

On 20 March, 2012, Herakles Farms/SG Sustainable Oils published a response to criticisms of their planned 70,000 hectares oil palm plantation in South West Cameroon (see: http://www.business-humanrights.org/media/documents/company_responses/herakles-response-re-ced-cameroon-20-mar-2012.pdf)

The following letter, written by a Cameroonian with intimate knowledge of the plantation, responds to Herakles Farms

Responses to Inquiries Regarding the Sustainability and Interventions of Herakles Farms SG Sustainable Oils Project in South West Cameroon-20 March, 2012

It is difficult for anyone conversant with this matter to remain silent when a company enjoying the reputation it says it has makes glaring misleading statements on such a topical issue as the SG SOC operations in Cameroon, in purported response to the worldwide criticism of the project and more especially so for someone like I who is a native of the proposed project area and who has been watching SG SOC manures to illegal grab our land very closely over the past few years.

Herakles Farms should stop playing the ostrich and address the important issues environmental concerns, human rights issues, the social cultural and any rights of the local communities involved, the impact of the project (both positive and Negative) much more objectively and sincerely than they have been doing so far. They can hardly justify their attitude by saying that "unfortunately we launched the project at a time when there have been an increasing number of speculative investors seeking land in African Countries.

For the purpose of their reaction, I shall not concern myself with the success claims by Herakles Farms regarding their other business ventures elsewhere but with the Herakles Farms SG SOC Oil palm project in Cameroon; under the following subhead. However, I should state that to compare mining and telecommunication projects with an oil palm project is only to muddy the waters for the issues raised by these projects are quite different.

a) Jobs and Food Security:

Up to now, Herakles Farms has been trying to justify the SG SOC project by saying that it will create about 7.500 jobs for the Cameroonians jobs seekers. Now they have introduced the concept of "food security" into their scheme. For anyone who really knows Cameroon, if there is any food item which is not in abundant supply, it is certainly not palm oil. The oil palm tree does very well in almost three-quarters of the territory of Cameroon, and palm oil is produced every where by corporations and individuals. Of the giant corporations which are cultivating oil palm in Cameroon, Pamol Plantations, PLC is located in N'dian Division where SG SOC also wants to implant its own plantation. According to statistics provided by the NGO, CED, Cameroon produces 200.000MT of palm oil per year and exports 35.00MT. In addition, another company called Good Hope Asia Holding LTD already operating in Cameroon has the capacity of producing another 20.000 to 30.000MT per year. In my mind the question of food security raised palm oil falls flat to the ground.

The employment equation which Herakles Farms is raising to justify the SG SOC project in Cameroon is also suspect. What employment are they talking about. The people of working age who reside in the project area are actively occupied with their farming activities. They produce cash crops such as cocoa, coffee, palm oil etc to sustain their lives. Recently the Pamol, C.D.C. SOCAPALM all have viable programmes for small out growers for crops such as palm, rubber etc. Government of Cameroon employed 25.000 young Cameroonian graduates. At least the unemployment situation in Cameroon is not as acute as it is in many countries today. If Herakles Farms want to play the role of a father Christmas, why not take their benevolence elsewhere it is more in need?

The critical question here is why is Herakles Farms trying to hide its profit motive in its proposed investments in Cameroon? why did Herakles Farms not consider the option of

cultivate the crop and supply to them, SG SOC. supply only technical, financial and logistical support? I do not intend to say anything about the many incentives offered Herakles Farm for its SG SOC venture in Cameroon which greatly guarantee them a high profit margin on their investment and many other advantages. Herakles Farms have themselves acknowledge this. Herakles Farms have said somewhere else that they expect to earn an annual return of \$70m on its expected investment of about \$700m in the project. In the light of these figures, Herakles Farms should desist from giving the impression that they came to Cameroon for charity.

Herakles Farm desire to get a law concession in Cameroon for 99years is driven by the motive to make super profits, if I may say so, pure and simple. Going by their figures if they make an annual return of \$70m, they would realize the whole of their investment within a period of only ten years. If granted the lease for 99years, Herakles Farms will be earning super profit for the rest of 89years.

b) Timber: SG SOC./Herakles have denied on several occasion and in various reports that it will not cut down primary forest in order to palm oil trees.Indeed, they have tried to convince people that there is very little primary forest in the proposed project area. They now contradict themselves when they now admit that the government bear the cost of harvesting it, thereby resulting in immediate profits for the country. "If one may ask where is the agreement between the Cameroon government and the SG SOC. concerning the handling of the timber which will be felled? What Herakles Farms is saying here is not contained in the establishment convention.

C) Relations with the customary communities:

Herakles Farms claims to have signed memorandae of understanding with the in and around the concession area as well as Common Commitments with local officials. Unfortunately, since these documents are private documents one cannot compel Herakles Farms to publish them. However some of us, being members of the affected communities have read the so-called M.O.U'S and common commitments. The so-called, M.O.U'S (besides other weaknesses) are so deficient in content and written in so loose languages which is likely lead to serious problems of interpretation in the event of a dispute,that I am embarrassed that a company such Herakles Farms should even mention them when talking to the international community.

