

Hun Sen's Cambodia

Monday 11 July 2016, by [HOLMES Oliver](#) (Date first published: 10 July 2016).

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Family owned Cambodia

'Stranglehold': Hun Sen rules Cambodia and his family own it, says report

Relatives of autocratic PM control economy's most profitable sectors from mining to gambling and property, according to findings of Global Witness project.

A transparency watchdog has alleged a "stranglehold" on the Cambodian economy by the family of Hun Sen – one of the world's most notorious autocrats, who has ruled the south-east Asian country across three decades.

Investigators from UK-based Global Witness [[1](#)] who traced corporate ownership said they had uncovered numerous examples where companies linked to members of the Hun family managed to secure lucrative public contracts and state concessions to amass vast fortunes.

Firms associated with the Hun family span the majority of Cambodia's most lucrative business sectors, including trade, finance, energy and tourism, according to the report, while also operating within a number of sectors notorious for corruption including gambling, construction, agriculture and mining.

In some cases these companies have driven "devastating impacts for Cambodian citizens and the environment, including land grabs that have caused mass displacements and destitution among Cambodia's rural poor", Global Witness says.

The report found the Hun family owned or part-controlled companies with capital of more than US\$200m, including firms with links to major international brands such as Apple, Nokia, Visa, Unilever, Procter & Gamble, Nestlé, Durex and Honda.

Global Witness said this was likely just a fraction of the true value of the family's business holdings as they were said to obscure their commercial interests.

"These revelations point to a cruel irony of Hun Sen's model of dictatorship – his family has Cambodia's economy so sewn up that Phnom Penh residents are likely to struggle to avoid lining the pockets of their oppressors multiple times a day," said Patrick Alley, Co-Founder of Global Witness.

"Foreign investors, on the other hand, can and should opt out of bankrolling a regime that kills, intimidates or locks up its critics."

Hun Sen, a former Khmer Rouge commander, has marketed his country to overseas investors as an

attractive investment destination with very little regulation and cheap labour.

Yet despite overall economic growth, six million Cambodians, 40% of the population, still live below or close to the poverty line. And in 2015 Cambodia ranked 150th out of 168 countries in Transparency International's Corruption Perceptions Index, the lowest score in south-east Asia.

The leader's tenure has been characterised by electoral fraud and the brutal suppression of political opposition. In 2011 Hun said that if anyone tried to hold a demonstration against his rule "I will beat all those dogs and put them in a cage."

In May 2016 journalists were instructed to use his full title "Lord Prime Minister and Supreme Military Commander" when writing about Hun Sen.

In 103 of the 114 private companies where Hun Sen's immediate family have declared interests, the relative is a chairperson, director or has a shareholding of more than 25%, meaning they exercise total or substantial control, the report says.

Stephen Peel, a former senior partner at private equity firm TPG Capital and member of the Global Witness board, said: "[Doing] business with companies that are owned or controlled by the country's ruling family not only raises ethical questions, it also carries significant legal, financial and reputational risk."

The UK is the second-largest foreign investor in Cambodia after China, while the US is Cambodia's biggest trading partner, receiving a third of Cambodian exports, worth almost US\$3bn a year.

Hun Sen's eldest daughter, Hun Mana, has the largest number of business holdings of any member of the family, the report finds, with interests in 22 companies with listed share capital of more than \$66m.

She owns 100% of the shares of media company Bayon Media, which broadcasts three TV stations, and also Bayon Radio, which is considered to be one of the leading mouthpieces of the ruling party.

Hun Mana chairs Moon Media, an advertising firm behind a large proportion of the billboards around the country. The company's client list on its website includes Visa, Unilever, Proctor & Gamble and Honda.

She is also a director and shareholder of K Thong Huot Telecom, which was founded in 2002 to distribute Nokia phones in Cambodia. The firm is the local business partner of Lenovo-IBM and holds exclusive distribution licences for Pioneer and Electrolux products.

The prime minister's office, Moon Media and Bayon Media did not respond to Guardian requests for comment. The Guardian was unable to reach K Thong Huot Telecom.

Other prominent family members with business links include Hun Sen's son-in-law Sok Puthyvuth, the CEO of the Soma Group, which signed a \$3m biomass power deal with US conglomerate General Electric in 2012.

