RIAO-RDC and GRAIN | 22 July 2016

DR Congo communities pressured to cede land rights by plantation company controlled by development banks

Over the past few days, Feronia Inc, a Canadian-based company majority owned by European and US development banks, has been pressuring local communities to sign a memorandum of understanding (MOU) that would endorse the company's continued operation and expansion of oil palm plantations within their territories.

Despite severe pressure and intimidation, the communities have rejected the MOU and are appealing for international support to demand that Feronia respect their decision.

They are calling especially on the development banks or funds, which have a combined control of over 80% of Feronia's shares, to respect their own internal guidelines regarding the free, prior and informed consent of communities. The development institutions with investments in Feronia include the CDC of the UK, the AFD and Proparco of France, the AECID of Spain, OPIC of the US, BIO¹ of Belgium, DEG of Germany, FMO of the Netherlands, and SECO of Switzerland.

The order of events

On March 8, 2015, over 60 customary chiefs and other community leaders from across the district of Yahuma, where 90 percent of Feronia's Lokutu plantations are located, gathered in the town of Mozité to call for the resolution of their grievances. In a declaration they stated that Feronia had never consulted them about the use of their lands and had no right to be there.

"We demand, first and foremost, the start of negotiations to reclaim our rights over the lands that have been illegally taken from us over the past 104 years," they stated in the declaration. "We want to be compensated, and only afterwards can we proceed to discussions over a memorandum of understanding."

Since then, several conflicts with Feronia have occurred, as the company has tried to send surveyors into the territories of the communities without their consent.

On July 18, 2016 a delegation of high level provincial authorities and elected officials was dispatched to Mozité to get the communities to agree to a MOU. One of the elected officials participating in this delegation was present during the March 8, 2015 meeting in Mozité and received a copy of the community's declaration.

Sources within the delegation² confirm that the objective of the delegation was to

¹ BIO, the development finance institution of the Belgian Development Cooperation has recently has granted a loan of 11 million euros to Feronia. However, BIO's Guidelines stipulate that the agency should invest in small and medium-sized companies. With over 50 million \$ in capital Feronia can hardly be considered a small company.

² The delegation consisted of Gaspard Bosenge and Gabriel Bambembe Ituli (Member of the Provincial Parliament of Tshopo), Jean-Louis Liendo Monga Konga (Administrator of the territory Yahuma) and several officials of ANR (Agence Nationale de Renseignement de la RDC).

secure community consent to allow Feronia to resume with its land surveying activities. The sources also confirmed that the mission was paid for by Feronia and that the delegation was sent on orders from Kinshasa.

At the initial meetings with the delegation in the village of Mozité, the communities categorically rejected the proposed MOU. The delegation continued to pressure the communities to sign a MOU over the next days until July 21, 2016, when the communities once again refused to sign a MOU and the delegation finally abandoned its mission.

DFIs violate their guidelines

The development finance institutions (DFIs) that effectively own Feronia have guidelines that the companies they invest in must follow in their negotiations with local communities over lands. The current efforts to pressure the communities in Lokutu to sign a MOU are in direct violation of these guidelines.

The development finance institutions should therefore take immediate measures to force Feronia to respect the rights and demands of the local communities and to stop pressuring the communities to sign a MOU. The DFIs must also take measures to ensure the security of community leaders who have been intimidated because of their opposition to the signature of a MOU with Feronia.

Feronia has yet to respect the community's clear demand that the company provides them with evidence of the legal rights that it claims to have to operate on their lands.

International support

RIAO-RDC and its international partners support the demands of the communities for the return of their lands.

RIAO-RDC and its international partners³ call on the Government of the DRC to fulfill its responsibilities and ensure the security of the affected communities and their leaders who are now under threat of disappearance and other acts of intimidation and call on the provincial assembly in Kisangani to leave the communities to freely and peacefully seek their rights and to refrain from pressuring communities to sign agreements with companies that affect their control over their lands.

RIAO-RDC and its international partners are calling for an international fact finding mission to investigate and report on the situation of the communities living within the areas affected by the operations of Feronia Inc in the DRC.

For more information please contact:

Jean-Francois Mombia Atuku, RIAO-RDC, +221 773 469621

Ange David Baimey, GRAIN, +233 269 089432

³ In Belgium these partners are: CNCD-11.11.11, SOS Faim, Africa-Europe Faith and Justice Network, Fian Belgium, Entraide et Fraternité.