UNDERSTANDING LAND INVESTMENT DEALS IN AFRICA

SOCFIN LAND INVESTMENT IN SIERRA LEONE

LAND DEAL BRIEF | APRIL 2012

ACKNOWLEDGEMENTS

This report was written by Frederic Mousseau with substantial input from Elke Schaefter of Green Scenery. Anuradha Mittal provided editorial assistance and contributed to field work.

We thank all the local people in Malen Chiefdom who agreed to share their views and experiences for this research.

The views and conclusions expressed in this publication are those of the Oakland Institute alone and do not reflect opinions of the individuals and organizations that have sponsored and supported the work.

Design: amymade graphic design, amymade@gmail.com, amymade.com

Editor: Anuradha Mittal

Copy Editor: Granate Sosnoff

Photograph Credits © The Oakland Institute

Publisher: The Oakland Institute is a policy think tank dedicated to advancing public participation and fair debate on critical social, economic, and environmental issues. Green Scenery, a non-governmental organization in Sierra Leone, is working towards a future where food is secured, human rights are respected, access to justice is guaranteed and biodiversity is protected.

Please email info@oaklandinstitute.org

The Oakland Institute
PO Box 18978
Oakland, CA 94619, USA
www.oaklandinstitute.org

River at Sanh which is used by the villagers for all their needs and by Socfin for irrigation of their nursery

Overview

In 2011, Socfin Agricultural Company Sierra Leone Ltd. (Socfin SL) secured 6,500 hectares (ha) of prime farmland for rubber and oil palm plantations in Malen chiefdom in Pujehun district in the south of Sierra Leone. The firm is now seeking an additional 5,000 ha in expansion plans in the Malen region or neighboring chiefdoms.[1] The initial investment, estimated at $100 million, with promises of job creation, compensation for lost farms, and construction of infrastructures, has enjoyed high-level government support.[2] The 50-year lease was signed by the Minister of Agriculture, Forestry and Food Security, Dr. Sam Sesay, himself.[3]

Despite this political backing, the Socfin SL investment faces significant resistance from the local population. In October 2011, 40 protesters were arrested, following tensions between local villagers and Socfin. The locals were protesting the land deal, criticizing the company's lack of transparency, proper consultation, and information regarding potential resettlement. Protesters also raised issues of inadequate compensation, corruption, and pressure on land owners and town chiefs to sign agreements.[4]

Socfin SL is a subsidiary of the Belgian corporation, Socfin, (Société Financière des Caoutchoucs), an investment holding company, which operates in diverse sectors, including plantations, agro-engineering, banking, finance, and real estate, among others.[5] The main shareholder of the company is Bolloré Investissement SA (Bolloré Group),[6] owned by a prominent French businessman, Vincent Bolloré.

Bolloré's empire has grown dramatically over the past two decades. By buying up former colonial companies and taking advantage of the wave of privatization spurred by the "structural adjustments" imposed by the International Monetary Fund (IMF), Bolloré has become a key player in the economic structure and political life of many African countries.[7] The Bolloré Group is now present in 92 countries all over the world, including 43 countries in Africa alone.[8] It controls plantations, industries and services, including shipping, transport infrastructures, oil production as well as African ports (13 as of 2012). Bolloré's grip over the continent is gaining new dimensions as it expands investments in plantations.[9]

The grievances made by Sierra Leonean farmers over Socfin's palm oil plantations are virtually identical to those made by farming communities from around the world regarding investments made by other Socfin's subsidiaries. Similar practices of land grabs by Socfin subsidiaries and investment malpractices have been reported in recent years in Liberia, Cameroon, and Cambodia.[10]

Smallholder farmers and land owners in Sierra Leone face prosecution for their opposition to Socfin at the October 2011 protest. Their struggle is a classic David versus Goliath battle with Socfin headed by some of the most powerful economic elites in the world, Vincent Bolloré and his associates.

Landowners Protesting Land Deal Face Court Trial

In early October 2011, on land they claim as their own, over a hundred landowners started a blockade in Socfin's area in Malen chiefdom. The peaceful protest came about after several attempts by land owners to renegotiate the lease agreement signed by the government. Affected communities voiced anger at not being properly consulted and cheated on the land deal that was facilitated by their Paramount Chief, B.V.S. Kebbie.

By mid October 2011, 40 people in the chiefdom had been arrested and taken to prison. Green Scenery, engaged a lawyer to ensure that the rights of land owners were respected. After three days, 25 people were released but 15 were charged on counts of riotous conduct, conspiracy, and threatening language and were kept behind bars in Pujehun, the district's capital. While initially refused bail, the lawyer appealed to the High Court who ruled in favor of the accused and guaranteed bail.

