Land conflicts and shady finances plague DR Congo palm oil company backed by development funds

This report was produced by a coalition of civil society organisations in the DRC and Europe. It builds on a June 2015 report that brought international attention to the human rights violations, poverty, labour exploitation and land grabs occurring within the company's claimed concession areas—as well as the company's connections to a high level DRC politician. Despite the concerns raised by that report, Feronia's initial DFI investors continued to provide funding to the company and, in December 2015, several other DFIs agreed to provide an additional round of financing in the amount of US$49 million. In this report we provide further evidence of Feronia's questionable land deals and poor labour practices, and expose for the first time how the company employed a complex and opaque financial mechanism that raises troubling questions about how it spent funds provided by the DFIs.

The report reveals a troubling lack of due diligence regarding the use of public funds by DFIs, all of which claim to follow high standards of responsible investment. The authors of this report therefore call for public investigations into the activities of Feronia and the involvement of DFIs by relevant government bodies. We also call for an independent international fact finding mission to investigate human rights violations and other violations allegedly committed by the company against local communities. To ensure accountability, the DFIs—as the major shareholders of Feronia and the primary providers of finance to the company—should immediately act to make public the full financial accounts of Feronia and each of its subsidiaries, as well as the legal documents that Feronia claims to possess for its land concessions in the DRC. The authors of this report also call on Feronia and its DFI owners to adhere to the longstanding demands of affected communities for the immediate return of their lands and for reparations.

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The report is also available in German and in Lingala.