

HRC briefing

Cyber Slavery in the Scamming Compounds

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Research
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Local insights, global impact

Why you should care

- Cyber slavery is emerging as a form of organized crime of **unprecedented severity and scale**. Conservative estimates suggest that tens of thousands of victims are held captive in scamming compounds.
- While getting spammed with fraudulent messages is now an everyday occurrence, this inconvenience may actually be rooted in a malignant new form of modern slavery.
- As the scamming activities operate virtually, those running the rackets **can easily shift their operations** from one country to another. This makes it extremely hard to combat the crime by physically arresting the criminals (e.g. raid and rescue). We urgently need a systemic and coordinated approach from governments and NGOs.

Background

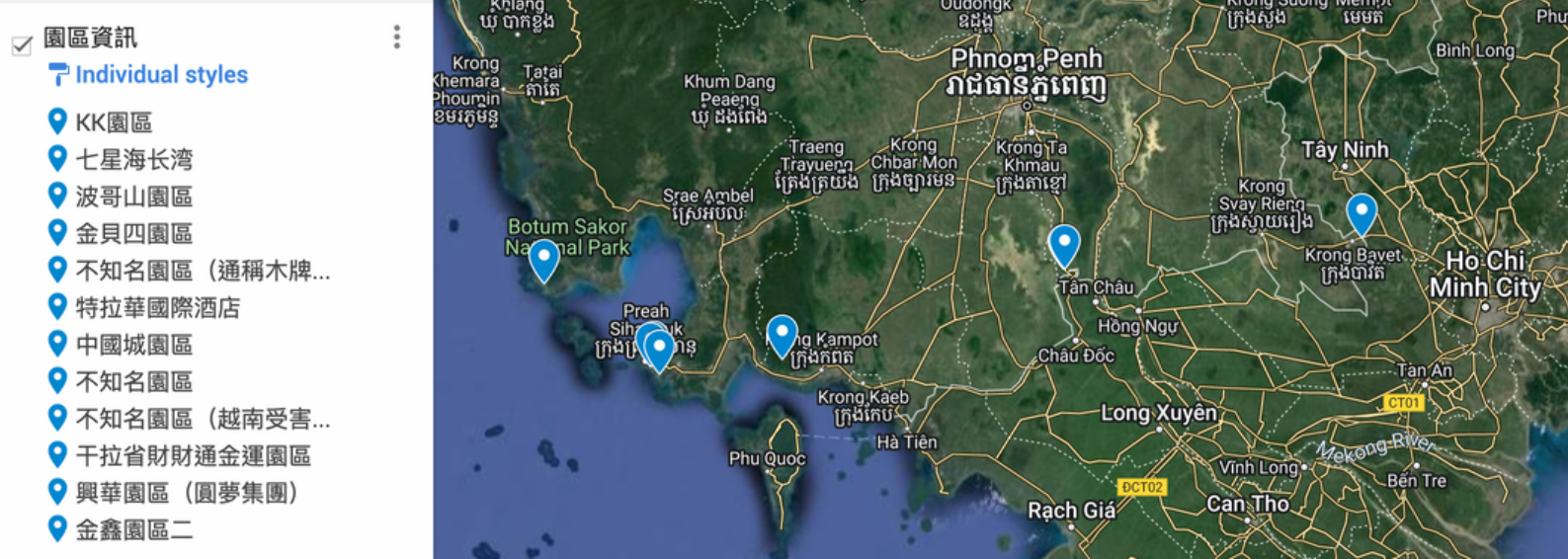
In early July 2022, Humanity Research Consultancy (HRC) got word of a 24-year-old Taiwanese girl, Pipi (pseudonym), being sold four times and forced to conduct online scamming in the scamming compounds in Sihanoukville, Cambodia. Pipi refused to submit to the criminals and was physically abused severely before being rescued.

In the following weeks, hundreds of cases and SOS messages from potential victims or their families came to light. As of 31st August 2022, there have been more than 600 confirmed cases* of Taiwanese citizens trapped in compounds in Cambodia and Myanmar. They are forced into scamming and sold between gangs and traffickers. The real number is believed to be much larger.