Since the release of the "15" (as they are now regarded) on October 18, 2011, several court hearings have been set up by the Magistrate court, but only two were held. Each time hundreds of supporters of the "15" have poured into the courtroom. On March 3, 2012 the Local Unit Commander of Pujehun District who ordered the arrest, was slated to testify but he failed to appear.

"The police arrested and beat up a number of us ...about 38 at that time. Later at night they came into the village, knocking at the door and taking people forcibly out of their houses. Some people fled and had to run into the river. The police supervisors arbitrarily pointed at people and they were arrested and taken to Pujehun.

Once in detention, we were told that we will all rot in prison... Fifteen were left in prison cells and charged. Our lawyer who represented us was not allowed to post bail and we spent the night in jail. After which we were transferred to Pujehun. We were there for eight days in police cells. We were given no food."

– Eddy Kamara, Sanh Village, direct communication with OI researchers, February 25, 2012

Grievances Against Socfin in Sierra Leone

The land leased by Socfin includes between 27 and 30 villages and about 120 land-owning families.[11] Upon signing the lease in March 2011, Socfin agreed to full payments of compensation for the loss of existing plantations and farms in areas of operation, in addition to an annual payment of lease rents to land owners. Socfin's General Manager, Gerben Haringsma, also made assurances that the company would construct a resident hospital, a network of roads, schools, and housing facilities, at a cost of $19 million.[12] In addition, Socfin made a commitment to pay $75,000 per year for social development projects and estimated that job opportunities would be created for 10,000 people with special preference given to natives of the chiefdom.[13]

Land cleared for Socfin plantations

Such promises made to the communities in Pujehun have not prevented the rise of strong resistance and opposition to the project locally. In October 2011, the local leadership from the lease area presented to local authorities a long list of grievances that the population had with the deal.[14] Research by the Oakland Institute and Green Scenery has identified a number of additional issues of serious concern around the project. These include:[15]

1. Lack of proper consultation: some meetings with the local communities took place before the deal was signed but did not involve all those concerned and left out some key stakeholders, including councillors, parliamentarians, and many land users especially women. Furthermore, the investment was initially presented in such a way that people understood that only a former government plantation would be leased to the company. On March 5, 2011, a chiefdom meeting for signing the contract took place but only four representatives out of the nine sections of Malen signed the document. The contract lease was partly translated in Mende, the local language, and read to the locals two months after the contract had been signed. The legality of the contract was questioned. The Environmental and Social Impact Assessment (ESIA) report was also publicly released two months after the signature.

"We the land owners were not consulted on the arrangements and therefore did not know what the agreement was. So with a consensus we disagreed as land owners. With one voice we said no! We expressed our unwillingness to give up our lands. But the chief told us, that he is the sole custodian of the lands and that whatever he says is final."

– Land owners in Kpumbu, August 2011[16]

2. Lack of transparency: copies of the land lease agreement and Memorandum of Understanding were not made available to land owners and local chiefs, who were told to thumb print or sign without knowing and understanding the details of the agreement. Villagers did not know which of the villages would have to be removed, including villages such as Kortumahun, where the entire land has been leased to the company.

3. Pressure and intimidation: according to locals, a local Paramount Chief (the highest traditional authority in the area), B.V.S. Kebbie intimidated and put pressure on communities and their representatives to sign documents and repeatedly told them that they would lose their land without compensation if they didn't sign. The presence of armed police at a public meeting in Sahn Malen intimidated local land owners, who agreed to sign the document.

"The chief said whether you agree or don't agree they will take the plantation by force."

– Brima Lappia, a 42-year-old from the village of Semabu who chairs an association formed by disgruntled land owners[17]

4. Inadequate compensation and rental fees: the lease agreement does not include information or commitments around resettlement and compensation. Locals rejected the proposed amount of one million Leones ($220) to compensate every acre of oil palm plantation lost to the project. It is considered very low compared to the actual value of the plantations, whereas little or no compensation is offered to other crops and trees. Many locals also thought that this one-time compensation payment would be paid on an annual basis. The land lease rent of $5 per acre a year ($12.50/ha) is seen as a "pittance" by land owners who actually only receive half of that amount. The other half is divided between local chiefs and the administration. Moreover, according to the contract, the rent rate shall be reviewed every 7 years, but this review shall not result in an increase of more than 17.5%, a ceiling widely considered unfair since the reality of inflation in Sierra Leone over a 7 year period would be close to 121%.

"There was never a chance to say no to the land deal, we felt forced."

– Farmer, Semabu[18]

5. Lack of fiscal return: the Memorandum of Understanding (MOU) between the Government of Sierra Leone and Socfin describes a number of generous fiscal incentives provided to the company. These include, for instance, a 100% exemption of corporate tax until 2023, to be reduced to a 25% exemption in 2024.[19]

6. Corruption: locals accuse the Paramount Chief, B.V.S. Kebbie of using the investment for his own advantage. They accuse him of having been bribed with a new vehicle in exchange for his support of the project.

