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Press release

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New oil palm land grabs exposed:

Asian palm oil companies run into trouble in Africa

Indonesia's largest palm oil company, Sinar Mas, ran into trouble recently when communities in Liberia complained¹ about a 33,000 ha. operation being developed on their lands by its indirectly-owned subsidiary, Golden Veroleum in Butaw District, Sinoe County. Alfred Brownell, the lawyer from Green Advocates representing the Kru tribes impacted by the project who is attending the 10th Roundtable on Sustainable Palm Oil (RT10) being held in Singapore this week noted:

Golden Veroleum is in clear violation of the RSPO's New Planting Procedure as it has not advertised its plans to clear and plant oil palms and carry out and publicise a High Conservation Value Assessment in advance of expanding its operations. Under the RSPO procedure, the company should now cease clearance until due process is followed. The villagers are concerned that their lands are being taken without their fully informed or free consent.

This is the second palm oil development involving a prominent RSPO member to run into controversy in Liberia. Last year, a subsidiary of Malaysia's largest palm oil consortium, Sime Darby, was criticised for expanding its operations without respecting local peoples' rights. The company was in the early stages of developing a 220,000 ha. operation but was

¹<http://www.forestpeoples.org/sites/fpp/files/news/2012/10/Final%20complaint%20to%20%20RSPO%20on%20Golden%20Veroleum-%20Butaw-sinoe%20county%20%28%29.pdf>

halted in its tracks by complaints,² which, to its credit, the company has responded to by entering into dialogue with the communities.³

The spotlight is now on two large palm oil operations in Cameroon. One is planned by a company called BioPalm⁴, a subsidiary of India-based corporation Siva Group which is marking out its planned operations without consultation on the lands of the Bagyeli “Pygmies” in Océan Département in western Cameroon. The company claims to be an RSPO member but does not show up on the RSPO’s membership lists. Messe Venant, Project Coordinator of the community-based indigenous NGO Okani says:

As the affected Bagyeli communities have told us, the forest is their memory. If they lose it, they lose their past, their present and their future. They will no longer be Bagyeli. To destroy the forest is to reduce them to nothingness.

Another palm oil developer is SG Sustainable Oils Cameroon PLC (SGSOC), owned by Herakles Farms from the USA and an affiliate of Herakles Capital, which is also involved in the telecommunications, energy, infrastructure, mining and agro-industrial sectors in Africa. SGSOC is developing an oil palm plantation further north in Cameroon, but has also run into sustained opposition from local communities and concerned NGOs and has announced it will pull out of the RSPO.

Other cases are highlighted in a searching review of 15 companies’⁵ operations carried out by the Forest Peoples Programme and SawitWatch with a consortium of other NGOs and community organisations in Liberia, Cameroon, the Democratic Republic of Congo, the Philippines, Malaysia and Indonesia.

One case examined is the operation being developed by Genting Plantations, a client of HSBC, and a subsidiary of the vast Genting group which runs a casino, hotel and property empire in Malaysia. Both companies are prominent RSPO members. Genting is now in a protracted land dispute with the Dusun and Sungai peoples in Tongod District in Sabah over the imposition of the oil palm plantation. Leonard Alaza representing the Indigenous Peoples Network of Malaysia or Jaringan Orang Asal SeMalaysia (JOAS) at the 10th Roundtable of the RSPO underway in Singapore, says:

The communities have been objecting to this plantation since 2000 and filed a court case 10 years ago asking the court to recognise their rights and freeze the company’s expansion. But instead of recognising our rights, as the RSPO standard requires, the company has been contesting even the admissibility of our case and meanwhile has taken over and planted all the disputed lands.

² <http://www.forestpeoples.org/sites/fpp/files/publication/2011/10/fppletter-rspo-about-npp-violation-liberia-sept-2011.pdf>

<http://www.forestpeoples.org/sites/fpp/files/publication/2011/10/sime-darby-complaint-liberia-affected-communities-oct-2011.pdf>

³ <http://www.forestpeoples.org/sites/fpp/files/publication/2011/10/rspolettertolocalcommunityresimedarbyoctober2011.pdf>

⁴ <http://www.forestpeoples.org/sites/fpp/files/publication/2012/01/fpp-letter-siva-and-bio-palm-16-december-2011.pdf>

<http://www.forestpeoples.org/topics/palm-oil-rspo/news/2011/10/biopalm-plantation-will-lead-destruction-bagyeli-communities-camer>

⁵ <http://www.forestpeoples.org/sites/fpp/files/publication/2012/10/rspofpic23oct12.pdf>

Another case examined in the review⁶ concerns IOI-Pelita, co-owned by IOI Loders Croklaan, which is represented on the RSPO Board. IOI Loders Croklaan is a very large Dutch edible oils refining group. Its subsidiary IOI-Pelita has been in dispute with the Kayan and Kenyah peoples of the Middle Tinjar for 16 years. Marcus Colchester, Director of the Forest Peoples Programme, explains:

As an RSPO member, IOI is required to respect the customary rights of indigenous peoples. In this case, even when, after long delays, the High Court ruled that the community did have 'native customary rights' and the company's lease was null and void, the company chose to appeal the judgment.

The NGOs involved in the review are also very concerned by the slow progress being made by PT Asiatic Persada⁷ a subsidiary of the world's largest palm oil trading company, Wilmar International, in addressing human rights violations. Since 2009, following NGO appeals, the International Finance Corporation's Compliance Advisory Ombudsman has been seeking to resolve the land disputes between its client, PT AP, and local communities through mediated negotiations. Last year, PT Asiatic Persada bulldozed the houses of protesting Batin Sembilan people in Jambi, Indonesia, into surrounding creeks while police opened fire.

Another Wilmar subsidiary in West Sumatra, PT. Permata Hijau Pasaman, has failed to address requests from the Kapa community to negotiate with them about the lands it took over without full community consent. Yet another Wilmar subsidiary in Central Kalimantan, PT Mustika Sembuluh, is making slow progress in settling ongoing land disputes and water pollution problems with indigenous Dayak Temuan communities.

All this raises questions about whether the RSPO is really able to enforce its standards. In October, the Indonesian NGO SawitWatch has announced it will not stand for re-election to the Executive Board of the RSPO. Norman Jiwan, Social and Environmental Mitigation Head at Sawit Watch, says:

Sawit Watch calls on RSPO to tighten up its system. The RSPO is in the middle of reviewing its standard and it is obvious that the system needs improving as the RSPO's very credibility is at stake.

Ends.

Note for Editors:

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⁶ <http://www.forestpeoples.org/sites/fpp/files/publication/2012/10/sarawak-ioi-pelita-and-long-teran-kanan-september-2012-2.pdf>

⁷ <http://www.forestpeoples.org/sites/fpp/files/publication/2011/11/final-report-pt-ap-nov-2011-low-res-1.pdf>

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