

justice off the rails ...

***“In every scheme that worsens the position of the poor,
it is the poor who are invoked as beneficiaries.”***

From *Staying Alive: Women, Ecology & Development*
by **Vandana Shiva**, Sydney Peace Prize Winner 2010

I WRITE TO YOU TODAY because I think you'll share my deep concerns about the injustices being created by an AusAID/Asian Development Bank (ADB) project to rehabilitate and privatise Cambodia's railway system. In order to build the railway, people in this community have been forcibly or otherwise relocated since 2007.

This project illustrates the seriously flawed way that AusAID interacts with multilateral development banks, like the ADB and the World Bank, which receive more than A\$500 million a year. AusAID's budget is set to double to around \$8 billion dollars by 2015.

More than ever, AID/WATCH needs your support to keep AusAID accountable. We do not accept government money, and are the only aid watchdog committed to justice for the poor.

In the coming year we will be working hard to expose the flaws of the railways project. Collaborating with our allies in Cambodia, we have prepared a brief we think will make AusAID change its ways.

The railways project has been pitched as an economic driver for the country in which the poor will, in some unarticulated way, eventually share. But as Vandana Shiva predicted, this project has made life considerably worse for those who stand in its way.

The two companies contracted to operate the railway are both linked to Australia, with little transparency on how the concession was awarded.

AID/WATCH has become increasingly concerned about the course this troubled project has taken. We have seen communities duped out of compensation, intimidated, threatened and forcibly moved to unlivable relocation sites with no support. We have seen brave local organisations being shut down for exposing the truth about the AusAID project.

SO WE NEED YOUR HELP in bringing this evidence to light and to continue exposing where Australian aid serves Australia's interests at the expense of the poor.

Join with us by adding your voice to call on AusAID to suspend its support to the project until the project is reviewed, people are rightly compensated and conditions at resettlement sites are improved in line with ADB safeguard policies and international human rights law.

I have lived on the notorious National Road 4, the national highway linking Phnom Penh to the seaport of Sihanoukville. I saw more deaths than I care to think about as the result of the constant flow of truck traffic connecting the two. I support getting those trucks off the road – but not at the cost of poor communities. In a country like Cambodia where many of the rich are benefiting at the expense of the poor, the Australian aid program needs to deliver more than just vague assertions about how they will benefit.

I've also seen how many communities live alongside and on top of the rail line throughout the country, and have done so for decades. A just resettlement of these communities should have been the top priority, but in the October Senate estimates, AusAID representatives referred to these resettlement issues as “headaches”. We think poor communities deserve much better than that.



THE STORY

The story began in May 2007 when the ADB and the Cambodian Government signed a loan agreement to rehabilitate the railway. ADB's support was dependent on the railway being privatised. In November 2007 a joint venture called Toll Royal Railways was launched by Australia's largest logistics company and a huge Cambodian conglomerate with close ties to the Cambodian Government and chaired by Khmer-Australian businessman, Kith Meng. Toll Royal Railways was awarded a 30-year exclusive concession to manage and operate the railways. Around this time, AusAID agreed to provide a supplementary grant of US\$21.5 million to the project to rehabilitate the freight lines.

The numbers of people affected are not small. It is estimated that at least 4000 families have been, or will be, affected – more than 21,000 men, women and children. Throughout this whole process, limited information has been provided to affected communities – let alone meaningful consultation with them.

THE CONTRADICTION

The Asian Development Bank's Social Safeguards Policy of June 2009 is unambiguous about the rights of those affected by involuntary resettlement: significant money must be put aside to restore incomes to pre-project levels, compensation must be based on real replacement cost and the whole process must be free from intimidation. There are also clear guidelines around resettlement, employment and access to services.

Out of this tragedy let's build a better form of development – one that does no harm and that respects the rights and responsibilities of those in whose name AusAID and others work ... that's you and me.

Reports from NGOs working in these communities, however, tell stories of harassment, threats and intimidation that clearly contradict the guidelines. Families are being duped out of compensation by assessors and threatened with no reparation when they attempt to assert their rights. It is no wonder the communities in Phnom Penh and Poipet are reluctant to move.

Local NGOs, such as Sahmakum Teang Tnaut, who bravely exposed significant underpayment of compensation in Phnom Penh, have had their operations suspended by the government.

Others who also brought attention to the death of two children who had been relocated as part of the project have been warned to stop advocating about the issue and to cease putting pressure on the ADB/AusAID project.

Help express the outrage we all feel by donating \$30, \$50, \$80, \$120 or \$250 – or whatever you can afford – to help us tell this story!

As infrastructure building ramps up as the new 'golden bullet' of development, we must ensure that local communities are protected from potential harmful impacts, and more importantly that they have a voice in determining the projects that are carried out in their name.

Please help us today with your kind donation to enable us to publish this story and continue to monitor AusAID as it massively increases the aid program, focussing on these unaccountable multilateral agencies.

Thank you for helping to get justice for Cambodian communities back on the rails ...

Kind regards,



MATT HILTON, AID/WATCH Chair

PS: Please send the form on the next page in the enclosed pre-paid envelope to make an immediate donation to AID/WATCH.

P PS: If you'd like to know more, please feel free to contact me at: chair@aidwatch.org.au

Donation Appeal – November/December 2011

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