Picture: Pipi in Sihanoukville, Cambodia. Selfie took while she was trafficked and locked in one of the scamming compounds in June 2022. Pipi spread the SOS message through her Instagram in June 2022 and was subsequently rescued in July 2022 through collective efforts, including one Taiwanese YouTuber, Global Anti-Scam Org (GASO), China-Cambodia Volunteer Team (中東義工隊) and other stakeholders. Pipi was forwarded to HRC as one of the first known Taiwanese trafficking survivors. Pipi was the first recipient of HRC's Oasis Fund, a survivor emergency support fund, and she is now partnering with HRC to take action. Pipi is a brave, outspoken survivor leader who is playing a crucial role in raising awareness in Taiwanese society and catalysing the Taiwanese government's actions in addressing the crime.

*Numbers given by the International Criminal Affairs Division, Criminal Investigation Bureau, Taiwan



Where are the compounds?

Cambodia and Myanmar have been the primary destination countries for victims of cyber slavery. While most cases and scamming compounds (詐騙園區) take place in Sihanoukville, Cambodia, many victims are also kept in:

- Bokor Mountain, Cambodia
- Areas around the Bassac river, near the border between Cambodia and Vietnam
- Wa State and Myawaddy, Myanmar
- Laos, The Philippines, Dubai, Nepal, and several other countries. Anecdotal information shows that traffickers may have started moving their operations to other countries.

Sihanoukville and the SSEZ

Both Sihanoukville city and the Sihanoukville Special Economic Zone (SSEZ) are products of China's Belt and Road Initiative. The environment allowed gambling to prosper, which attracted gangs and mafia who set up prostitution and other forms of organized crime. Debt, weapons, violence, and corruption gradually became familiar. Lavish casinos and hotels have transformed the landscape dramatically, and the cost of living in Sihanoukville has soared, forcing locals to move away. Despite that, between 2013 and 2019, a large influx of Chinese investors, speculators, workers and criminals tripled the population. Sihanoukville became a predominantly Chinese-operated city.

Two significant factors have disrupted this development - Cambodia's ban on gambling in 2019 and COVID-19. Tens of thousands of Chinese citizens left Sihanoukville in 2019 and left a vacuum for criminals, shifting from the gambling business to online scams. Hotels and resorts were turned into offices for lucrative scamming activities. Wealth makes corruption possible; corruption allows criminals to operate with impunity. While the earliest victims working in the scamming industry were Chinese, due to China's strict border control policy, since 2021, criminals have started recruiting victims from other countries and the price of trading human beings has multiplied.

Who are the victims?

HRC is in touch with victims and their families or friends from **Taiwan, China, Hong Kong, Vietnam, Bangladesh, India, Indonesia, Sri Lanka, and America**. These are victims for whom HRC has names and confirmed identities in our database. Survivors told us they have also seen other victims from **Georgia, Russia, Malaysia, Thailand**, and many other countries.

Most victims are between 18 to 30, with mixed gender profiles. At the same time, there are also reports of victims as young as 14-year-old*.



Picture: a screenshot of a conversation in Telegram. The three Chinese boys from Sichuan were born in 2006 and 2007. The company, or human trafficker, is providing a bounty of US\$ 10,000 for the three boys who have just arrived in Cambodia but got lost (most likely escaped). Photo credit: https://mp.weixin.qq.com/s?__biz=Mzg4NTYyNTYwNQ==&mid=2247489414&idx=1&sn=d659372832b9e955acc9d26cf1c59b97&chksm=cfa751ecf8d0d8fa2d2d955b9736c9eec9d44f9dd2d8b6d849d51c1d5083a15c5ad4dda5e57f&scene=178&cur_album_id=2510599014774456321#rd

*Ye, Y. (2022). In Cambodia, a Network Rescuing Trafficked Chinese Teens Is Unraveling. Sixth Tone. <https://www.sixthtone.com/news/1010752/in-cambodia%2C-a-network-rescuing-trafficked-chinese-teens-is-unraveling>

