

This is a non-official translation by [Business & Human Rights Resource Centre](http://www.tresor.economie.gouv.fr/File/386835) of excerpts of a 3 Jun 2013 decision by the French National Contact Point for the OECD Guidelines. The original version is available (only in French) at <http://www.tresor.economie.gouv.fr/File/386835>

Socapalm

3 June 2013

Report from the French National Contact Point for the OECD Guidelines for Multinational Enterprises

On 3 December 2010, the National Contact Point (NCP) for the implementation of the OECD Guidelines for Multinational Enterprises was asked by a group of four Cameroonian, French and German NGOs and associations, about the activities of the Cameroonian company Socapalm, located in Cameroon... The four plaintiffs in this case are: Centre pour le Développement – Cameroon (CED Cameroon), Fondation Camerounaise d’Actions Rationalisées et de Formation sur l’Environnement (FOCARFE), Association Sherpa (France) and the NGO Misereor (Germany). The defendants are 4 companies: Bolloré, Financière du Champ de Mars, Socfinal [now Socfin] and Intercultures [now Socfinaf]...

The case relates to the following chapters of the OECD Guidelines (version adopted 27 June 2000): general policies, disclosure of information, employment and industrial relations, and the environment....

During the examination of this case, the NCP noted that Socapalm’s activities have breached certain Guidelines relating to general policies, employment and industrial relations, and the environment. The NCP also noted that the companies involved in the complaint were not respecting certain OECD recommendations on disclosure of information...

Today, the NCP notes that the situation has clearly progressed, which opens up prospects for improving the living conditions of Socapalm’s workers and of the populations neighbouring the plantations. The NCP notes that Bolloré Group has declared its willingness to accept its responsibilities and use its influence in its business relationships with Socapalm and Socfin to ensure that the breaches of the OECD Guidelines due to Socapalm’s activities in Cameroon cease.

The NCP welcomes the Bolloré Group’s stated willingness to encourage Socapalm to reactivate and update the existing structures for dialogue. This is a crucial prerequisite to re-establishing trust. The NCP hopes that the commitments made by Bolloré Group will enable Socapalm to effectively contribute to the sustainable development of neighbouring communities...

While the NCP was finalising its report, Bolloré Group announced that it was withdrawing the libel complaint filed as part of this case.

In conclusion, the NCP welcomes Bolloré Group’s commitment to dialogue with the plaintiffs to respond to the concerns they raised...

The NCP welcomes the agreement between the parties to develop an action plan to be implemented by Socapalm. The main topics have been agreed upon and should cover the following issues: communicating with neighbouring communities; environment (reducing noise, water and air pollution); provision of public services resulting from the transfer agreement for the Socapalm property (access to water, electricity, health care and education

of locals and workers); local development (assisting villagers and employing locals); conditions of Socapalm's workers and of its sub-contractors (including safety and housing issues); transparency; compensating locals for the loss of use and resources of their land, as well as property issues (concession, demarcation, retrocession)... The parties have decided that an independent follow-up committee will monitor this action plan.

The NCP recommends that the Bolloré Group, and the companies involved in this case, consider the revised OECD Guidelines of 25 May 2011, especially chapter II relating to general policies...

4. Content of the complaint filed in December 2010:...

According to the plaintiffs, Socapalm became responsible for certain abuses towards neighbouring populations: damaging living conditions of neighbouring populations (especially the Bagyéli, an indigenous pygmy community), inadequately contributing to the sustainable development of neighbouring communities (especially by not providing enough support to local farmers), not using sufficient labour, serious environmental damages (noise, air and water pollution, especially due to waste spillage), violent acts by the company Africa Security, lack of provision of public services linked to Socapalm's activities. The plaintiffs alleged that strikes had been suppressed and that Socapalm was also responsible for breaching fundamental labour norms with regard to the working conditions of all workers of Socapalm (employees and contract workers), regarding health care, housing conditions, workplace safety, wages and social protection, and collective bargaining.

6. NCP's decision...

6.2 Regarding questions raised by the complaint, the NCP particularly notes the following:...

[OECD Guidelines] Chapter II – General policies...

Art. II.2 concerning human rights: The NCP notes that the development of Socapalm activities did not sufficiently consider the respect for human rights of local residents as defined in the UN Conventions, especially indigenous pygmy people. Bolloré Group indicated that the indigenous populations had been contacted to ensure the respect of their hunting grounds... In addition, the Bolloré Group informed the NCP about a decision by a Cameroonian Tribunal that convicted agents of Africa Security (a sub-contractor of Socapalm in charge of security) that were involved in acts of violence against local residents. This judicial decision is particularly relevant in the local context.

Art. II.6 concerning good corporate governance: The NCP does not have enough specific elements to enable it to answer this question. However, it has information that enables it to find that Socapalm did not implement best practices in good corporate governance in management of the expansion of its plantations inside a concession granted by the state in order to avoid impacting local residents.

Art. II.7 concerning a relationship of confidence and mutual trust: The NCP notes that Socapalm did not implement sufficient measures to promote a relationship of confidence and mutual trust between the company and local communities neighbouring its plantations. Indeed, the parties acknowledge that dialogue mechanisms exist, but they are insufficient. This issue is among those being discussed in the framework of mediation, in order to organise regular meetings in each plantation.

Art. II.10 concerning sub-contracting: The NCP noticed significant breaches of the Guidelines because of the activity of one of the Socapalm sub-contractors in charge of security, the Cameroonian company Africa Security. The NCP noted the steps taken by Bolloré Group with Socapalm to more closely monitor this sub-contractor.

Chapter III – Disclosure of information

Art. III.2: The NCP notes that the four companies targeted by the complaint do not adequately implement OECD recommendations concerning disclosure of information, especially non-financial reporting, including on environmental issues...

Chapter IV – Employment & Industrial Relations

The NCP notes that in 2010, Socapalm's activities in Cameroon did not respect certain OECD Guidelines, in particular with regard to collective bargaining, and health and safety at work. Lacking any new information on this issue, the NCP assumes that the situation has not improved...

Chapter V – Environment...

Art. V.1 concerning the establishment of a system of environmental management appropriate to the enterprise: By releasing waste into the air and water, Socapalm did not respect this OECD recommendation. Nevertheless, the NCP noted that since 2011, Socapalm has made efforts in environmental management in the framework of its QHSE [Quality, health, safety, environment] policy. The NCP stressed that progress in this area should be continued.