It is not true that Herakles Farm shads signed the M.O.U'S with the local communities in and around the proposed project area. There are only two M.O.U'S which I know off-one for Nguti Subdivision and the other for Mundemba and Toko Subdivisions. Apart from the fact that these M.O.U'S were not the result of a comprehensive, and popular discussions with the local people, they were signed by a few individuals hand picked by some local bullies who cannot pretend to speak for anybody and worst of all no statutorily competent official of SG SOC signed them. So the so-called M.O.U'S are not an agreement. As to the common commitments, whatever that means, they were made by local S.D.O's without holding any dialogue whatever with the members of the communities.

Herakles Farms claims that over 1000farms have been jointly demarcated with the participation of local people, government officials and company representatives. This is news to me and I am in a position to know if any such exercise had taken place at all any where within the project area. Herakles Farms should tell the world where and when did this demarcation take place. Was it before, during or after their ESIA for this report says nothing about that?

Herakles Farms further claim that they have had positive talks with a number of local non-governmental organization (NGO) with which they will partner. Which are these NGO's? when and where the talks held?

Herakles Farms in its so-called social programme claims to have commitments to provide schools, hospitals, water etc. If their project takes off, Herakles are, by Cameroonian law,

required to provide these facilities to their plantation workers. If at all they do anything like that it is in furtherance of their business and nothing more. As regards schools and colleges, the Cameroon government is already doing much in the domain of providing education to her citizens, and we do need Herakles/SG SOC for that purpose.

These is one issue which Herakles has all along been skirting around, not wanting to articulate on it properly in relation to the resistance of the local communities to the project, and that is the quantity of land which may reasonably be available for a plantation in the area under discussion. The worries of the local populations concerning the SG SOC project are two fold:- (i) the delimitation of the SG SOC concession. The area over which is presenting in the form of a map which does not show the present land use systems in the area. this area, therefore, includes the local peoples' existing farms, land left fallow for future cultivation, hills, valleys, swamps and village settlements. The legal implication if a lease is granted to SG SOC without the necessary adjustments made on the map, SG SOC would become the owner of all the area covered by the map for the next 99years. The local peoples inhabiting the area will become tenants at will of SG SOC who can be pushed out at any time without any other legal process. Further more, if this unfortunate situation should occur, the inhabitants of the area will not also be able to obtain "land "certificates" aver their individual farms since the government cannot derogate from its grant to SG SOC. Recently the government of Cameroon announced the setting up of a special bank to assist farmers. That bank will obviously require collateral security for the loans it will grant, ane one of the most accepted collateral by our banking institution is titled land. If the farmers in the SG SOC project area do not have land certificates, they would surely be disadvantage as far as the facilities provided by the Farmers' Bank are concerned what alternatives has SG SOC provided?

(ii) the other worry is the quantity of available land. Herakles states that there are only 8.299 people living in the area according to their surveys the details of which are not provided, and this contrary to will established population statistics. Herakles Farm s have either deliberately or negligently not taken also into consideration the population growth rate and what the population figure will likely b ein the years too come, and the consequent increase in the demand for land. The true fact is that taking into consideration the other into which the land has been put there is no way that SG SOC can have 70.00hectares of land in the proposed project area unless they intend to eliminate everybody in the area.SG SOC has not even given a thought to the fact that establishing the plantation would attract other people from other regions of Cameroon, and that there Plantation Population would need land to cultivate their food crops. Where will the extra land come from?

If at all there is a a human face in the ambitions of Herakles Farms to grabs our land, then I agree with the recommendation of Mr. John De Marco as published in this reaction to Herakles Notification to RSPO of his new plantings dated March 2012, that Herakles Farms should go back to the drawing board to redesign the project on a smaller scale (possibly up to 5.000ha in each Division while the affected people and other stakeholders.

d) Outcome of the Litigation against SG SOC in Ndian High Court.The statements of Herakles Farm regarding the conduct and outcome of the litigation are so much embarrassing that I wonder who is telling who a lie here. On 31/8/2011, the President of the High Court of Ndian placed an injunction on the activities of SG SOC pending the final determination of the substantive matter before the Court. Instead of complying with the Court Order, SG SOC wrote an unfounded petition +against the judge. Herakles Farm estate that the judge was only replaced due to his afflictions that could have produced a biased outcome, but that could have failed to state those "affliction" they allude to. However, the judgment was replaced by another judge who handed down his judgment on 27/02/2012 granting all the prayers of SEFE, the Plaintiff in the case. the Court ordered, in part, as follows while confirming the previous orders of 31/8/2011:-

(i) that SG SOC should carry out a proper environmental and social impact assessment in the proposed project area so as to ascertain the negative impacts of its project and to propose appropriate solutions.

(ii) that the activities of SG SOC are temporarily suspended until they sign appropriate Mou's with the local people.

(iii) that SG SOC pay compensation to the local people for the loss of their land and customary rights.

To Herakles Farms, does this amount to a dismissal of the Plaintiff's case as they say?

e) Environment : The experts have already written about this issue that there is nothing I can add nothing to the expert's opinions. We of SEFE have, however, been vindicated on this issue since Herakles Farms themselves have impliedly admitted the inaccuracies in the SG SOC ESIA which they published in September 2011.

Malle Adolf, March 2012