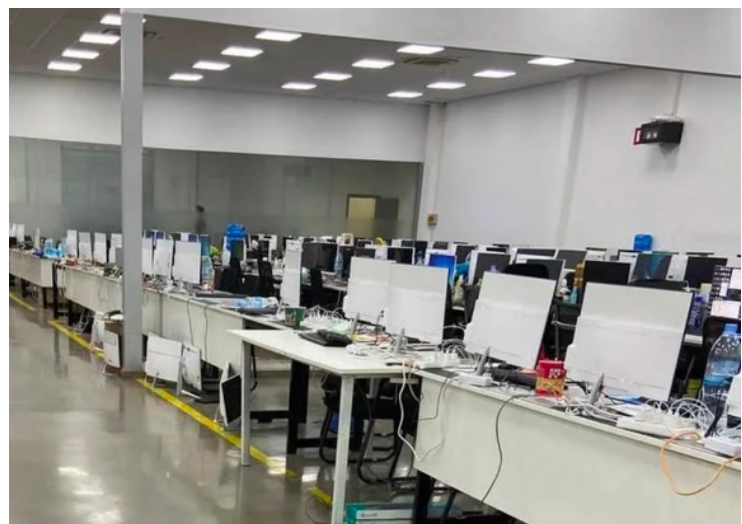
How many victims?

Survivors described that sometimes there would be around 30 to 60 victims in one scamming office, 2 to 4 offices on one floor, and up to 10 floors in a building. The size of the buildings varies, but on average, **a building may hold up to more than a thousand victims**. Buildings and compounds like this are in the hundreds. The satellite image (next page) allows the calculation and estimation of victim numbers. At least **tens of thousands of victims** are held captive in these scamming compounds.

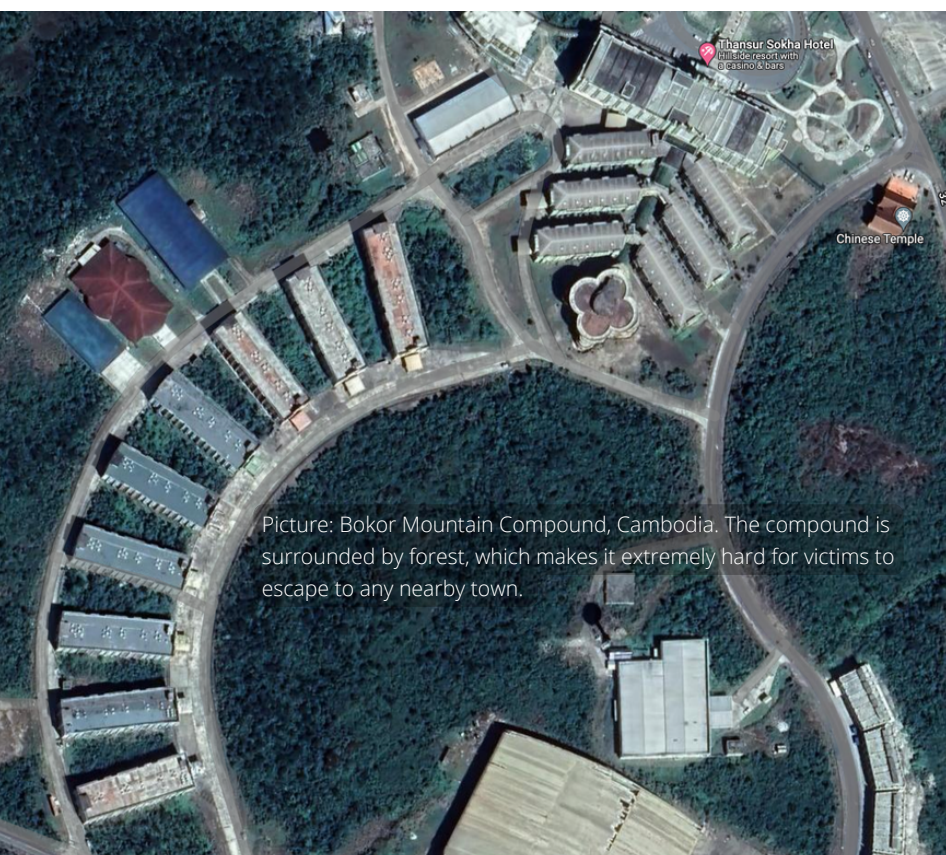
A Conservative Estimation

50 (victims/office)
x2 (offices/a floor)
x5 (floors/a building)
x50 (buildings)
=25,000

