13 REASONS WHY SGSOCS/HERAKLES’S PROJECT IN CAMEROON MUST BE STOPPED IMMEDIATELY

1. The Establishment Convention between the company and the Government violates international human rights conventions and the Cameroonian penal code. The contract explicitly situates itself above national law by specifying that its terms apply in case of conflict between its provisions and national law. (The Establishment Convention is available at http://cameroonveritas.wordpress.com/)

2. The Establishment Convention accords the company far more rights than are necessary for oil palm cultivation: the right to water (for free) and other natural resources, and carbon rights.

3. The Environmental and Social Impact Assessment of the project was modified by the company. The two versions of this Environmental and Social Impact Assessment are available at http://cameroonveritas.wordpress.com/.

4. The High Conservation Forest and fauna and flora assessments produced by the company are of mediocre quality, and were rejected by international bodies. The region is however known to be a biodiversity hotspot.

5. The project will take nearly all of the land communities need, without free and informed prior consent and adequate compensation.

6. The company is guilty of illegal logging, having felled trees in the zone it’s trying to incorporate into its concession. Forestry Ministry inspectors have produced a report on these illegal activities.

7. The revenue that the State will gain from this project is insignificant: a land rent between USD 0.5 and 1.00 (250 FCFA and 500 FCFA) per hectare per year for 99 years, a particularly favorable fiscal regime that will considerably reduce the taxes paid by the company, and the granting of carbon rights. A ton of carbon is worth at least USD 5.00 (2,500 FCFA), and a forest such as the one Herakles has its eye on can stock up to 250 tons of carbon per
hectare; this income may represent around 45 billion FCFA per year for all 73,000ha. This figure may vary depending on the carbon market. At the time of contract signature, the value of the carbon was about 145 billion FCFA. The price is expected to go up in the future.

8. The company still doesn’t have a land lease. Its Establishment Convention is a framework document but doesn’t grant land rights over a specific zone. The company’s presence in the site where it’s found is thus illegal.

9. The company doesn’t respect the Cameroonian Justice System. It violated a decision of a Mundemba court ordering it to suspend all development activity of its plantation, following a complaint filed by local people. The company ignored this decision whose existence moreover it has denied in writing.

10. Community consultation has been inappropriate, the company failing to have always presented all the details and implications of its project. Also, the demarcation of what it presents as its concession was carried out in numerous cases in the absence of the local people whose lands are going to be affected.

11. SGSOC/HERAKLES has lied to its investors, the Government of Cameroon and communities by claiming on numerous occasions that its operations would respect the highest environmental and social standards. Its recent withdrawal from the Roundtable on Sustainable Palm Oil (RSPO) demonstrates its incapacity to satisfy the demands of this institution’s standards. The company has recently associated itself with a new German investor, Acazis, whose history in Ethiopia is a worrisome.

12. The vast majority of local community members oppose the project, and have expressed this in many ways.

13. Why does the company want absolutely to impose its agro-industrial project in a zone where support to family agriculture would help fight poverty more effectively and strengthen national food security?