



KINGDOM OF CAMBODIA
Nation Religion King

**Permanent Mission of the Kingdom of Cambodia
to the United Nations Office and other
International Organisations at Geneva**

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The Permanent Mission of the Kingdom of Cambodia to the United Nations Office and other International Organisations at Geneva presents its compliments to the Office of the High Commissioner for Human Rights and, with reference to the joint communication No. AL KHM 11/2020 dated 23 December 2020 of the Special Procedures, has the honour to transmit to the latter herewith a reply from Phnom Penh Capital Administration as to Boeung Tumpun-Cheung Ek Satellite City Development Project.

The Permanent Mission of the Kingdom of Cambodia would be appreciated if the said information could be conveyed to its high destinations.

The Permanent Mission of the Kingdom of Cambodia to the United Nations Office and other International Organisations at Geneva avails itself of this opportunity to renew to the Office of the High Commissioner for Human Rights the assurances of its highest consideration.

Geneva, 17 February 2021



Office of the High Commissioner for Human Rights
Geneva

**Reply from Phnom Penh Capital Administration
to the joint communication of the Special Procedures
No.AL KHM 11/2020 dated 23 December 2020**

I. Background

After 1979, Boeung Tumpoun-Choeung Ek was a vast lowland and flooded area during the rainy season. It is located in the southern part of Phnom Penh, which serves as a reservoir, a fishing lot, a dry-season rice field, and vegetable plantations for the benefit of the people living nearby. Given changes in the ecosystem, environment, water regime which created shallow inland areas, and in accordance with the Orientation Strategy and Urban Master Plan of 2006, the Royal Government of Cambodia has decided to upgrade the area to a new satellite city to increase socio-economic potentials in response to the actual development needs of the capital.

Boeung Tumpun-Cheung Ek Satellite City Development Project is a mega-development project in Phnom Penh, covering a total area of 2,572 hectares, located in Meanchey, Dangkor and Chamkarmon districts of Phnom Penh and a part of Takhmao City, Kandal Province.

ING Holdings Company has been entitled to invest and develop this area in accordance with letter No. 820 dated 24 May 2006 of the Office of the Council of Ministers. In cooperation with Phnom Penh Capital and Kandal Provincial Administrations and under technical guidance from relevant ministries and institutions, and technical foreign assistance, ING Holdings has led the rigorous study of relevant data and site assessment to ensure appropriate planning and land use.

The studies include transport traffic system data, physical soil elevation, main road infrastructure location, lake-canal surface for reservoir, rainwater sewer-sewage system, electricity grid, environmental and social impacts, project benefits, green spaces and public service facilities. Through these studies, in 2014, Phnom Penh Capital and Kandal Provincial Administrations have jointly approved the Master Plan of the Boeung Tumpoun-Choeung Ek satellite city development project.

II. Environmental and Social Impact Assessment and Benefits

1. Environmental and Social Impact Assessment

A comprehensive assessment of environmental and social impacts of the above-said development project had been conducted since 2008. ING Holdings in collaboration with E&A Consultant has prepared a report with the following objectives:

- Study, analyse and present characteristics and information of the project

- Study and analyse natural and environmental resources and current socio-economic situation
- Identify and evaluate positive and negative environmental impacts that may arise from the project's activities in order to propose appropriate mitigation measures
- Establish an environmental fund to restore the environment, and a social fund to contribute to development of villages and communes affected by the investment project
- Establish environmental management and monitoring plans to ensure sustainability of the project and to realize environmental protection

This comprehensive environmental and social impact assessment report was approved by the Ministry of Environment (letter No. 333 dated 10 April 2017). Its contents are divided into ten sections, namely (1) Introduction, (2) Methodology, (3) Legal Framework, (4) Project Description, (5) Description of the Existing Environmental Resources, (6) Public Participation, (7) Causes of Environmental Impacts and Mitigation Measures, (8) Environmental Management Plan, (9) Economic Analysis and Environmental Values, and (10) Conclusion and Recommendations.

Below are the key findings:

- This project is not located in a natural protected area or a conservation area. Therefore, there is no cultural asset, historical building and ancient temple in the project zone, except two pagodas that have been preserved and conserved.
- There is no presence of rare wildlife, and the plants and trees are of no economic value. The plants and vegetables grown in the lake, such as morning glory, water mimosa and around other 100 species of fish, most of which are climbing perch, Siamese-mud carp, snake-skin gourami and three-spot gourami, are not classified as vulnerable species, threatened species or endangered species. The experimental results have shown that the quality of these vegetables and fish contains high level of chemical toxins in the lake water, which can be harmful to consumers' health.
- Despite a loss of natural wastewater purification function and reduction of Boeung Choeung Ek area from 75 million cubic meters to 18.76 million cubic meters, this project has had minimal impact on drainage systems of Boeung Trabek, Boeung Tumpun, Mol canal and Rolous canal. These problems can be resolved through: (1) construction of wastewater treatment stations, (2) rehabilitation of canals and reservoirs, and (3) construction of sluice gates at the end of Stoeung Chrov river and Prek Thmey canal, and an installation of water pumping machines with a pumping capacity of 10 cubic meters per second in each river and canal. Therefore, the urban flooding has been addressed and has nothing to do with this development project.