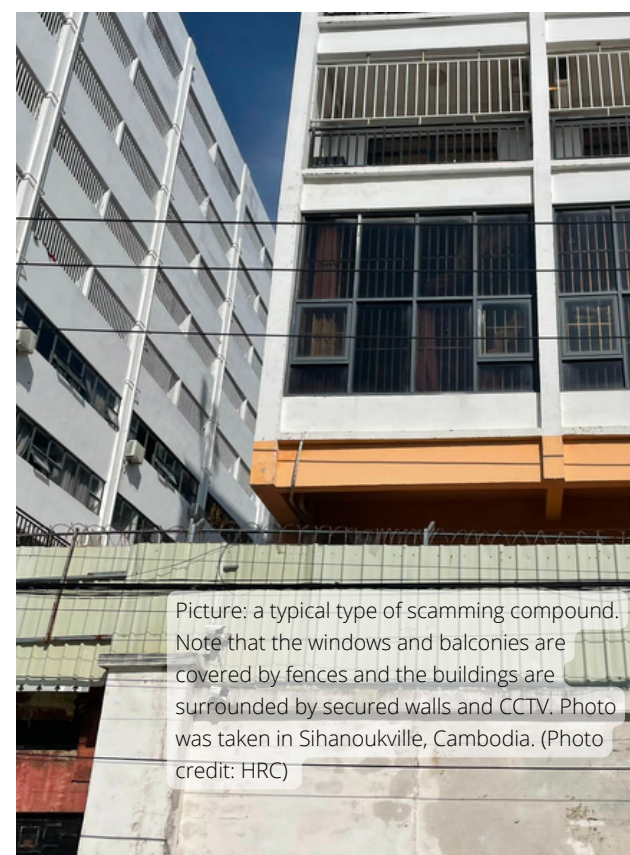
Picture: scamming office, a photo leaked by survivors



Picture: The notorious China Town compound located in Sihanoukville, Cambodia. China Town compound is one of the largest known compound.



Picture: Bokor Mountain Compound, Cambodia. The compound is surrounded by forest, which makes it extremely hard for victims to escape to any nearby town.



Picture: a typical type of scamming compound. Note that the windows and balconies are covered by fences and the buildings are surrounded by secured walls and CCTV. Photo was taken in Sihanoukville, Cambodia. (Photo credit: HRC)

What are the indicators of human trafficking/modern slavery/forced labour?

Victims and survivors from the scamming compounds described what they faced:

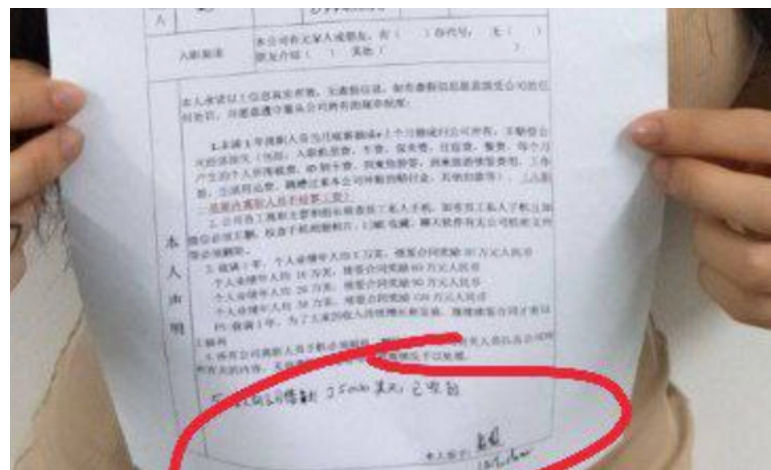
- **Restriction of movement.** All survivors said they couldn't leave the building or the scamming compound. Attempting to escape may result in severe physical violence or death.
- **Physical and sexual violence.** Victims were beaten, electronically shocked and raped.
- **Victims are sold openly between their employers/enslavers.** Pipi, the victim that HRC first encountered, was sold at USD 25,000. Almost all victims described being sold multiple times, mainly when their performance is low in scamming.
- **Debt bondage.** All victims were told that they owed the company/enslaver money. The fee the companies claim includes food, accommodations, 'air-breathing fee', 'keyboard wearing fee', 'floor wearing fee' and other deceptive items. Enslavers added the cost they used to purchase victims onto victims' debt. In Pipi's case, her price (USD 25,000) was deemed her debt by the company that bought her and forced her to work to repay the debt.
- Other indicators include **abuse of vulnerability, deception, isolation, intimidation and threats, retention of identity documents, withholding of wages, abusive working and living conditions, and excessive overtime.**



Picture (left): A Taiwanese victim being severely tortured. His death was confirmed in August 2022.

