



Corruption Monitor

Issue 13 - December 2008

Monthly review of corruption-related stories in the Cambodian media

NOT FOR SALE
FOR DOCUMENTATION
PURPOSES AMONG
PARTNERS ONLY

THIS MONTH

The US\$40 million emergency food relief provided by the Asian Development Bank early November caused nationwide protests against corruption during the distribution of the rice bags. It is interesting that so many ordinary people felt free to openly protest against perceived corrupt officials. Also, seldom has a corruption-related issue been covered in so many Cambodian news reports (20 stories in the media monitored for this survey alone). Another positive development related to corruption was the unprecedented criticism Interior Minister Sar Kheng expressed against the common practice of bribing within the police force: "The culture of administration to obtain a higher rank or a position must be ceased, otherwise your police will eventually have no competent experts", said Sar Kheng to police officials during the inauguration of the new National Police Commissioner Neth Savoeun. Stories related to instances of corruption that directly affect the Cambodian business world are this month's highlight on page 2.

INTERIOR MINISTER PUSHES TO END CORRUPTION WITHIN POLICE FORCES

Interior Minister Sar Kheng on November 21 urged police forces to end their long held culture of corruption, or they would face tough measures including dismissal, newspapers reported November 24.

Sar Kheng, who also serves as deputy prime minister, said that police, especially anti-economic crime forces, have been criticized for engaging in graft to rise through ranks and for extorting money from business people and other citizens, according to *Moneaksekar Khmer*.

"I would like to suggest that the culture of administration to obtain a higher rank or a position must be ceased, otherwise your police will eventually have no competent experts [...] so we need to care about competent officers [who do not pay for promotion]," Sar Kheng said during a ceremony appointing Neth Savoeun as National Police Commissioner to replace late Hok Lundy, who died in a helicopter crash, *Rasmei Kampuchea* wrote.

Sar Kheng, complaining that some

economic crime police officers deployed to control several national roads including the main national roads 4 and 5 only are extorting money from businessmen and other citizens, demanded the National Police Commission to redeploy them in order to end this illegal practice, the Khmer-language daily added.

He said that economic crime police fail to fulfill their duties to serve national and public interest, and work only for their personal advantages.

"So far to what extent have anti-economic crime police contributed to cracking down on economic offenses? Nothing. I have never received [such] reports, only complaints," Sar Kheng was quoted on *Radio Free Asia* November 22.

Economic crime police have been cooperating with tax officers to commit graft, which has contributed to higher goods prices and inflation, according to *Moneaksekar Khmer*.

With a continued culture of corruption, Sar Kheng explained, "only the
Continued on page 2

ADB FOOD AID DISTRIBUTION CAUSES COUNTRYWIDE TURMOIL

The delivering of rice donated by the Asian Development (ADB)'s US\$ 40 million emergency food-for-poor-people program resulted early November in several protests of at least 1,000 people in Cambodia's southwestern provinces, accusing village and commune chiefs of delivering rice only to friends, relatives and supporters of the ruling Cambodian People's Party (CPP), news agencies reported.

The accusations were backed by local NGOs including human rights group Licadho and the Cambodian Center for Study and Development in Agriculture (CEDAC).

"The consequences [of the unfair distributions] bring a bad image to the Cambodian government because officials entrusted with facilitating the distribution of aid commit corruption," said Licadho investigation officer Chan Savet, *WMC FM102* broadcast November 8.

CEDAC President Yang Saing Koma said that due to their time constraints and ability plus political motivation, officials may have been unable to properly select the targeted needy, *RFA FM105* broadcast November 12.

"[The problems] can be related to their capacity ...and their understanding....I think sometimes it is also politically motivated to some degree," he told *RFA*.

The ADB started to distribute rice in the first week of No-

Continued on page 3

PRIVATE HOSPITALS PAY POLICE FOR ACCIDENT INFORMATION

Phnom Penh municipal officials have criticized private hospitals and police officers for conspiracy to make patients pay excessive medical bills, newspapers reported November 4.