7. Destruction of livelihoods: vital forests and agricultural land are being taken from communities with little compensation while entire villages will lose their livelihoods to make room for the plantation. One of the major justifications for the investment is the creation of employment. Yet the contract has no clause about employment or provisions to ensure that women and men who have leased their land would get preferential employment. It is also unknown how many jobs will actually be created.

– Mammy Thomas, Sanh Village, direct communication with OI researchers, February 25, 2012

"We really are not against investment. We really are not. We desire that there is progress in our community. The company has come. We are not against that initiative. However there are many problems that are affecting us, coming from the company. Anyone who owns land, lives off the land, knows we are not ready for it and it has left us in great constraint. To the extent that the money is given to us, it is not enough to take care of even one person."

– Mammy Thomas, Sanh, direct communication with OI researchers, February 25, 2012

"We particularly asked that wage be raised because the cost of living is increasing every day and this wage is not enough to support me and my family. For instance with the present wage of SLL 10,000 [$2.20], when I buy food to eat during work, I am basically left with nothing for the home."

– Workers' letter to Gerben Haringsma, Socfin General Manager[20]

8. Appalling working conditions: locals hired by the company describe work conditions as "near-slavery." They are paid ten thousand Leones per day ($2.20). They are not provided with medical care when injured or bitten by snakes. They work six days a week and are required to report for work each day at 5:30 am to start an eight hour day of work at 6 am, with a 30 minute lunch break. Employment is temporary and arbitrary dismissals are common. Workers have sent formal complaints to the company, asking for better salaries and working conditions.

"The work has commenced. We are currently working in the nursery. The payment is 250,000 Leones ($50) a month. There is no medical insurance. We asked them to increase wages so it can take care of medical needs but so far nothing. We have no toilet facilities, no water. We asked them for water and to provide sanitation facilities, but they are still to come."

– Mammy Thomas, Sanh, Direct Communication with OI Researchers, February 25, 2012

"We do brushing, stomping, removal of palm tress, land preparation. We appealed to the company for increasing our wages but it has not happened. They increase the number of hours every day but not wages. If you are late by 10 minutes after lunch you forfeit your day's wages."

– Zakaria, Sanh, Direct Communication with OI Researchers, February 25, 2012

9. Lack of proper documentation: land owners have not been given any document or receipt to show the acreage and compensation paid. All records are kept by the company. Despite its specific mention in the lease agreement, there is no survey plan attached to the lease and it is unclear if a plan was ever made available to the relevant stakeholders before the signing of the agreement. The failure to mark the boundaries of family land before clearing is a serious concern because it will be impossible for land owners and their families to identify their land after 50 years (and 21 years of possible extension). The long length of the lease together with the lack of proper documentation and marking is likely to make the lease permanent.

10. Destruction of biodiversity: though the company is making an inventory of existing genetic resources, it is unclear how it will prevent the loss of biodiversity as a result of the large-scale monoculture of palm oil plantations. Essential resources for the local populations, including plants and wildlife, are at risk.

11. Water resources under threat: clause #3 of the MOU between the Government of Sierra Leone and the company[21] states that "there will be no restriction on the volume of water extracted by SAC [Socfin] from rivers, other watercourses, wells and boreholes." The agreement further indicates that water will be paid at 3 Leones ($0.0007) per cubic meter, with no indication of how water use will be measured and accounted for.

12. Irregularities and legal flaws of the lease agreement: in-depth review of the lease agreements signed with Socfin,[22] found major inconsistencies and a failure to comply with the country's existing legal framework. For instance, even if the lessor obtained the consent, it was clearly not informed consent. The review also identifies several legal procedures

Rising Returns for Bolloré Group's Plantations[32]

Groupe Socfin (former-Socfin Group): Bolloré owns 39% of Socfin, which manages 150,000 hectares of plantations in Asia and Africa through the following subsidiairies:

- **Socfindo,** Indonesia: 48,000 hectares of rubber trees and palm oil, net profit of $111.8 million in 2011, nearly doubled from $58.3 million in 2009.

- **Okomu,** Nigeria: 15,600 hectares of rubber trees and palm oil, net profit of $23.4 million in 2011, sevenfold increase from $3.1 million in 2009.

- **Socapalm** Cameroon: 31,500 hectares of rubber trees and palm oil, and Ferme Suisse (refinery), net profit of $16.9 million in 2011, up from $12.6 million in 2009.

- **LAC,** Liberia: 13,700 hectares of rubber trees, net profit $24.7 million, up from $1.6 million in 2009.

- **Salala,** Liberia: 4,100 hectares of rubber trees, deficit of -$1 million in 2011.