Picture (middle): A Chinese victim, Mr Wen, jumped off the fourth floor, which resulted in severe injury.

Picture (right): Pipi holding the statement indicating that she was sold at US\$25,000.



How were victims recruited?

We have confirmed five recruitment methods traffickers used to lure slave victims into the scamming compounds.

- **Recruit through legal, primary job matching websites.** Traffickers pretend to be regular companies (e.g. gaming companies) recruiting workers.
- **Recruit through private job matching groups on social media.** Traffickers use Facebook groups and other social media to approach and lure victims.
- **Recruit through personal networks.** Some victims reported that they were invited by their university or high school friends who were already working in Cambodia or Myanmar. Some victims also described that they were assigned to the 'human resource' department in the scamming compounds and were forced to lure 5 to 10 more victims to join the company.
- **Traffickers pose as potential clients to lure professionals.** Traffickers pretend to be potential customers, inviting magicians, interior designers, and tour guides to visit Cambodia and provide services.
- **Traffickers kidnap victims on the street.** Some victims were kidnapped during their visit to Cambodia and forced to work in the scamming compounds.



through legal,
major job
matching
websites

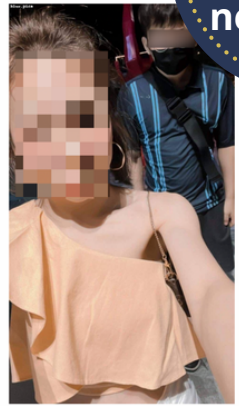


through job
matching
groups on
social media

Traffickers
pretend to be
potential
clients

through
personal
networks

through
kidnapping



Chen Meiyue (left), the friend who recruited Zhen Xu (right)



Picture (lower left): GASO.
<https://www.globalantiscam.org/post/is-human-trafficking-victim-still-a-victim-in-the-end>

Picture (lower right): ET Today.
<https://star.ettoday.net/news/2316325>

What were victims forced to do?

Different 'companies' or criminal operations tend to specialise in various scamming functions, including targeting specific types of 'clients' or scamming victims. One primary scamming style is called the "pig-butchering scam."

"My company/enslaver specialised in scamming the North American market, and that's why they particularly want workers/slaves who understand English. My company has the ability to obtain endless new American phone numbers to send SMS to potential scamming victims. We send messages like "hey are you going to the weekend party?" and once they reply "you send it to the wrong person", we will reply really politely, and start making them fall in love with our characters. The goal is to make them invest in our platform. Some victims sold two houses and lost millions to my company/enslaver." - one trafficking victim's testimony describing how pig-butchering scam works.

Traffickers understand psychological tactics:

- **Creating a charming persona** - a caring, hard-working, loving person who cares for parents and kids.

- **Customising favoured stories** to targeted clients/victims. Characters who have been through a harsh divorce, or been mistreated in life, would be presented to highly educated female victims to win their empathy.

- **Creating arguments and drama** with the clients/victims, conducting emotional blackmail and making sure scamming victims are emotionally invested and quickly feel like they are in a relationship.

Picture: one of the fake cryptocurrency investment websites that victims shared with HRC. This is what they were forced to use to scam victims' money. website link: <https://www.jbcoin-ex.com/p/pc/397788>

The screenshot shows a mobile application interface for a fake cryptocurrency exchange. At the top, there's a search bar and a navigation menu. Below that, a banner for 'Jubi' with the text 'Future life answers' and 'Wisdom changes lives' is displayed. A table of market data follows:

BTC/USDT	ETH/USDT	XAU/USD	AUD/USDT
19,806.53	1,542.46	1,713.600	0.6847
-2.70%	-5.74%	-0.01%	+0.08%

Below the table, there are several service buttons: 'Buy Crypto' (Support BTC, USDT, ETH, etc.), 'Deposit', 'Withdraw', 'Online service', 'New Coins', 'Time Limit', 'Contract', 'Download APP', and 'More'. At the bottom, there's a 'Market Order' section with a 'Time Limit' offer and a 'Derivatives' section. The bottom navigation bar includes 'Home', 'Market', 'Trade', 'Order', and 'Balances'.

Scammers' playbook

Scammers trying to understand clients/victims' financial status

你平时有打高尔夫的习惯吗? Do you usually play golf?