2. Benefits from the Development Project

Based on the economic and environmental analysis, the investment in the Boeung Tumpoun-Cheung Ek Satellite City Development Project offers benefits as follows:

- It will generate more than USD 4 billion in national economic revenue over the next 20 years through increase in property prices, property taxes, business tax, and construction of physical infrastructure as well as direct and indirect job creation for many people, among others.
- It allocates plots of land for construction of public buildings with an area of 22.5 hectares, in which the Royal Government of Cambodia has already decided to hand over the land to a number of ministries and state institutions.
- More than 100,000 jobs are to be created during the operational phase and more than 11 million jobs during the construction phase from 2015 to 2035, including construction workers, skilled workers, mechanics, technicians and specialists who can get a monthly salary ranging from USD 250 to USD 12,000.
- This project will improve beauty of the southern part of Phnom Penh, strengthen physical infrastructure, and ease traffic flow through construction of three highways, sixty one main roads, amounting to a total length of 95.74 km and underground sewers, equivalent to the total amount of USD 837 million, which will benefit about three million people in Phnom Penh, including some parts of Takhmao City, Kandal Province.
- If not developed, the entire lake will function only to purify the liquid waste from Phnom Penh in a natural way that could affect the environment in the future. In addition, the state can reap economic benefits of only USD 7.6 million annually from this area while serving about 1,696 households in this area.

III. Impact Mitigation, Adjustment and Key Achievements

1. Impact Mitigation

Although the Boeung Tumpun-Cheung Ek is considered a state public property, the actual situation of the entire lake is continuously occupied and exploited by some people. In this regard, in the implementation of the project in accordance with the guidelines of the Royal Government of Cambodia, the Phnom Penh Capital Administration has been well cooperating with relevant ministries and institutions, the Kandal Provincial Administration and the company by establishing one committee with two sub-committees, namely Technical Sub-Committee, and Impact Management Sub-Committee. Its composition has been continuously adjusted as defined in the Decision No. 272/17 dated 29 September 2017 on the role of coordinating the task of expediting the development to maximize benefits for the people based on the principles of volunteerism, common will and maintenance of public interest.

Addressing these issues has relied upon three-option principles, namely (a) definitive purchase, (b) exchange, (c) contribution. As a result, settlement with a total of 115 households affected was reached, equivalent to 656,484 square meters of the lake area, on the basis of the principle of mutual agreement.

2. Supplementary Revision of the Project Implementation

In recent years, due to the scope of large-scale development projects and to accelerate the development of the southern part of Phnom Penh, the Royal Government of Cambodia has decided to make additional adjustments, allowing owners of large plots of land and some companies to have the right to contribute to the implementation of this satellite city development project. However, the stakeholders must comply with the master plan of the development project and the land use master plan of Phnom Penh 2035.

In addition, in 2019, the Royal Government of Cambodia decided to preserve 181 hectares of Boeung Choeung Ek Lake basin, to retain the 190 hectares of remaining area as state private land, and to authorize Okhna Leang Khun and Oknha Thay Chea Huot to develop the area in exchange for infrastructure construction and process the resettlement for the occupants of the lake area, as stated in letter No. 749 dated 30 May 2019 of the Office of the Council of Ministers.

3. Key achievements

Based on the master plan of Boeung Tumpun-Cheung Ek satellite city development project, three boulevards are to be built, namely (a) Samdech Techo Hun Sen Boulevard, (b) Neak Oknha Moha Pheakdey Saboros Phokea Thibadi Hun Neang Boulevard, and (c) Crossing Boulevard 2, and 61 main roads as well as the connection of a water system, electrical grid, optical cable, runoff and sewers, reservoir, raised physical land level, designated green area, organized transport system, and many other artful constructions.

As a result, the main achievements by 2020 are as follows:

(a) Samdech Techo Hun Sen Boulevard

- This boulevard is 9,160 meters long and 60 meters wide, the largest in Phnom Penh, with a construction budget of USD 76 million, which is the budget of ING Holdings Company for the Boeung Tumpoun-Choeung satellite city development project.
- It was officially inaugurated on 3 April 2017, presided over by Prime Minister of the Kingdom of Cambodia.

(b) Neak Oknha Moha Pheakdey Boulevard

- This boulevard is 2,740 meters long and 30 meters wide, connecting traffic from National Road 2 at the point of Hun Sen Chak Angre Secondary

School to Street 371 in Prek Ta Kong 1 Village, Chak Angre Leu Commune, Meanchey District, Phnom Penh.

- Currently, more than 60% of the construction work has been completed. The impact settlements include:
 - (i) The beginning of the boulevard at intersection of National Road No. 2 has affected 41 owners;
 - (ii) The end of the boulevard, opposite to Street 371, has affected 9 owners. It also affected Borey Peng Huot residential construction and The Landmark 271 residential construction, causing obstacles for the construction. A resolution is required.