- **SOGB,** Ivory Coast: 21,900 hectares of rubber trees and palm oil, net profit increased sevenfold at $61.1 million in 2011 compared to $8.5 million in 2009.

- **New developments:** creation of 12,000 hectares of rubber plantations in Cambodia (1,700 hectares already planted); 5,000 hectares of palm oil in Democratic Republic of Congo and 12,000 hectares in Sierra Leone.

Safa Cameroun (not part of Socfin): 8,600 hectares of rubber trees and palm oil, net profit at $12.87 million in 2011, up from $2.5 million in 2009.

Bolloré Group's Net Profits from Plantations in Asia and Africa in 2011: $250 million

Increase 2011/2009: $163 million (187%)

and regulations related to land deals in the country, which were violated by the Socfin agreement. The analysis concluded that the signed lease agreements are in effect voidable due to "legal inconsistencies" and recommended "a thorough review and amendment of both the lease and the sub-lease agreement under integration of independent (international) legal experts to support local communities in defining and expressing their expectations and concerns."[23]

Dispossession and Malpractices Fuel Resistance to Bolloré's Investments around the World

Through a complex structure of subsidiaries, the Bolloré Group's Socfin operates rubber and oil palm plantations in Cameroon, DR Congo, Guinea, Ivory Coast, Liberia, Nigeria, Cambodia, and Indonesia (see the box below for the breakdown of the plantations owned by the Group).

Socfin claims that it is committed to the principles & criteria of the Roundtable on Sustainable Palm Oil (RSPO).[24] These include transparency, compliance with applicable laws and regulations, responsible consideration of employees, individuals and communities, environmental responsibility, and conservation of natural resources and biodiversity.[25] Yet the reality on the ground, in Sierra Leone as in other countries, contradicts this commitment.

In recent years, Socfin and Bolloré Group's notoriety for wrongdoing around the world has grown. Investment malpractices have been reported from several countries including Cameroon, Cambodia, and Liberia, resulting in discontent among local populations.

Cameroon

In December 2010, a group of NGOs (Sherpa, CED, FOCARFE, and MISEREOR) filed a complaint with OECD against a Socfin subsidiary, the Société Camerounaise de Palmeraies (SOCAPALM), which operates five oil palm plantations in Cameroon. The company was accused of negatively impacting the traditional livelihoods of local communities and plantation workers, as well as for water and air pollution.[26]

The expansion of SOCAPALM's operations has allegedly diminished the size and the availability of public services and natural resources for local communities. Moreover, local villagers have reported physical abuse by SOCAPALM's security services, Africa Security.[27]

The complainants also allege that SOCAPALM's treatment of plantation workers constitutes a breach of the OECD guidelines. Precarious work is rampant, and freedom of association is limited. Additionally, the housing facilities are deplorable, and dividends promised to employees, when SOCAPALM was privatized in 2000, were never paid. The complaint also claims that SOCAPALM has breached the guidelines disclosure chapter by failing to properly disclose relevant information about the company and potential environmental risks.[28]

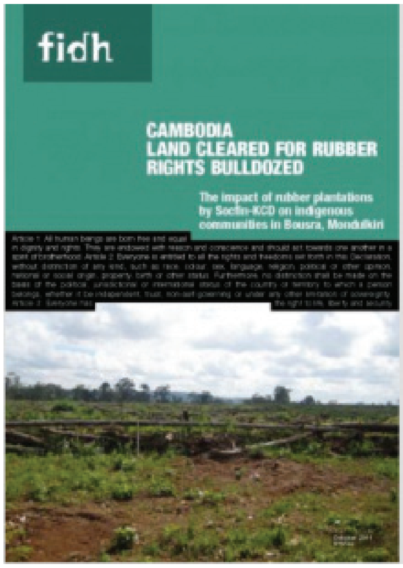
The French, Belgian, and Luxembourgian holding companies Bolloré, Financière du champ de Mars, SOCFIN, and Intercultures exert joint control over SOCAPALM's operations in Cameroon through complex financial investments. The complainants allege that these companies have breached the OECD guidelines as well by failing to take action to prevent SOCAPALM's negative impact on the environment, local communities, and workers.[29]

In 2010, the World Rainforest Movement (WRM) reported that SOCAPALM was expanding its operations without regard for neighboring ecosystems, thus seriously endangering the food security of local populations. WRM warned about the pollution caused by the agrochemical products used on the monoculture plantations and the waste effluents discharged by a factory in Kienké, drastically contaminating the area's waterways. WRM also reported abominable living and working conditions on the plantations: insalubrious living quarters and shared latrines; lack of regular access to water and electricity; and mostly temporary employment at miserable wages with no social security coverage or adequate protection.[30] This situation led to numerous strikes and protests. In 2007, when a resistance movement against these labor practices emerged, its leader was immediately arrested, and the authorities let him know that "if he kept it up he was going to get killed."[31]

Cambodia

In 2008, SOCFIN KCD secured a concession for a rubber tree plantation in Cambodia.[33] In December 2008, hundreds of peasant farmers from the Bunong ethnic group joined together to protest the company. Like most of Cambodia's ethnic minorities, the animist Bunong are subsistence farmers who rely on minor forest produce to survive. Local communities claimed that the land belonged to them, since they had been working it for centuries, and that their collective rights, as indigenous peoples, were protected by the country's Land Code.

