
Congo: Tar sands and palm oil projects threaten local communities and undermine efforts to tackle climate change

The Italian oil company Eni is one of the top ten energy companies in the world and now the biggest in Africa. The company is also currently ranked as the world's most "sustainable" oil and gas company. In September, at the UN Leadership Forum on Climate Change in New York, the head of Eni, Paolo Scaroni announced: "Gone are the days when we could afford to think about oil as a cheap input to economic and social growth, discounting the impact on the environment and on generations to come" .

However, Eni's keenness to promote its new sustainability credentials at international meetings sits uneasily alongside the company's plans to spend billions of dollars developing tar sands and oil palm for food and bio-diesel in the central African country of Republic of Congo (also called Congo Brazzaville). Local civil society groups and their partner organizations believe that Eni's investments in tar sands and oil palm are intrinsically high-risk, in terms of their potential to cause social and environmental damage in Congo and globally, given the context in Congo and the experience of such projects elsewhere.

This would be the first tar sands project in Africa and the agro-fuels project, on 70,000 hectares of "unfarmed" land, would also be one of the largest in the continent.

Tar sands have been called the "dirtiest" form of oil. Extraction of tar or bitumen and its processing into synthetic crude is a costly process and extremely intensive in water and energy use. Production of a barrel of oil from bitumen is around 3-5 times more intensive in terms of greenhouse gas emissions than production of a barrel of conventional oil. In Alberta, Canada, the only place where tar sands are currently being developed, it has led to deforestation of Canada's Boreal forest, to water depletion and pollution, and concerns about health impacts on indigenous communities living near the developments, such as increased cancer rates. Canada now has the highest emissions per capita of any G8 country and is being increasingly criticized for blocking action on climate change. Many civil society groups, local residents and scientists are now calling for a moratorium on new tar sands investment in Canada.

Investment in monoculture plantations of oil palm and other crops to produce agro-fuels are another major source of the deforestation that accounts for around 20% of global greenhouse gas emissions. Targets introduced by national governments and by the European Union have encouraged their expansion. By replacing tropical forests and other ecosystems, monoculture plantations lead to serious deforestation and loss of biodiversity. The land-use changes they entail are also linked to increased food insecurity, and to land conflicts, human rights abuses and threats to indigenous populations.

Congo's ecological sensitivity and its very poor governance heighten the risks of Eni's investments. Forests cover two thirds of the country, which is part of the Congo Basin, and are both a key resource for local people, and a giant carbon sink that plays a vital role in protecting our climate. Yet Congo's own record on environmental and human rights protection and on transparent management of the

country's natural resources is also extremely poor. Despite decades of oil wealth, the country still has very low levels of human development, and high levels of repression and corruption. There is no functioning environmental law and local communities affected by conventional oil production have long complained about inaction by companies and the Government to address its impacts on them and their livelihoods, such as extremely high levels of gas flaring.

Eni has said publicly that none of the investments will take place on rainforest or other areas of high biodiversity, and will not involve resettlement of people. Yet a leaked internal report by Eni shows that the company estimates the tar sands exploration zone as comprising 50-70% primary forest and other highly sensitive areas of the bio-sphere. There is also no clarity as to what technologies Eni would use to extract and process the bitumen, and so it is impossible to predict the project's full impacts on the country's water and energy resources. Similar uncertainties apply to the oil palm project, whose exact location is unknown.

None of the agreements signed between Eni and the Congolese government are publicly available, while research by Congolese human rights organizations has revealed an almost total lack of public awareness of the investments. There has been no meaningful engagement by Eni or by the government with local communities about the projects' potential social and environmental impacts. This contradicts the company's own environmental and human rights policies, and violates the government's duty to protect its citizens.

This investment puts into question both Eni and the Congolese governments' claims to be promoting Congo's sustainable development. The Italian government is Eni's key shareholder and thus also has a responsibility to ensure that any investment by the company takes into account the potential developmental, human rights and environmental impacts. Congolese and international civil society groups are now calling for a halt to the tar sands and palm oil projects and for Eni to overhaul its environmental management processes and its community engagement in Congo.

This project also raises the wider issue of the real costs of pursuing high-carbon energy projects in Southern countries with minimal transparency and environmental and human rights protection. This question becomes even more important given the need to tackle run-away climate change. As oil runs out, there will be increasing interest in developing unconventional oil resources – many of which are located in the South - and in so-called “renewables” such as monoculture agro-fuels. As in the case of Eni's Congo project, such investments should be challenged because of their potential to cause irreversible harm to the local environment and communities, and to our climate.

This article is a summary from Energy Futures? Eni's investments in tar sands and palm oil in the Congo Basin, a report produced by Congolese and international civil society organisations in November 2009, available in English

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