
FERONIA in the Democratic Republic of the Congo: Harassment, violence and oppression

Oil palm plantations managed by the Canadian-based agribusiness company FERONIA Inc have been opposed by local residents ever since they were established by the previous owner of the plantations, multinational food company Unilever. Incidents of violent abuse and conflict arising from the company's oil palm plantations in the Democratic Republic of the Congo (DRC) have been a regular occurrence. In 2015, seven children were left orphaned after police killed both indigenous pygmy parents for taking some oil palm fruits from the plantations to feed their children.

FERONIA Inc, majority owned by the UK government's financial institution CDC and other European and US development banks, occupies over 100 thousand hectares of disputed lands in DRC for its oil palm plantations. The company claims to possess legally valid, 25-year renewable leases for all of the land used for the oil palm plantations acquired with its purchase of Plantations et Huileries du Congo (PHC) from multinational company Unilever back in 2008. However, resulting from a history of colonial occupation, the lands of Unilever's plantations across the Congo Basin have not been returned to their inhabitants. They have instead been sold at a profit to a new batch of companies, among which is FERONIA (See article from WRM Bulletin 224, May-June, 2016).

The company occupies land that is essential to the livelihoods of local people and fails to provide decent wages and basic services, leaving them with little alternative but to work in the company's plantations under extremely poor conditions. As a report released in 2016 by African, European and international organizations exposed (1), in September 2015 the CDC stated that the average wages for FERONIA's plantation workers were increased by 70 per cent to an average of 4 US dollars per day following its 2014 investment in the company. However, pay stubs from "superior" workers (manœuvres supérieurs) at Lokutu plantations – location of one of the three FERONIA plantations in the DRC - show that wages throughout 2015 remained at only 2 US dollars per day. Moreover, the wages for daily labourers, which constitute the vast majority of FERONIA's plantation workers, are even lower — at no more than 1.25 US dollars per day, which is below the national minimum wage of 1.75 US dollars per day for a manual labourer. It is widely acknowledged that the current minimum wage rate is insufficient to cover the basic costs of living in the DRC. The problem of low wages is greatly compounded by the company's frequent failure to pay wages on time. Workers also reported that a portion of their wages is paid with products such as refined palm oil and soap. These products are then deducted from their wages according to Kinshasa market prices, if and when wages are paid.

Adding to this tremendous injustice, Congolese National Police agents routinely arrest local people for having a few palm nuts in their possession, even though there are natural palms on the outskirts of their villages. On March 2017, during a workshop organized by Congolese organization RIAO-DRC in Brazzaville, communities' delegations from the Boteka plantations' area reported the murder of two indigenous pygmy people and the injury of several more.

According to the allegations made by community members (2), on 07 March 2015, when Mr. Jeudi Bofete Engambi, a worker in FERONIA's Boteka plantations who lived in the Bokula workers' camp,

returned from work, there was a dispute between him and Ms. Thethé Mputu Ikeke, his wife. She insisted to have some means for feeding their 7 children. The husband told his wife to be satisfied with the few palm nuts he gave her for cooking, as the company had imposed restrictions to workers against taking any palm nut, an essential ingredient in local cuisine. The company security guards strictly supervise these restrictions.

A member of FERONIA's security, Mr. Mokase, reported the couple's dispute to the commander of the Congolese National Police (PNC, for its French acronym) for the FERONIA camp. Mr. Jeudi Bofete Engambi was called in at the Boteka PNC post where he was severely beaten because of the palm nuts. Mr. Jeudi Bofete Engambi was taken to the hospital in Boteka as a result of the abuse and died the following day, on March 08, 2015.

Ms. Thethé Mputu Ikeke and family members brought the body of the deceased to the company guards in Boteka as a way of protesting. In view of the gathering, the PNC dispersed them with gunfire and Ms. Thethé Mputu Ikeke was shot and died, leaving seven children orphaned. Others were severely wounded.

But this is not an isolated case. People who use a road near a FERONIA plantation had already denounced in 2013 the systematic control and confiscation of palm oil processing equipment by police officers on the road. The villagers surrounding the plantations said that they also own oil palm trees and that their use of the products represents traditional use. (3) In 2014, the arrest and torture of four people for allegedly stealing palm nuts triggered three days of clashes between the police and the residents of Lokutu town and the village of Yambi Enene. (4)

As the 2016 report mentioned above showed, since January 2013, FERONIA has received 118 million US dollars in financing from European and United States development finance institutions (DFI). The UK government owned CDC currently owns 67 per cent of FERONIA's shares. The African Agricultural Fund (AAF)—a Mauritius-based company that manages the investments of DFIs of France and Spain, as well multilateral banks such as the African Development Bank—has invested 27.5 million US dollars in FERONIA since 2012 and currently owns approximately 26 per cent of the company. In December 2015, several other European DFIs, from Germany (DEG), Netherlands (FMO) and Belgium (BIO), as well as a consortium of other DFI investors participating in an infrastructure fund, committed to lend FERONIA's DRC plantations subsidiary, Plantations et Huileries du Congo, an additional 49 million US dollars, after "a comprehensive due diligence process". As FERONIA has registered multi-million dollar losses in every year of its existence, the company has relied on these cash injections from DFIs to maintain its operations.

Furthermore, the report shows, there is strong evidence that FERONIA engaged in actions that not only violate the objectives and guidelines of the CDC and other DFI owners, but that could be in violation of DRC's national laws to which FERONIA and its various subsidiaries are bound. These actions transpired before and after significant financial involvement by the various DFIs.

A full and open inquiry into FERONIA's operations has to be carried out in complete transparency by the governments of DFIs that have provided funding to FERONIA. Community demands for the return of their lands, reparations relating to the illegal occupation of their lands and forests since 1911, and to the long-standing use of forced labour and violence on the company's plantations have to be immediately addressed.

RIAO-RDC, GRAIN et WRM

(1) Land conflicts and shady finances plague DR Congo palm oil company backed by development

funds,

<http://wrm.org.uy/other-relevant-information/new-report-land-conflicts-and-shady-finances-plague-dr-congo-palm-oil-company-backed-by-development-funds/>

(2) Sur L'exécution Sommaire A Boteka D'un Couple De Peuple Autochtone (Pygmée), 03 May 2017, RIAO – RDC.

(3)

<http://www.radiookapi.net/actualite/2013/02/06/province-orientale-la-societe-civile-de-luete-accuse-les-policiers-dextorquer-les-biens-de-la-population>

(4)

<http://www.radiookapi.net/actualite/2014/10/06/reprise-des-activites-apres-des-accrochages-entre-policiers-populations-lokutu>