In October 2011, a coalition of international rights groups joined the indigenous groups. They challenged that the 7,000 hectares of land concessions granted to Socfin's subsidiary and its local partner flouted Cambodian law, left villagers impoverished, and destroyed spiritual areas and burial sites. The human rights groups demanded that Socfinasia SA cease work at its rubber concession in eastern Cambodia and properly compensate hundreds of impoverished Bunong families, who had been forced to sell their land at a very low price.[34]



In October 2011, the International Federation of Human Rights (FIDH) observed that "Socfin-KCD has failed to comply with its responsibility to respect human rights. Given the Cambodian political context, and the high level of corruption, Socfin-KCD could not ignore the context in which they operate and should therefore have conducted due diligence processes to adequately assess potential adverse risks their operations may cause. The company should have conducted adequate social and environmental impact assessments and consulted with affected indigenous people. Once aware of the violations taking place, Socfin-KCD failed to take all necessary measures to ensure violations would cease and to adapt its compensation process and work policies to ensure respect of economic, social and cultural rights of the Bunong."[35]

While pursuing its activities, in November 2011, Socfin KCD denied all the allegations made by FIDH and threatened the federation of a lawsuit for defamation.[36]

Liberia

In Liberia, SOCFINAL owns the country's largest rubber tree plantation, through a subsidiary, the Liberia Agricultural Company (LAC). According to the World Rainforest Movement, LAC is "to be blamed for deforestation at a big scale" in Liberia.[37] In May 2006, the United Nations Mission in Liberia (UNMIL) published a report that described the dire human rights situation on the plantation: child workers under the age of 14, the massive use of subcontracting, the use of carcinogenic products, the quashing of trade unions, arbitrary dismissals, the maintenance of order through private militias, and the eviction of 75 villages and 400,000 peasant farmers from their homes to allow the expansion of the plantation area.[38]

LAC labeled UNMIL's findings as "outright blatant fabrications" and "excessive exaggerations."[39] Several years after the UN report, no action has been taken by the company or the government in response to UNMIL's accusations. The government's inaction has been used by LAC as evidence of its good practices and to rebut UNMIL's allegations.[40] LAC contemplated legal action against UNMIL but finally refrained from starting a lawsuit because of the high probability of UNMIL's immunity from a court process in Liberia.[41]

Criminalizing Dissent to Silence Criticism

While farmers await trial in Sierra Leone, experience from around the world shows that Bolloré Group's subsidiaries systematically use the threat of legal action against their critics. It went beyond threat in May 2010, when journalist Benoît Collombat and two directors of France Inter, the French public radio, were convicted of defamation in a lawsuit filed by Vincent Bolloré. Their report exposed Bolloré Group's labor practices in the railway, port, and plantation sectors in Cameroon. Activists interviewed on the program accused the Group of exploiting workers, collusion with the Cameroonian regime, deforestation, and pollution. The court specified that its decision was based on the statements made in the report regarding Bolloré's railway and port operations – but not the company's management of its plantations.[42]

A few months later, the Group dropped a related case for defamation against a freelance photographer Isabelle Alexandra Ricq, following an interview in which she talked about the problems she had witnessed on SOCAPALM oil palm plantations and the surrounding area in Cameroon. Ms Ricq described the dismal living conditions of the Bagyeli pygmy ethnic group, the problems of deforestation, the lack of access to land, and the deplorable conditions faced by plantation workers who, according to Ricq, "call themselves SOCAPALM's slaves."[43]

"Bolloré has other means at its disposal to influence public opinion in its favour. It is the main shareholder in the advertising giant, Havas, the world's sixth largest global communications group and leading advertiser in numerous publications. Bolloré also owns the television network Direct 8 and two free newspapers, Direct Soir and Direct Matin. Obviously, the readers of these newspapers will learn absolutely nothing about the criticisms aimed at Vincent Bolloré's business dealings in Africa, his collusion with local regimes, the quashing of any protests raised on his plantations, or the environmental destruction linked with the Chad-Cameroon oil pipeline... Instead, as far as the general public is concerned, the activity of this industrial group (one of the most diversified on the global market) is to be summed up behind its most presentable face, that of the manufacturer of the Bluecar, an electric car to be launched in 2011 – and the group's main tool to achieve the eco-friendly 'repositioning' of its image."