Municipal Police Chief Touch Narothe said that private ambulances are quick to come to the scene of an accident as police officers inform them through police radio scanners, in exchange for "tips", according to *Koh Santepheap*.

Police officers do not demand such money, but private ambulances themselves volunteer to do so, Narothe insisted, adding that police would cooperate with state ambulances if they would be equipped with police radio scanners instead of the telephone network currently used by state ambulances.

Municipal Governor Kep Chuktema said that in case of an accident, some private ambulances take victims with minor injuries to their hospitals where the victims are charged exorbitantly, while sending victims in critical condition to state hospitals, *Rasmei Kampuchea* reported.

Chuktema and Narothe made their statements during a meeting with Health Minister Mam Bun Heng, who announced the deployment of 19 ambulances in Phnom Penh's seven districts to fasten the transport of patients or those injured in accidents to state hospitals, the newspaper noted.

The minister also warned that private ambulances will be prohibited from operations in the future.

CORRUPTION & BUSINESS

*Villagers in Kampong Chhnang province complained recently to reporters that provincial police had deployed forces to anarchically extort money from merchants carrying their goods on motorcycles along National Road No.5. The residents alleged that police officials imposed hefty fines on owners of motors without number plates, enforcing laws 'coming from their own mouths'. The fines ranged from 10,000 to 20,000 riel [about US\$5], affecting the livelihood of poor villagers who sometimes have been detained when lacking money to pay the greedy police officials, **Rasmei Kampuchea** reported November 6.

*Phnom Penh Municipal Governor Kep Chuktema is enraged over the small incomes so far collected for lease of locations by companies selling and advertising their products during the upcoming Water Festival, a municipal official told on the condition of anonymity, **Rasmei Kampuchea** reported November 7. Another source said that one company paid up to US\$10,000 to the municipal official designated to collect money from businesses with stands.

The newspaper suggests in its report that if the payments for location lease are controlled transparently and effectively, the municipality might be able to cover the annual restoration and re-beautify-

ing of the cities green parks after the millions of visitors have left again.

*Finance Minister Keat Chhon called the refusal by two giant international oil companies, CALTEX and TOTAL, to reduce their gasoline prices, a psychological war with consumers, accusing the two companies of keeping prices artificially high, **VOD** reported November 3. Other gasoline stations operating in Cambodia including TELA and SOKIMEX did follow the ministry's request to lower prices. **VOD** reported furthermore that Rong Chhun, president of the Cambodian Independent Teachers' Association (CITA), planned a mass demonstration against the high gasoline prices. According to Rong Chhun corrupt government officials collaborate with oil companies to keep prices at the pump high.

*An anonymous source alleged that Prey Veng provincial authorities had set up a special 'economic committee' comprising of police and military police officials to extort money worth US\$180,000 to 200,000 from Vietnamese merchants buying rice in Cambodia, **Rasmei Kampuchea** reported November 14. The illegal 'economic committee' has been operational for three years, but the Cambodian government has not been informed about this. Asked about the issue, Prey Veng provincial governor Ung Samy referred the question to deputy

governor Phan Chanthol. The deputy governor referred the question to a provincial official, Ma Sarim, who claimed that the provincial hall had never issued any order to form such a special committee.

* A border pass near Holiday Palace Casino in Banteay Meanchey province is becoming a transit point for smuggled gasoline, meat, living animals and other expensive commodities from Thailand to Cambodia, **Rasmei Kampuchea** reported November 18. Illegal merchants reportedly paid bribes to border police officials stationed at units No.918 and 911. A source said that the border pass was controlled by a police chief identified as Nop Mab, who is the subordinate of a police chief at Unit No.918.

* During a recent exclusive interview with **Rasmei Kampuchea** November 13, World Bank Director Ian Porter said the WB found it difficult to talk to the Cambodian government about measures to reduce risks on projects financially supported by the WB. Porter's remarks came after the WB managed to collect some evidence indicating that embezzlement and corruption were involved in signed contracts with the government. However, Porter claimed that all efforts of the WB are made to guarantee that WB's projects will benefit development in Cambodia.