高尔夫娱乐我认为除了可以调节人的情绪以外还可以增加人的大脑的记忆力, 锻炼判断思考能力。Golf entertainment I think that besides regulating people's emotions, it can also increase the memory of the human brain and exercise the ability of judgment and thinking.

我其实周末会偶尔计划约上朋友进行高尔夫娱乐, 在周末你通常都做什么? In fact, I occasionally plan to meet friends for golf entertainment on weekends. What do you usually do on weekends?

(二次了解客户周末的行为习惯)

(In Chinese: "to understand the clients' weekend behavior pattern")

有机会希望你也可以来到香港, 我们一起娱乐高尔夫 I hope you can come to Hong Kong and play golf with us.

字写在纸上

7. 你先自己练习, 然后发图给我看你写的怎么样。我现在要做手术了 You practice by yourself first, and then send me a picture to see how you write. I'm going to have an operation now

8. 我把加密货币操作称为手术, 我接到分析师的建议, 刚刚操作了一次, 猜猜我赚了多少钱 I call cryptocurrency operations surgery, I received advice from an analyst and just did one and guess how much money I made

9. 我刚才赚了 15 万美元, 市场就是这样, 专业的事情交给专业的人去做, 我们只需打开手机花上几分钟交易就可以了 I just made \$150,000, that's the way the market is, professional things are done by professional people, we just turn on our phones and spend a few minutes trading

10. 盈利截图 ps: 赚了多少钱以盈利

小元阳
My mother's birthday is coming. I haven't given her any presents before. I want to give her a little present this time
6. 你的眼光太好了, 我也觉得这一个更好看, 看起来也更光滑, 而且我觉得非常适合我的妈妈
7. You have a good eye. I also think this one looks better and feels smoother. And I think it fits my mother very well

以前都是父母在承受整个家庭的担子, 希望现在能让他们好好的享受生活关键是玉有灵气, 去除百病 有益健康
In the past, it was the parents who bore the burden of the whole family, and I hope that now they can enjoy life properly The key is that jade has aura, removes all diseases and is good for health

父母给了我最好的生活, 从小父母对我的要求期望很高, 我没有让他们失望。我以优异的成绩进入香港理工大学
My parents gave me what I thought was the best life possible. Growing up, my parents had high expectations of me and I did not let them down. I entered the Hong Kong Polytechnic University with excellent grades.

(Scammers creating a positive persona that takes care of children and parents)

8. 虽然他们没有说过累和苦, 但我把它们记在心里, 这就是为什么我要努力工作, 让我父母不在担心我最好的理由
Although they didn't say they were tired and bitter, I took them to heart, which is why I have to work hard so my parents don't worry about me for the best reason

(In Chinese: "The seventh day; third cut". This means the third time to bring up the investment topic.)

第七天三切

1. 美好的一天又开始了, 你今天做了些什么? A beautiful day has begun again, what did you do today?
(不管客户回答做什么, 都可以称赞客户做的事情)

2. 昨天分析师告诉我的加密货币交易将在 10 分钟后开始运行, 虽然每周都要操作几次, 但是这一次的特大行情我现在都有点兴奋和你相处了这么久, 我觉得我们是两个有趣的灵魂, 彼此有共同的爱好, 有共同的话题。我想问你一个很重要的问题。Yesterday the analyst told me that the cryptocurrency trading will start running in 10 minutes. Although I have to operate it several times a week, I am a little excited about the huge market this time. I have been with you for so long. I think we are two. Interesting souls have common hobbies and common topics. I want to ask you a very important question.
(In Chinese: "reply after 30 mins")

半小时后回复
3. 刚才的 15 分钟让我赚了 50 万美金 (金额自己的客户根据情况而定) I made half a million dollars in the last 15 minutes

4. 在我交易的三年时间里, 我的胜率达到了 95% 以上。你知道为什么有这么高的胜率吗? In the three years I was trading, I had a winning percentage of more than 95%. Do you know why the winning percentage is so high?