–French economic group Bolloré attempts to intimidate journalists who expose abusive practices on its plantations in Cameroon, World Rainforest Movement 2010.

Bolloré and Socfin's Complex Web of Companies and Interests

Socfin was created in 1959 with headquarters in Luxembourg. Bolloré Group owns 38.75% of the shares.[44] Other shareholders are the prominent Belgian families, Fabri and de Ribes. The Fabri family owns one third of what is referred to as the "Empire Rivaud," a financial power which owns millions of hectares in plantations in Africa and Asia and is led by Jean de Beaumont and Edouard de Ribes (the latter being on Socfinasia and Socfin's boards of directors).[45]

The set-up of the company involves a complex web of companies and interests, including cross holdings and companies based in tax havens such as Liechtenstein or Luxembourg. In addition to Socfin SA (53.96%), Bolloré Group holds 21.75% of Socfinasia SA. Other shareholders (24.29% unidentified shareholders) are front companies located in tax havens which are linked to the Fabri and Ribes families, themselves sitting on the board of Bolloré Group.[46]

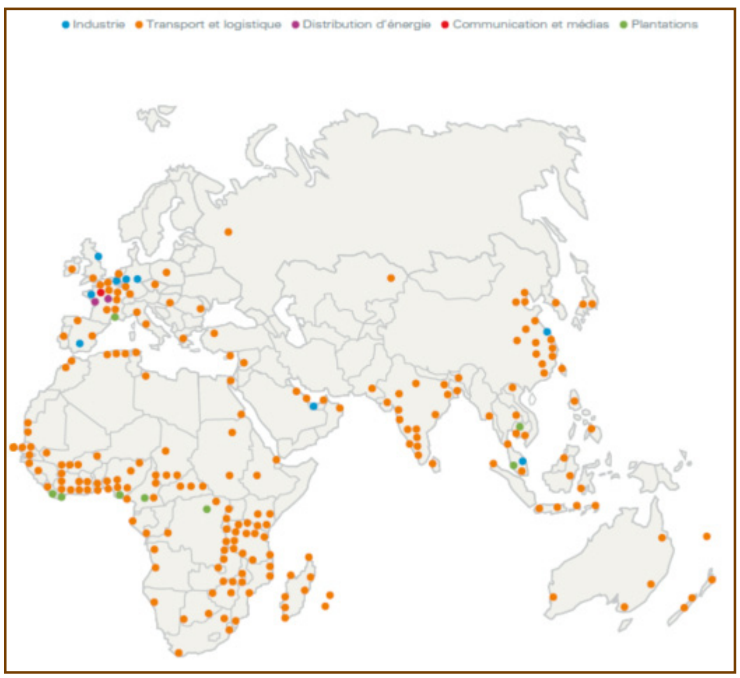
Due to the complex and multi-layered structure of holding companies involved, it is difficult to assess precisely the degree of control exercised by Bolloré Group on various Socfin subsidiaries. However, Bolloré Group is Socfin's main shareholder and Vincent Bolloré, as the CEO of the Group, sits on the boards of Socfin and other subsidiaries. This would suggest that Bolloré exercises significant operational and financial control over the joint venture.[47]

Vincent Bolloré, an Investor with an Octopus Reach in Africa

The Bolloré Group is currently one of the world's top 500 companies, with an annual turnover of more than seven billion Euros. Its global expansion has been largely concentrated in Africa, where it now operates in 43 countries. Vincent Bolloré – the 18th wealthiest man in France in 2009 – has built an empire with far more extensive outreach than the former French colonies.[48] He has gained control of not only plantations and public services throughout Africa, but also controls a large portion of the shipping and transport industry and the continent's ports (historically the group's main business activity in Africa), and its oil industry. His control of strategic and lucrative sectors provide him with the financial capital needed to back his stock market dealings and expansionist strategy[49]

In recent years, Bolloré Group has entered the media market, including TV, newspapers, and film production (it sold two

Figure 1: Bolloré Group's Activities in Africa, Asia and Europe



Source: Bolloré Group Annual Report 2010 March 2011

TV channels at the end of 2011). The Bolloré Group has had no qualms about working closely with dictators like Denis Sassou Nguesso in Congo, Omar Bongo in Gabon or Charles Taylor in Liberia. Vincent Bolloré is helped by the fact that he has friends in high places including French president Nicolas Sarkozy, who after his win in the Presidential elections, took a vacation on the industrialist's yacht and declared that Bolloré "does honor to the French economy."[50]