Continued from page 1: SAR KHENG

prime minister [and] the interior minister will be cursed, and our police will lose dignity," the newspaper reported.

He strenuously warned that if police does not stop graft, "I will not only dismiss you, but also remove you from the [formal government] framework." He also appealed to the public to participate in fighting ill-gotten money by reporting any police related to corruption.

During the appointment ceremony, Neth Savoeun vowed to protect the nation, integrity and justice and combat corruption to maintain the honor and dignity of national police forces, **Moneaksekar Khmer** noted.

Opposition lawmaker Mu Sochua told The Phnom Penh Post that "we want to see real commitment from the government," to enable the police forces to work professionally and independently.

Referring to the fact that Neth Savoeun is married to a niece of Prime Minister Hun Sen, Mu Sochua warned: "The current system [promotion through politically affiliation] will continue to create a greater culture of corruption and impunity and will have a serious impact on both public service and security," according to the newspaper.

EX-DEPUTY PM TAIWAN ARRESTED FOR CORRUPTION

A former deputy prime minister and a senior member of Taiwan's opposition Democratic Progressive Party (DPP) has been arrested over alleged corruption in the latest series of scandals targeting the opposition camp, officials said October 31, **Rasmei Kampuchea** reported November 2.

Chiou I-jen is suspected of embezzling US\$ 500,000 from diplomatic funds during his time as general secretary of the National Security Council in 2004, said a court spokesperson in Taipei.

The spokesperson said that Chiou received Travelers Cheques from the Ministry of Foreign Affairs, which were found to have been cashed in foreign casinos.

Prosecutors found the alleged embezzlement during their investigations into a

money laundering case against Former Taiwanese President Chen Shui-bian, in which Chiou was quipped as Chen's former "right hand" man.

Chen is being investigated for allegedly embezzling US\$ 450,000 while in office. He was arrested for alleged money laundering and corruption on November 12, according to latest foreign media reports.

Chiou's arrest came several days after another senior DPP member was apprehended for alleged corruption.

Analysts said that subsequent corruption scandals involving Chen, his family members and other senior DPP members have defamed the party, and were likely a reason behind the party's defeat in the March presidential election.

The **Corruption Monitor** of the **Clean Hand Campaign** is produced every month by **CAIRN** as part of an ongoing survey commissioned by **PACT Cambodia**. During this survey the following newspapers and radio news programs are daily monitored on corruption-related stories:

Rasmei Kampuchea, Koh Santepheap, Kampuchea Thmey, Moneaksekar Khmer, Sralanh Khmer and news broadcasts of **National Radio Kampuchea AM 918, FM 102 (Women Media Centre), Voice of Democracy (VOD on FM 106.5)**

and **Radio Free Asia (RFA on FM 105)**. This review gives an overview of samples found. Corruption-related stories brought by other media are included if found relevant.

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RUBBER FARMERS CALL FOR INTERVENTIONS IN ALLEGED FRAUDULENT DOCUMENTATION

Approximately 50 rubber farmers from four districts in Ratanakiri province gathered outside the Ministry of Justice in Phnom Penh November 3, holding banners calling for interventions to step up a legal case against private company which allegedly used fake documents to claim their rubber plantations, **Koh Santepheap** reported the following day.

Representatives of the farmers from 34 Solidarity Groups and group branches in Banlung, Or'chrov, Borkeo and Lumphat districts claimed that Tay Seng Import and Export and its "partisan groups" falsified documents and thumbprints to claim their 1,300 hectares of rubber plantations.

The company used the thumbprints of eight of its employees to represent the Solidarity Groups, and then fraudulently informed provincial authorities and the Ministry of Agriculture, Forestry and Fishing to dissolve the rubber groups in the whole northeastern province, according to protesting farmers.