5. 这都是取决于我的分析师团队跟着普通分析师的区别。It all depends on the difference between my analyst team and the average analyst.
6. 和你相处了这么久, 我觉得我们是两个有趣的灵魂, 彼此有共同的爱好, 有共同的话题。我想问你一个很重要的问题。

Recommendations

	What we have seen	Recommendations
1	There is evidence of some Cambodian government officials (including police) involved directly in selling victims. There are also victims being ignored by the current official complaint mechanism.	(Cambodia) Take immediate action to establish a functioning, responsive, trustworthy channel for victims to raise complaints and be rescued.
2	Even after victims were rescued and gave testimonies and evidence of experiencing human trafficking, traffickers still operate with impunity.	(Cambodia) Take immediate action to investigate, arrest, and prosecute the traffickers.
3	Scammers or traffickers are incentivised to enslave victims to conduct scams, as it is lucrative and feasible. Victims of scams are contacted through SMS and social media platforms. Scammers are able to harvest mass phone numbers and information by exploiting the system's loopholes.	(International) Strengthen the telecom system to ensure scammers are not able to exploit the system to harvest potential scamming victims' personal information (e.g. phone numbers)
4	Scammers are able to instruct scamming victims to transfer millions, without being stopped by the financial system.	(International) Strengthen the financial system to ensure suspicious transaction will be stopped or made difficult.
5	Crypto scammers took a record of 14 billion in 2021, and the majority of the scamming victims are in Western countries.	(International) Elevate countering cyber frauds with higher priority and allocate extra resources to do so, with the understanding that allowing cyber fraud may mean allowing modern slavery to happen in the fraud industry.

Timeline



In 2008, the Sihanoukville Special Economic Zone (SSEZ) was established.

In 2010, China and Cambodia signed The Agreement between the Government of the People's Republic of China and the Government of the Kingdom of Cambodia concerning the Sihanoukville Special Economic Zone.

In 2013, the Belt and Road Initiative was launched by China's Xi Jinping. According to the Chinese government, SSEZ is considered to be the role model for China's Belt and Road Initiatives.

In 2019, the Chinese population in Sihanoukville reached 250,000 (compared with 80,000 in 2013.) The official statistic in July 2019 shows that 90% of the business in Sihanoukville were owned by the Chinese.

In August 2019, the Cambodian government issued a directive banning all online and arcade gambling in Cambodia. Around 400,000 Chinese left Cambodia due to the ban between 2019 and 2020.

In June 2021, Global Anti-Scam Organisation (GASO) was established. GASO is an organisation formed to support victims of scams and victims of slavery in the scamming business.

On 10 March 2022, 35 human rights organisations from Cambodia, Thailand, Malaysia, Singapore, Pakistan, India, and Myanmar issued a statement expressing concerns about the slavery compounds.

On 11 August 2022, HRC and multiple Taiwanese MPs and one survivor hosted a press conference urging the Taiwanese government to address Taiwanese citizens being enslaved abroad, particularly in Cambodia, the first press conference of its kind.

Business and Human Rights Resource Centre. (2020). Cambodia: the government banned online gambling, resulting in around 400,000 Chinese leaving Cambodia (柬埔寨：政府禁止網絡賭博，禁令導致約40萬中國人離開柬埔寨) Available at: <https://www.business-humanrights.org/zh-hant/%E6%9C%80%E6%96%B0%E6%B6%88%E6%81%AF/%E6%9F%AC%E5%9F%94%E5%AF%A8%E6%94%BF%E5%BA%9C%E7%A6%81%E6%AD%A2%E7%B6%B2%E7%B5%A1%E8%B3%AD%E5%8D%9A%E7%A6%81%E4%BB%A4%E5%B0%8E%E8%87%B4%E7%B4%8440%E8%90%AC%E4%B8%AD%E5%9C%8B%E4%BA%BA%E9%9B%A2%E9%96%8B%E6%9F%AC%E5%9F%94%E5%AF%A8/>

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Ministry of Commerce of the People's Republic of China. (2011). Brief Introduction of Sihanoukville Special Economic Zone (SSEZ). Available at: <http://cb.mofcom.gov.cn/article/zxhz/sbmy/200904/20090406149906.shtml>. The agreement introduced investment policies including:

- Investors may enjoy the tax holiday for a maximum of 9 years;
- No tax when reusing the profits to invest;
- No export tax for exported products;
- No foreign exchange restrictions and foreign exchange capital can flow in and out freely.

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The Chinese government (2018). SSEZ, The Win-Win Role Model of China and Cambodia's Collaboration (西港特区——中柬合作共赢的样板) Available at: http://www.gov.cn/xinwen/2018-01/11/content_5255758.htm

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