Bolloré Africa Logistics controls over 13 African ports, including a 20-year concession of the port of Freetown, secured in December 2010 and Conakry in neighboring Guinea, gained in March 2011. This follows an aggressive expansion strategy of the Group, which is seeking to gain a monopoly in this sector. As stated by Bolloré: "we are interested by all African ports."[51] In Africa, the Group is a leader in stevedoring and runs several national railways in Cameroon, Ivory Coast, Burkina Faso, Angola, Mozambique, Zambia, Malawi, Botswana, South Africa and Madagascar.[52] The Group is a quasi-monopoly for the transport of the Europe-Africa trade (except Southern Africa where it competes with the Danish Maersk Lines).[53]

Conclusion

Numerous legal flaws, the lack of transparency, adequate documentation, and proper consultation demonstrate that Socfin's land deal in Sierra Leone has gone ahead without free, prior, and informed consent (FPIC) of land owners. The principle of FPIC is clearly stipulated in the guidelines produced in March 2010 by the Sierra Leone Investment and Export Promotion Agency (SLIEPA), the government agency which has been instrumental in facilitating foreign investment deals in Sierra Leone.

It is critical that Socfin's deal is urgently reviewed. Transparency, adequate documentation, and proper consultation are required to give people a say in the future of land and natural resources that are essential for their livelihoods. The publication of a comprehensive Environmental, Social and Health Impact Assessment and a land survey is necessary to give communities the basic information required to negotiate the conditions and terms of any agreement, and the ability to reject it.

Through complex financial and institutional set-ups, involving different companies with different names and structures, the Bolloré Group is involved in a number of agricultural investments, which, as in Sierra Leone, involve a litany of malpractices, dispossession, and loss of livelihoods for thousands of people in Asia and Africa.

By expanding its presence in both production and transport, the Bolloré Group is developing a model of integration, one that covers a range of activities geared toward the extraction of natural resources from developing countries, particularly in Africa. The Group is increasingly reaching a situation of monopoly or quasi-monopoly over critical economic sectors . Such a hold on power carries major risks for local populations and governments who are progressively losing control not only over their production but also trade flows in and out of the country. Disempowering people and governments, such an expansion strategy, clearly contradicts the Group's stated commitment to sustainable development.[54]

Children with Mammy Thomas at Sanh village

ENDNOTES

1 Green Scenery, "The Socfin Land Deal Missing Out On Best Practices," fact-finding mission to Malen Chiefdom, Pujehun District, Sierra Leone, May 2011.

2 Sublease between the Minister of Agriculture Dr. Sam Sesay and Socfin SL Agricultural Company Limited, March 5, 2011.

3 Ibid.

4 Malen Land Owners Association (MALOA), "Grievances of Land Owners in Malen Chiefdom," letter to the district officer, Malen Chiefdom, Pujehun District, Sierra Leone, October 2, 2011.

5 For more information on the company visit www.socfin.com/.

6 According to Socfin website, Bolloré controls about 39%of Socfin http://www.socfin.com/Public/Statements_page.php?ID=945&ancestor1=1052&ancestor2=1709, accessed March 19, 2012 .

7 World Rainforest Movement, "French economic group Bolloré attempts to intimidate journalists who expose abusive practices on its plantations in Cameroon," June 2010, http://www.wrm.org.uy/bulletin/155/Bollore.html, accessed February 12, 2012.

8 Bolloré Group Annual Report 2010, March 2011, accessed March 17, 2012.

9 World Rainforest Movement, "French economic group."

10 See "Rights groups say rubber producer must halt work over disputed land," *Deutsche Presse-Agentur*, October 6, 2011, http://www.monstersandcritics.com/news/asiapacific/news/article_1667051.php/Rights-groups-say-rubber-producer-must-halt-work-over-disputed-land, accessed March 17, 2012; and OECD Watch, "Environmental and labour violations at SOCAPALM in Cameroon," http://oecdwatch.org/cases-fr/Case_200/view?set_language, accessed March 17, 2012.

11 Green Scenery, "The Socfin Land Deal."

12 "SOCFIN Agricultural Company set to establish $100 million oil project in Malen chiefdom," *Awoko*, March 11, 2011, http://www.awoko.org/2011/03/11/socfin-agricultural-company-set-to-establish-100-million-oil-project-in-malen-chiefdom/, accessed March 17, 2012.

13 Gerben Haringsma, interview by Green Scenery, August 5, 2011.

14 Malen Land Owners Association (MALOA), "Grievances of Land Owners in Malen Chiefdom."

15 The information is based on Oakland Institute research, as well as Malen Land Owners Association (MALOA) "Grievances of Land Owners in Malen Chiefdom," letter to the District Officer, Malen Chiefdom, Pujehun District, October 2, 2011; Green Scenery, "The Socfin Land Deal Missing Out On Best Practices," fact-finding mission to Malen Chiefdom, Pujehun District, Sierra Leone, May 2011; and Green Scenery unpublished research, August 2011.

