Congo Basin: Report on expansion of oil palm plantations

In February 2013, the Rainforest Foundation UK launched a new report on plans for expansion of large scale oil palm plantations in the Congo Basin and the likely impacts on forests and local people from these developments. Megaprojects covering half a million hectares and involving different companies and countries in the Congo Basin are under way and will imply a fivefold increase of industrial oil palm monocultures in the region.

The report “Seeds of destruction” gives an overview of the expansion plans for oil palm in the Congo Basin and features specificcases of palm oil companies Herakles Farms, Olam and Atama Plantation SARL.

Atama Plantations SARL, mainly owned by the Malaysian WahSeong, and with a business focus in ‘specialist pipe-coating’, will develop 180,000 ha of oil palm plantations in a concession agreement that covers 470,000 hectares of mostly forest land in northern Congo. Evidence suggests that the area designated for clearance mostly appears to be intactrainforest. Despite no evidence of social and environmental assessments, nor of the free, prior, informed consent of the local people, the Atama development has started large-scale clearance of the forest.

Olam, the Singaporean agricultural commodities trading giant, has entered into a joint agreement with the Gabonese government to develop 130,000 hectares of palm oil in this forest-rich country, with the potential for significant environmental impacts, and uncertain social consequences, especially for traditional forest communities. The initial phase of the oil palm development is in Kango, in the Estuaire region, about 60km outside Libreville, and in another area slightly further south in Mouila, with large areas of high conservation value forests (see alsohttp://www.wrm.org.uy/bulletin/187/viewpoint.html#10).

New York-based Herakles Farms, founded by investment group Herakles Capital, is developing 60,000 hectares of oil palm plantations in Cameroon, some of them near several key wildlife sanctuaries and protected areas. The development, which has received generous tax breaks from the Cameroonian government, has been controversial locally, nationally and internationally. The strong opposition to the expansion, including exposure of secret negotiations between the company and Cameroonian officials when the contract was initially awarded in 2009 and belated direct consultation with affected communities that have been criticized for often involving gifts and other incentives led to Herakles recently halting its plans to seek certification under the Roundtable on Sustainable Palm Oil (RSPO) scheme. According to the latest information received via Palm Watch Africa, the future of the project seems to be in question since the Government of Cameroon’s Ministry of Forestry & Wildlife (MINFOF) issued an order that requests that the company cease preparing land near its Talangaye nursery, the resumption of activities “being subject to a declaration of public usefulness made to the zone where your entire project is located”.

Arguments such as creation of jobs and development of the agricultural sector are cited by governments applying these policies that promote large scale oil palm plantations. The reality

however too often is that after an initial boost of jobs for site preparation, more income is lost than generated due to the destruction and displacement of subsistence and small-scale agriculture. Pursuing this model of development of the agricultural sector also means large-scale deforestation, with all its consequences for forest biodiversity, cultural diversity, linguistic diversity and forest peoples' ways of life.

The huge asymmetry in political power between big companies supported by the government on one side, and forest dependent communities –mostly with no formal land rights and limited political voice and influence on the other side – are a common feature of this kind of "development".

The report by The Rainforest Foundation "Seeds of destruction" is available athttp://www.rainforestfoundationuk.org/files/Seeds%20of%20Destruction,%20February%202013.pdf

Palm WatchAfrica articles about Herakles are available at http://www.palmwatchafrica.org/herakles-farms-releases-public-statement-operations-suspended/