In a report dated January 2008, the Provincial Police Commission confirmed that Tay Seng's documents were

faked, the protestors said, adding that they filed a complaint with the provincial court, for which the hearing has now been postponed for nearly a year by Prosecutor Mey Sakhorn.

Protestors appealed for intervention by the Minister of Justice to urge the provincial prosecutor to step up the legal case, because the protracted procedures have made the Solidarity Groups suffer mistreatment, threat and oppression from Tay Seng.

The company has claimed that the Solidarity Groups do not sell rubber to it, failing to comply with contracts signed by the two sides. The contract apparently stipulates the groups must sell rubber to the company only. But the protestors argued that they can not sell rubber to Tay Seng only, as the company offers lower prices.

Two days before the gathering outside the Ministry of Justice the farmers had rallied in front of the Takhmao residence of Prime Minister Hun Sen, whose cabinet then assured them that investigations would be conducted in response to their complaints.

COURT DIRECTOR PRIORITIZED CASES FOR PERSONAL BENEFITS

The director of Takeo provincial court and his clerks have allegedly heard only cases beneficial to them due to administrative or informal fees paid by defenders and plaintiffs, while forwarding "less lucrative" ones to other judges, **Rasmei Kampuchea** reported November 8.

Court Director Tit Sothy has colluded with his clerks, Pen Eun and Duk Saron, to prioritize cases in contrary to article 26 of the Civil Procedure Code and article 51 of the Penal Code, according to "reliable" sources, the newspaper wrote.

Abusing his jurisdiction and power, Sothy issued verdicts unilaterally without suggestion from two jurors. Acting as both judge and clerk during a hearing, he reads "the section of understanding", leaving his clerk to read a decision.

Other judges and clerks in the provincial court resent the "irregularities" involving Sothy and his conspirators, but due to "fear" they have not protested publicly, **Rasmei Kampuchea** concluded. The newspaper failed to mention Ti Sothy's side of the story.

KOMPONG CHAM PRINCIPAL ACCUSED OF APPROPRIATING SCHOOL LAND

Some 30 teachers from Boeng Kok Secondary School in Kompong Cham town met with Provincial Governor Hun Neng November 6 to complain that the school's principal and four other education department officials have appropriated some plots of the school land, **Rasmei Kampuchea** reported November 8.

The teachers said that by 2001 at least six families settled illegally in some parts of the school's one-hectare compound, forcing school principal Cheam Vansak to file a lawsuit with the court to evict the squatters.

However, as the court has yet to hand down any ruling, Vansak has resorted to conspiring with the squatters to share 28 plots of land adjacent to the school's fence, the teachers claimed, adding that Vansak, like more than 20 other families, has built houses on the land [for rental].

Svay Phalla, director of the province's Education Department, and three other department officials, proposed Kompong Cham governor Hun Neng October 25 to allow them to claim 261 square meters of land, which the teachers insisted are located within the 28 plots.

The teachers requested Hun Neng to intervene to prevent the school land from being possessed by Vansak and the Education officials.

The teachers' representative told **Rasmei Kampuchea** that the governor has agreed to reject the official's proposal and to advise the Department of Land Management not to issue land ownership titles to families living on the school land.

In response to the land sharing accusations, Vansak said: "I only manage the school for students; I don't know anything about the land sharing issue."

Continued from page 1: ADB

November in the first phase of its emergency food program for poor people in Kompong Chhnang, Pursat, Battambang, Meanchey Meanchey, Oddar Meanchey, Siem Reap, Kompong Thom and three poor communities in Phnom Penh.

By November 7, the ADB received 45 complaints filed by individuals or groups, said ADB program officer Long Vopisith, **Rasmei Kampuchea** reported the following day. However, "it remains unclear who made mistakes and who did not; it is not related to corruption, but some procedures need to be improved," he added.

The ADB and the government defended November 14 the food distribution. "This assistance is making a very real difference in the lives of Cambodia's most

vulnerable," **The Phnom Penh Post** November 17 quoted ADB country director Arjun Goswami as saying in a statement.