16 Green Scenery, unpublished research, August 2011.

17 "Tempers rise over oil palm in Sierra Leone," *Reuters*, November 2011, http://in.mobile.reuters.com/article/GCA-GreenBusiness/idINTRE7AA2VJ20111111?irpc=984, accessed March 17, 2012.

18 In Green Scenery, unpublished research August 2011.

19 Memorandum of Understanding between the Government of Sierra Leone and 2011 Socfin Agricultural Company Sierra Leone Ltd. (Socfin SL), March 2011.

20 In Green Scenery, unpublished research August 2011.

21 Ibid.

22 Legal analysis of the lease agreement between the Government of Sierra Leone and the tribal authorities of the Malen Chiefdom Pujehun District, Southern Province of the Republic of Sierra Leone and the sublease agreement between the Government of Sierra Leone and the Socfin Agricultural Company SL Limited, provided by Patrick N. Johnbull, 2011.

23 Ibid.

24 Socfin website, http://www.socfin.com/Public/NewsInTreePage.php?ID=1862&ancestor1=1051&ancestor2=1392, accessed March 16, 2012.

25 Misereor, CED, Sherpa, *The Impact of the Privatization of SOCPALM on Communities and the Environment in Cameroon*, briefing paper, December, 2010.

26 OECD Watch, "Sherpa et al vs. Bolloré," http://oecdwatch.org/cases-fr/Case_200/view?set_language, accessed March 17, 2012.

27 Ibid.

28 Ibid.

29 Ibid.

30 World Rainforest Movement, "French economic group."

31 Ibid.

32 Bollore Group, Résultats 2010, 15 Mars 2011, http://129.35.163.139/bollore_web/publication_555_fr.pdf, accessed January 29, 2012; Bollore Group, Résultats 2011, 22 Mars 2012, http://129.35.163.139/bollore_web/publication_678_fr.pdf, accessed March 29 2012.

33 To learn moree about who is behind the joint venture of Socfin KCD, please visit "Cambodia: Land cleared for rubber & Rights bulldozed," malaysiannewstoday.blogspot.com/2011/10/cambodia-land-cleared-for-rubber-rights.html.

34 See "Rights groups say rubber producer must halt work over disputed land," October 6, 2011, *Deutsche Presse-Agentur*, http://www.monstersandcritics.com/news/asiapacific/news/article_1667051.php/Rights-groups-say-rubber-producer-must-halt-work-over-disputed-land, accessed March 17, 2012; also see International Federation of Human Rights (FIDH), "Land Cleared for Rubber, Rights Bulldozed," http://www.fidh.org/Land-cleared-for-Rubber-Rights, accessed December 11, 2011.

35 Federation of Human Rights, (FIDH), "Cambodia; Land Cleared for Rubber, Rights Bulldozed," October 2011 http://www.fidh.org/IMG//pdf/report_cambodia_socfin-kcd_low_def-2.pdf, accessed January 28, 2012.

36 Hubert Fabri, President of Soc Fin's Board of Directors, letter to International Federation of Human Rights, (FIDH), November 10, 2011, available at http://www.fidh.org/spip.php?action=telecharger&arg=5697, accessed February 23, 2012.

37 World Rainforest Movement, "Africa: Forests under Threat," 2010, http://www.wrm.org.uy/countries/Africa/trouble7.html, accessed March 16, 2012.

38 United Nations Mission in Liberia (UNMIL), *Human Rights in Liberia's Rubber Plantation: Tapping into the Future, 2006*.

39 "UNMIL's Report on Human Rights at Liberia Agricultural Company 'LAC' LAC's Version," 2008, http://www.socfin.com/Files/media/News/INTERCULTURES_S.A./Unmill_Report_LACs_version.pdf, accessed March16, 2012.

40 Ibid.

41 Ibid.

42 World Rainforest Movement, "French economic group."

43 Ibid.

44 Socfin website, http://www.socfin.com/Public/Statements_page.php?ID=945&ancestor1=1052&ancestor2=1709, accessed March 19, 2012.

45 International Federation of Human Rights (FIDH), "Land Cleared for Rubber, Rights Bulldozed," http://www.fidh.org/Land-cleared-for-Rubber-Rights, accessed December 11, 2011.

46 Ibid.

47 Ibid.

48 Thomas Deltombe, "Les guerres africaines de Vincent Bolloré," *Le Monde Diplomatique*, April 2009.

49 Ibid.

50 World Rainforest Movement, "French economic group."

51 "Batailles pour le contrôle des ports africains," *Eburnienews*, November 25, 2011.

52 "Bolloré: monopoles services compris," Survie, http://survie.org/francafrique/diplomatie-business-et-dictatures/article/bollore-monopoles-services-compris-170, accessed March 17, 2012.

53 Ibid.

54 Socfin website, http://www.socfin.com/Public/Menu.php?ID=1051, accessed March 16, 2012.