

been addressed by the approving ministry. While the EIA was submitted in 2012 and it is possible that Xing Yuan Kanng Yeak undertook subsequent EIA studies, these have also not been shared nor does there seem to be strict compliance with the parameters set out in the 2012 assessment. Importantly, none of these findings and potentially harmful impacts were ever shared with the local community. There was one meeting with villagers organized by the Ministry of Environment in 2020, where officials said villagers “need to have a mutual understanding with the company” and suggested that villagers “should inform them for a solution if there are any problems by the company.” So far, officials have reneged on this promise, leaving community members frustrated and unable to get proper responses to complaints related to Xing Yuan Kanng Yeak’s operations. While the ministry regularly visited the mine site, they never engaged with village residents, said one person.

The local village chief holds a very strong position, because any time a villager has a complaint, the company will only listen to the complaint via the village chief.

***“Strong chemical odor from the chemicals used to extract gold in the area near the company’s compound.” - community member***

## Social Inclusion, Labor Rights, and Occupational Safety

Villagers who work for Xing Yuan Kanng Yeak said starting salaries were very low and villagers could earn more doing agriculture, which is anyway their preference. Many people believed that if they worked for Xing Yuan Kanng Yeak, their land would more likely be forcibly acquired by the company. Loss of land would be devastating because they would have no assets to leave their children. Some local villagers who have worked for ASGM operations said they face discrimination by the company, who refuses to hire them. As mentioned earlier, around 20 villagers work for the company. Men are expected to work inside the pits and women are assigned work outside the pits. The men are typically given longer term contracts and paid better than “other illegal mining operations in the area.” The company also provides basic accident insurance, although this cannot be claimed unless the worker “is bleeding.” Villagers said they appreciated getting accident insurance, but pointed out that there were no medical practitioners onsite nor did the mine location have proper medical supplies or first aid kits readily available. The company does not allow them any paid leave, social security benefits, or other worker benefits. According to one worker, the company will approve sick leave but deduct a proportional amount from their monthly salary.

Previously, interviewees said the company struggled to regularly pay wages, but, more recently, the company was paying salaries on time, with the occasional delay that could last several weeks. Wages range from US\$300 to US\$600, depending on the specific role. Workers reported no “comprehensive orientation for new workers,” and were only given “a brief guidance for starting work.” Work and safety equipment was given to the workers, but the cost of this equipment was deducted from their salaries during the three-month probation period. Workers reported very strong acidic smells at the workplace. They added that there had been deaths within the pit from landslides. The family of one worker, who was killed in one of the incidents, was given US\$10,000 in compensation, with one current worker saying they had to accept the “high risks because I am so poor.” Workers expressed concerns that Environment and Mines ministry officials spoke to company Xing Yuan Kanng Yeak’s senior staffers, but did not carry out any monitoring or checks for safety of the mine infrastructure, like the electrical and water systems, walkways or clearances, etc. In the absence of an independent monitoring system, workers said the risk of accidents was high.

***“Neither gold mining nor marble companies have provided any direct benefits for us O’Tron”- Community member***

## Infrastructure Improvement

Village residents said better roads in the village help them get around more easily. Residents say the improved roads are more beneficial to the mine's operations, and that while they have experienced an indirect benefit of this infrastructure upgrade, it is not worth all the negatives Xing Yuan Kang Yeak has brought to the village. One interviewee commented, "Neither gold mining nor marble companies have provided any direct benefits for us O'Tron" residents. "Even though they have built a road in the village, from my point of view, which is really not

good at all as we have lost a countless amount of natural resources in exchange for a road. It is only for their own transportation purposes." Other interviewees said there have been increased opportunities for small businesses catering to the worker population at the mine, and that mobile phone coverage had improved recently. Interviewees mentioned that the company provides local children with Chinese lessons which are conducted by a company interpreter. The company has also funded the renovation of the local school and has provided school supplies for children in the past.

## Summary

Significant problems persist in the area. Villagers expressed concerns around actual and continued deforestation. Coercive land sales continue with several villagers complaining of land forcibly taken and have received no compensation. Local authorities appear non-sympathetic to the interests of ASGM miners and farmers. Whilst some good work has been undertaken by the company with respect

to community support, villagers feel that that support is coming at too high a cost on the local environment. More support needs to be shown from the national level in favor of local ASGM miners. Safety conditions at the mine site need to be substantially improved, along with providing better working arrangements, respecting leave and fringe benefits afforded under Cambodian Labor Law.

***"Even though they have built a road in the village, from my point of view, which is really not good at all as we have lost a countless amount of natural resources in exchange for a road. It is only for their own transportation purposes." -  
Community member***

## **Recommendations for Government and Private Sector Actors**

1. Relevant ministries need to take the concerns of local communities seriously, and expend more resources into good faith dispute resolution, in the key areas where gold mining extraction is already taking place, with respect to land encroachments. This should be bolstered by an immediate moratorium on the issuance of new mining extraction licenses, in addition to a comprehensive and systematic formal review of existing exploration licenses.
2. Commit to signing up to become an implementing partner of the global Extractive Industries Transparency Initiative and begin the process of ensuring that Cambodia abides by the principles and requirements of the Standard.
3. Strictly enforce all laws and provisions related to licensing extractive activities and ensure companies are legally accountable and complied with at all stages of their operations.
4. Recommit itself to all civil society dialogue platforms, including the EIGF, EISEI, and the CRRT.
5. Redouble efforts to engage with civil society organizations which are focused on assisting Indigenous Cambodians, formally recognizing that indigenous communities have special rights to their ancestral land and cultures, as recognized by United Nations Declaration of the Rights of Indigenous Peoples, to which Cambodia is a signatory
6. Increase resources for Ministry of Environment officials to ensure regular and transparent monitoring of environmental damage and rights violations currently caused by active existing gold mines. Take action to suspend any operations which are creating environmental damage and provide operators with assistance to ensure that their operations comply with international standards, and Cambodian environmental laws.
7. Conduct a comprehensive review of all existing grievance mechanisms which provide effective remedies for affected communities, and allow for public interest concerns regarding environmental damage to be properly addressed





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