He said that those in need have effectively benefited from the program, an achievement for which the government will be commended, **Khmer Sthapana** reported November 17. The Cambodian government contributed US\$5 million to the program.

Both the ADB and the Cambodian Ministry of Finance and Economy conceded that protests did occur but they were because rice was distributed to only the poorest 20 percent of residents, sparking envy in slighter better-off families, according to **Khmer Sthapana**. The ADB also admitted that village chiefs had registered relatives to allow

them to receive aid from the program.

The ADB and the government were scheduled to establish a coalition task force to investigate the allegations of unfair rice distribution, with ADB officials serving as observers.

"I don't think the investigation will take a long time; it's not too difficult," Vong Sandap, deputy secretary general for the Ministry of Finance, told **The Post**.

"We trust them [commune chiefs in charge of distribution]. They are the ones who know exactly who should receive emergency food assistance and who should not."

Following the first phase of the three-year project, the ADB will engage in the second phase—prioritizing food-for-work programs, the **The Post** concluded.

CHAM VILLAGERS REJECT APPOINTED NEW LEADER

Over three hundred Cambodian-Islamic villagers staged a two-day peaceful demonstration on October 31 and November 1 at an Islamic mosque in Takeo province's Kompong Youl village to object the appointment of their newly-appointed religious leader, Ry Math, whom they accused of being dishonest and of embezzling money donated to support an Islamic community in the village, *Radio Free Asia* reported November 2.

"The nomination of the religious leader violated the rights of the villagers. Now turmoil has erupted throughout the village. The powerful people are behind the violation, and issued an or-

der for the religious leader to put pressures on the villagers," was villager Ny Son quoted saying.

A representative for the protestors said that Ry Math has been ousted before from his post as a religious leader in the village and that his renewed appointment provoked the 300 residents to this demonstration.

Ry Math could not be contacted for comments on the allegations, as his mobile was turned off.

Zakiriya Adam, secretary of the state of the Ministry Cult and Religions Affairs, said that he would cooperate with other relevant officials to intervene in the issue.

STATE CONFISCATES 3,000 HECTARES OF FOREST LAND

Kampot forest administration authorities have recently reclaimed nearly 3,000 hectares of "illegally occupied" forest land, *Rasmei Kampuchea* reported November 18.

Om Mak Theary, chief of the province's Forest Administration, said November 17 that the province's Sub-Committee for Preventing and Suppressing Forest Land Encroachment has issued an order to reclaim 2,955 hectares of forest land in Stung Kbal Damrei, Stung Ankanh, Or Nangkoal, Or Moan Prey and Phnom Teap Khmom in Chhok district.

He said that after the sub committee released a public notification of the confiscation no complaints were filed and

no protests conducted. He claimed that the land involves over 1,200 families.

The sub committee has also handed down a similar order to reclaim another 1,517 hectares of forest land in Sre Cheng and Sre Kh'nung communes, Chum Kiri district, said officials whom the newspaper failed to identify. Without complaints and protests, similar confiscation will take place.

Kampot Forest Administration plans to confiscate several other thousands of hectares of forest land whose ownership certificates have been issued by commune officials, Mak Theary said, noting that his authority has this far reclaimed 3,139 hectares of encroached forest land.

FOREST AND WILDLIFE CRIMES STILL HAUNT RATTANAKIRI AND KAMPONG THOM

Rattanakiri Deputy Provincial Governor Chey Sayeoun recently confessed to *Rasmei Kampuchea* that forest crimes still exist in the province, the newspaper reported November 12.

They said that some of the perpetrators are villagers who cut trees to sell to merchants, but in other cases merchants hired residents to cut trees for them. He added that sometimes forest was also destroyed by a company with a forest concession granted by the government.

They insisted however that Rattanakiri provincial anti-forest crime authorities had been working hard to raid perpetrators and put a complete stop the illegal act.

"We acknowledge that forest crimes really exist. But, we have tried to crack down on it. As a result the transport of illegal luxurious timber nowadays has significantly declined compared to previous years, and we will not forgive perpetrators," the deputy governor said.

