



## NON-OFFICIAL TRANSLATION

### SPECIFIC INSTANCE OF THE FRENCH NCP

#### 14 Local Watch Committees (“*Comités Riverains de Veille*”) and Centre of Actions for Life and Earth (“*Centre d’Actions pour la Vie et la Terre*”) v. DF Holding<sup>1</sup>, SOMDIA<sup>2</sup> and SOSUCAM in Cameroon

#### Follow-up Statement of the French NCP for RBC

27 February 2024

The NCP notes progress in the follow-up to the recommendations but it may take a few more months to be completed. The NCP decides to continue to follow-up this specific instance.

As noted in the *Procedural Guidelines of the OECD Guidelines for Responsible Business Conduct*, following conclusion of a specific instance and after consultation with the parties involved, the NCP makes the results of the procedure publicly available.

As no agreement had been reached between the parties in the present case, the French NCP had issued a [Final Statement](#), adopted on 17 May 2022, which contained five recommendations addressed to the Groups and Somdiaa and to their subsidiary SOSUCAM in the context of its sugar activities in Cameroon. This Statement reports back on the follow-up to its recommendations

### 1. Presentation of the French NCP for RBC and its role

The French National Contact Point for Responsible Business Conduct (NCP for RBC<sup>3</sup>) is a tripartite body for non-judicial dispute resolution for the implementation of the OECD Guidelines for Multinational Enterprises. Its mission is to ensure the effectiveness of the Guidelines by promoting them and contributing to the resolution of issues raised to it in the context of specific instances procedure through its good offices, mediation and conciliation. It shall endeavour to examine the issues raised as soon as possible, if possible within 12 months of receipt of the specific instance. It shall publish its decisions on its website. The NCP is following up on its recommendations.

### 2. Summary of the treatment of the specific instance

The French NCP received a specific instance on 23 November 2020 submitted by a group of Cameroonian civil society associations composed of the Centre of Actions for Life and Earth (“*Centre d’Actions pour la*

<sup>1</sup> COPAGEF Company was acquired by the limited company under Luxembourg law, D.F. Holding S.A. (‘DF Holding’), on 5 December 2022; COPAGEF being the company which was subject of the referral with its subsidiary SOMDIAA in December 2020. On the date of the merger by acquisition, all the assets and liabilities of COPAGEF were transferred to DF Holding and COPAGEF ceased to exist.

<sup>2</sup> Since January 2024 “SOMDIAA” has communicated on its new name “Somdia” which is no longer an acronym since the General Assembly of 20 June 2023.

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*Vie et la Terre*” or “CAVT” here-after) and 14 Local Watch Committee (“*Comités Riverains de Veille*” or “CRV” here-after) of the sugar area of the Haute-Sanaga Department of the Central Cameroon region, created in 2014. This specific instance related to the French group ‘COPAGEF’ (now DF Holding following the absorption of COPAGEF by DF Holding) and its subsidiaries ‘SOMDIAA’, the *Société d’Organisation, de Management et de Développement des Industries Alimentaires et Agricoles*” (now SOMDIA), and the Sugar Cameroon Company (“*Société Sucrière du Cameroun*”) or SOSUCAM here-after, concerning the impacts of the agro-industrial activities of the Société Sucrière du Cameroun and the due diligence within the Group towards SOSUCAM’s activities.

On 11 February 2021, the French NCP decided to accept the referral. The parties quickly agreed to participate in the good offices proposed by the NCP, which started on 9 March 2021. The NCP issued an [Initial Assessment Statement](#) on 12 March 2021 to announce this decision. The NCP conducted a mediation between June and October 2021 to negotiate the modalities for a future dialogue between the parties on the issues raised in the referral and to discuss SOMDIAA’s and SOSUCAM’s responses to the referral. SOMDIAA sent a file responding to the referral but it did not wish to communicate it to the Complainants at the opening of the mediation. The parties converged on a schedule of future technical meetings and the topics to be addressed. On the other hand, discussions on the involvement of CRVs, access to information by the Complainant and the role of the NCP were more difficult. In October 2021, SOMDIAA Group decided to withdraw from the good offices of the NCP. The NCP took note of allegations of pressure exerted against certain Complainants in the context of this procedure. The NCP noted the lack of agreement between the parties on the modalities of the future dialogue and that the conditions did not allow for its mediation to continue. The NCP then prepared a Final Statement which was exchanged between the parties.

By means of a [Final Statement](#) dated 17 May 2022, the NCP addressed 5 recommendations (see pages 2 to 7 of this Statement for details of the recommendations) to COPAGEF and SOMDIAA aimed at deepening their due diligence policies and tools in relation to SOSUCAM’s activities as conceived in the OECD Guidelines for Responsible Business Conduct in its 2011 version.