(c) Crossing Boulevard 2

- This boulevard has a length of 5,520 meters and a width of 50 meters, connecting the direction of traffic flow from National Road 2 to Street 371 at the road of Cheung Ek.
- Currently, the construction is in the process of impact settlements by adhering to the principles. They include:
 - (i) At the connecting points of Street 217, the construction of Borey Flat Houses with an area of 16,769 square meters in Rolous Village, Choeung Ek Commune, Dangkor District, the company negotiated and reached a mutual agreement for exchanging it for land of equal size with road in the development area;
 - (ii) Owner of large plots of land allowed the company to proceed with road construction in advance by signing a contract with each landlord indicating the size of the land affected by this boulevard construction project so that the company can implement the principle of contribution in proportion to the size of each plot of land; and
 - (iii) For owners of small plots of land, who are completely affected or almost completely affected, the company agreed to assume responsibility to resolve it by exchanging land of equal size with road in the development area.
- In addition to the above achievements, many local and foreign companies have been co-investing in this project, as evidenced through the presence of R&F's commercial condominium project, Mercedes' exhibition building, ISPP International School, Borey Town, Borey Chip Mong, Borey Peng Huot, Chip Mong 271, PH Diamond Place, AEON Mall 3 and many more.

IV. Conclusion

Overall, the Boeung Tumpoun-Choeung Ek Satellite City Development Project implements the decisions and principles of the Royal Government of Cambodia, relevant ministries and institutions, as well as coordination between the private sector and the sub-national administrations. Significant progress and achievements of this project have gradually come into reality, which are in stark contrast to the misleading propaganda of foreign media and reports of certain

civil society organizations, which have, in the absence of rigorous and technical study, portrayed the situation in a selective, subjective, distorted and provocative manner with political motivation.

1. **The impacts and benefits of the project were well assessed.** In the process of implementing the project, ING Holdings, which has received investment rights from the Royal Government of Cambodia, has closely cooperated with E&A consultant, a local company, to provide technical consultant and is recognized by the Ministry of Environment to prepare the EIA report in accordance with the content of the Sub-Decree on the Cambodian Environmental Impact Assessment Process.
2. **There is no forced eviction.** Boeung Tumpun-Cheung Ek is considered a public property of the state, but the entire lake is occupied and exploited by some people planting morning glory-water mimosa. In the process of implementing the project, the impacts were addressed on the basis of three options, namely (a) definitive purchase, (b) exchange, and (c) contribution. For the people illegally occupying the land, the authorities did not punish them in accordance with the Land Law. Instead, the authorities dealt with them peacefully and without any forced evictions.
3. **Health and employment status is improved.** Prior to the development of the entire lake zone, there were only 1,696 households living in a direct contact with the sewage on a regular basis. The cultivators and fishermen encountered severe skin problems and faced with frequent cholera, dengue fever, typhoid fever and diarrhea. Yet, under the present situation, the people have moved from the lake area to dryland, and have started a new livelihood as workers or traders with better health and improved life. The entire lake has served the general population in Phnom Penh with a wide range of development projects led by the private sector.
4. **The project does not affect food security and biodiversity.** According to the report, the biodiversity in the lake does not have any species that are rare or endangered. In fact, agricultural products and fish harvested from the lake are not safe for consumption because the vegetables, snails and fish have been tested and found to contain high level of chemicals such as chromium (Cr), zinc (Zn), copper (Cu), lead (Pb) and mercury (Hg), which can pose a health risk and even cause cancer.
5. **There is no loss of reservoir function and wastewater treatment.** The natural way of purifying wastewater into the lake surface may affect the environment and water quality of the Bassac River in the future. However, through this development project, despite reduction in the surface area of the reservoir, the water quality and environment have been improved

through depth restoration of canals and reservoirs, establishment of a separate drainage network between sewage and rainwater, construction of sluice gates at the end of Stung Chrov and Prek Thmey, diversion of Stung Prek Tnaot, construction of liquid waste treatment station, and improving the capacity of water pumping station. The decision to preserve 181 hectares of Choeung Ek Lake reservoir and retain the 190 hectares as state private land will not have any technical impact due to the company's adherence to the ten principles as defined in Letter No. 749 dated 30 May 2019 of the Office of the Council of Ministers.

6. **Land Reclamation:** To reclaim the project site, the company and landlords concerned have met the technical criteria set by relevant ministries and institutions at the national level and have paid all taxes to the state in accordance with the laws. Some locations are filled with earthworks transported from Kandal province with permission from the Ministry of Mines and Energy, while other sites are filled with sandy soil, partly from pumping shallow water of the Bassac River according to the hydrological method permitted by the Ministry of Water Resources and Meteorology, and the other part comes from pumping sand in the area of Chaktomuk-Chroy Ampil Canal in Lvea Em and Kien Svay Districts, Kandal Province, in accordance with Letter No. 429 dated 27 April 2016 of the Office of the Council of Ministers.