Koh Santepheap reported November 7 that despite efforts by Kampong

Thom provincial environment officials in coordination with the provincial armed forces to prevent forest and wildlife crimes, some merchants colluding with armed authorities also in this province still manage to illegally transport timber and animals out of certain districts of the province at the expense of Cambodia's natural resources.

Illegal merchants continue to be found transporting luxurious timbers by their motors, cars and trucks from dozens of places in two districts of Baray and San Thok, a Kampong Thom provincial environment official told. The timber is sent to furniture handicrafts in the province or sometimes to Phnom Penh, he added.

Elsewhere in the province in Prasat Sambo district monkeys are also being seriously threatened by traps placed in the district's community forest, causing a serious decline of the number of animals in community forest and wildlife sanctuaries. Rumors go that this crime even intensifies because some police officials work in cahoots with the perpetrators.

LETTER TO THE EDITOR: REFORM STATE SCHOOLS

The Cambodian government should restructure Phnom Penh's state schools charging students informal fees, or the country will face incompetent human resources, according to a letter from a Phnom Penh resident published by *Rasmei Kampuchea* November 2.

"On behalf of parents of students, we want the government to strengthen discipline at state schools to prevent Cambodian youth becoming incompetent human resources," the letter read.

Few schools in Phnom Penh are the child-friendly center where students want to learn, meet with friends and teachers, as portrayed by the Ministry of Education, Youth and Sports. Students remain afraid of schools and play truant, particularly because their teachers continue to charge them informal fees.

Even a grade 1 student must informally pay his teacher 1,000 Riel [about US\$ 0.25] a day, plus fees for hygiene services and other 'fund raisings'. Students at secondary or high schools must pay 20,000 Riel per month per subject, even for sports and programs they attend in a private class. If a student does not want to attend such private classes, he has to pay 30,000 Riel per subject for the whole academic year. Students who fail to take promotion exams can pay US\$ 10- 20 to enter higher grades.

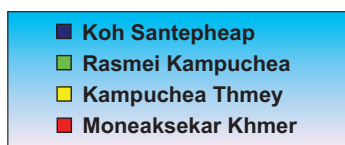
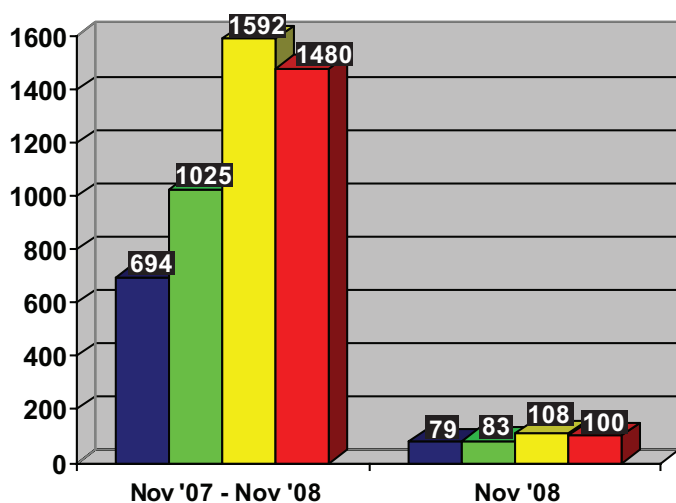
Some school principals require students to join private classes during annual national holidays, warning that students who fail to attend will not be given their academic books, thus preventing them from going to high grades the following academic year. These are only a few examples of the several improper practices involving teachers in Phnom Penh, which has nearly become a culture.

The Department of Education and the Ministry of Education have not taken any measures at all. Problems in state schools have forced some parents to send their children to private schools. Although they know private schools lack good and professional teachers, parents feel confident that at private schools their kids do not play truant or get involved with drugs or gangsters.