Soma Group, which did not respond to a request for comment for this article, is also linked to an urban land grab [2], Global Witness says, as the firm is expanding Phnom Penh International Airport.

The project threatens to displace approximately 165 households without providing compensation. In 2012 eight protesters from the community were arrested by armed police and detained for 12 hours after painting SOS signs on the roofs of their houses in the hope that President Obama would see

their cries for help as he flew in to attend an Asean summit.

Global Witness said Sok Puthyvuth was the only Hun family member to reply to its requests for comment.

It quoted him as saying that his family had objected to his taking a role in politics so he entered the private sector “to test my ability to build an effective organisation”.

“I can understand your assumption that I have abused my power to get to where I am today, but I can assure you that I take seriously the challenge of building a responsible and respected private sector group. I admit it is a work in progress.

“I understand that I live in the shadows of my family.”

Oliver Holmes in Bangkok

* The Guardian. Thursday 7 July 2016 07.33 BST Last modified on Thursday 7 July 2016 07.34 BST
<https://www.theguardian.com/world/2016/jul/07/stranglehold-hun-sen-rules-cambodia-and-his-family-own-it-says-report>

Cambodian government critic shot dead in Phnom Penh

Killing of Kem Ley comes at a time of heightened political tensions between Hun Sen’s administration and the opposition.

A critic of the Cambodian government has been shot dead Phnom Penh.

The killing of Kem Ley, 46, the head of a grassroots advocacy group Khmer for Khmer, comes at a time of rising political tension between the prime minister, Hun Sen, and an opposition hoping to challenge his grip on power in elections as soon as next year.

Kem Ley was shot three times in a store at a petrol station in the Cambodian capital on Sunday, a police spokesman, Eng Hy, told Reuters. The spokesman refused to give further details.

The prime minister used social media to condemn the attack.

“I pay my condolences over the death of Kem Ley, who was shot by a gunman,” Hun Sen said on his Facebook page. “I condemn this brutal act.” He ordered an investigation into the killing and urged authorities to clamp down on firearms and explosives.

A 38-year old man has been arrested and admitted to killing Kem Ley in a dispute over money, Cambodia’s interior ministry said.

In a news conference, police presented the arrested man, who had blood on his head and shoulders, and was identified as Chuop Somlap, which means “meet to kill”.

“It’s hard to believe that this is his name. It may be fake,” Phnom Penh’s chief of police, Chuon Sovann, said. “We continue our investigation into people who are behind this.”

Videos of the suspect's confession spread widely on social media. Reuters was unable to independently verify the video.

A witness said they saw Kem Ley's body lying in a pool of blood on the floor of the store, with hundreds of onlookers gathered around. A water bottle and a mobile phone were nearby. Kem Ley's pregnant wife, Pou Rachana, wept.

"I don't know what happened. Somebody just called me and said that he's shot," Pou Rachana told Reuters. "He's already dead," she added, as investigators kept her away from the body of her husband.

Supporters gathered at the petrol station to prevent police from taking away the body, as some of them wanted to carry it on a march through the streets of the capital.

The US embassy in Phnom Penh said Kem Ley was one of Cambodia's most prominent political analysts. Britain's envoy called his death a serious loss to Cambodia.

Political tension is growing between Hun Sen and the opposition Cambodia National Rescue party (CNRP), which wants to take on the prime minister in local elections in 2017 and a general election in 2018.

A popular political commentator and researcher, Kem Ley was frequently critical of Hun Sen's administration, having most recently commented on a report by anti-corruption pressure group Global Witness.

That report, which accused the prime minister and his family of having amassed \$200m (£154m) in business interests, has been dismissed by a government spokesman as propaganda.

Reuters in Phnom Penh

* The Guardian. Sunday 10 July 2016 11.48 BST Last modified on Sunday 10 July 2016 22.00 BST:
<https://www.theguardian.com/world/2016/jul/10/cambodian-government-critic-shot-dead-phnom-pen-h-kem-ley-hun-sen>

Footnotes

[1] <https://www.globalwitness.org/en/>

[2] <http://www.licadho-cambodia.org/reports/files/176LICADHOREportHumanRightsReview2012English.pdf>