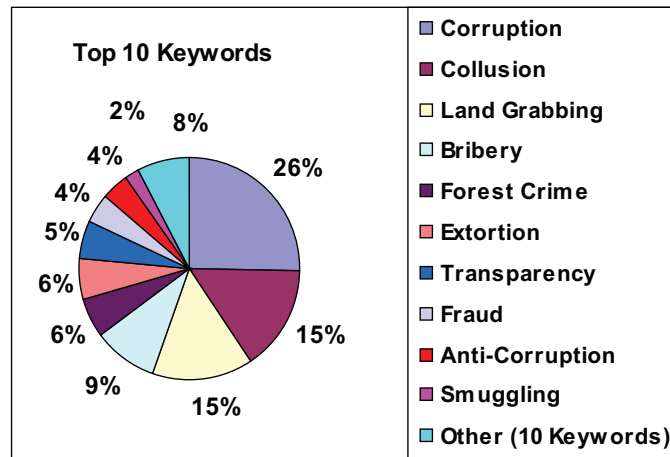
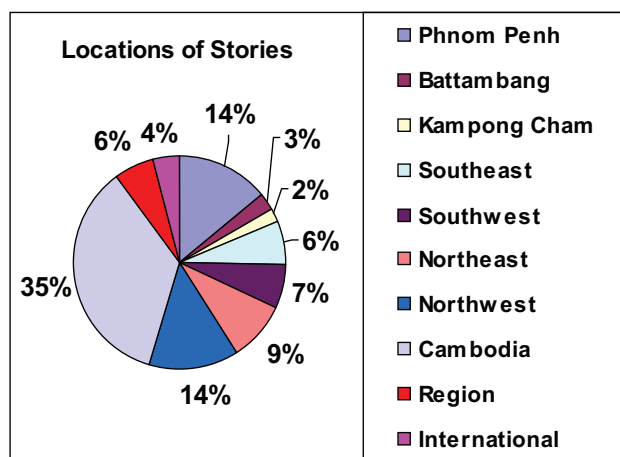
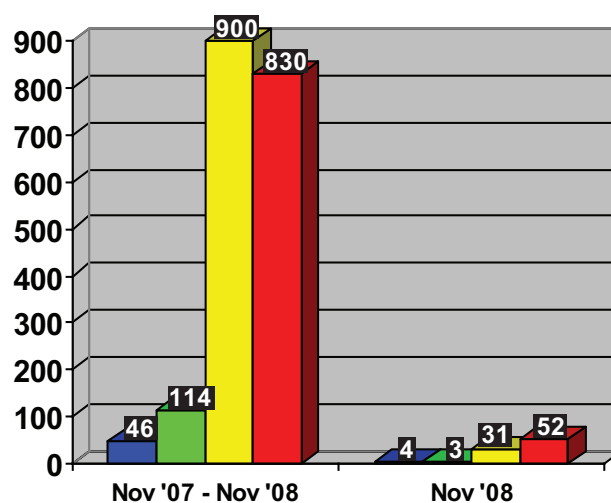
A private school class is costly; but given the many informal fees at a state school, parents may end up paying a similar amount. Senior - Ministry of Education - government officials may not know what is happening at state schools, as they send their kids to study at good private schools at home or abroad.

UPDATE SURVEY ON CORRUPTION-RELATED STORIES

CORRUPTION-RELATED STORIES PER NEWSPAPER



CORRUPTION-RELATED STORIES PER RADIA PROGRAM



Since November 1, 2007 all stories of main Cambodian newspapers and radio news broadcasts are monitored daily on twenty keywords related to corruption. The survey assesses all stories on both quantitative and qualitative parameters. Above the 13th update with quantitative findings for November 1, 2007 to November 30, 2008.

Compared with November 2007 the combined total number of stories found for newspapers and radio in November 2008 is nearly the same; 460 versus 467 a year earlier. However, specified per medium figures did change significantly for **Koh Santepheap** and **Rasmei Kampuchea**, each publishing 25 corruption-related stories more than during the same month a year earlier, and VOD, broadcasting nearly 50 stories less.