### 3. Actions taken by the French NCP to follow up on its recommendations

The final Statement of the NCP of 17 May 2022 addressed 5 recommendations to the companies concerned by the Specific Instance and provided for their follow-up.

The management team of the French NCP for RBC had several exchanges with SOMDIAA and SOSUCAM’s’ as well as with the Complainants. The management team heard the two parties separately (virtual meeting with the Complainants on 1 June 2023 and in-person meeting with SOMDIAA and SOSUCAM’s representatives on 14 June 2023). After these hearings, the Complainants sent to the NCP several emails with their analysis of the due diligence with regard to SOSUCAM, and on 14 June 2023 SOSUCAM and SOMDIAA’s representatives submitted to the NCP General Secretariat a report on the actions taken under responsible business conduct; this report was then circulated to the members of the French NCP (but not to the Complainants). The French NCP also held separate hearing with each party on 14 September 2023 (in-person meeting for SOMDIAA and SOSUCAM and virtually with the Complainants).

The NCP adopted a draft Follow-up Statement on 10 January 2024 and forwarded it for comments to the Group as well as to the Complainants. The NCP took note of the comments received and adopted the Follow-up Statement on 27 February 2024. It then published that Statement on its website and informed the OECD of the completion of this step in the follow-up procedure.



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### 4. Results of the follow up of this specific instance

The NCP thanks Somdia and SOSUCAM as well as the 14 villages watch committees and the Centre of Actions for Life and Earth for their participation in the follow-up to the referral.

The NCP notes that changes have taken place in the management structures of both Somdia and SOSUCAM. This changes in management teams could help boost the CSR policy of these two companies, in particular by taking better into account of the OECD Guidelines for Responsible Business Conduct.

The NCP notes that Somdia and SOSUCAM report having carried out 12 actions (detailed here-below) in response to its 5 recommendations.

#### The NCP takes stock of the implementation of the 5 recommendations addressed in May 2022 to Copagef, Somdiaa and on the effectiveness of the OECD Guidelines:

*RECOMMENDATION 1: According to due diligence and in accordance with recommendations II.A.10, 11, 12 and 13 and IV.1, 2, 3 and 6, in the face of the changing social and societal ecosystem of SOSUCAM, COPAGEF and SOMDIAA Groups shall ensure that their human rights risk mapping is updated and that they take and provide adequate measures to prevent, mitigate and remedy so as to prevent possible tensions.*

#### **The NCP notes that Somdia carried out two actions in response to this recommendation:**

- i. Somdia Group updated its human and environmental risk mapping on 31 December 2022. This contributes to its due diligence in line with the OECD Guidelines for RBC. Nevertheless, the NCP notes and regrets that the Complainants are not aware of this update.
- ii. Somdia Group launched an Environmental and Social Impact Assessment study (ESIA here-after) of SOSUCAM that is conducted by an independent audit firm (see recommendation 2). This work includes a component to consult local communities and the Complainants, and is still ongoing. It is expected to be finalised in November 2023 and to have a communication to stakeholders in December 2023.

*→ Review of the follow-up to Recommendation 1: The NCP notes that Somdia updated its risk mapping and launched a new Social and Environmental Impact Assessment study of SOSUCAM. In this context, it encourages Somdia and SOSUCAM to finalise the social and environmental impact assessment study duly on time and to take appropriated due diligence measures to respond to it. The NCP also points out that the referral had shown the importance of dialogue with various stakeholders in SOSUCAM's ecosystem and in particular with the CRVs. In this context, it reiterates its recommendation to Somdia and SOSUCAM to continue strengthening and engaging with stakeholders on finalised or ongoing actions within the framework of its communication policy. It also asks the Group to continue to inform the NCP about, in particular, the finalisation of the ongoing social and environmental impact assessment study.*

*RECOMMENDATION 2: SOSUCAM's last social and environmental impact assessment dates back from 2012 and 2017 for an irrigation project. In line with recommendations 1, 2, 3, 4, 5 and 8 of Chapter VI, in light of the actual and potential impacts of SOSUCAM's agro-industrial activity and challenges linked to climate change on its environment, the NCP recommends that a new impact assessment study be carried out promptly, taking due reference to the OECD Guidelines and Guides. In response to pollution risks, the NCP recommends that a study of to analyse the quality of surface and groundwater be carried out on a regular basis and should not be limited to the prevention plan for water used by the Nkoteng plant. The conduct and results of these studies shall be transparent to stakeholders impacted in their living conditions*



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*and activities. Health authorities shall also be consulted and informed. The lessons learned from these studies and analyses shall be integrated into the enterprise's sustainable development policy (commitment, monitoring indicators, action plan).*

### **i/ With regard to the Social and Environmental Impact Assessment of Socucam's activities:**

The NCP notes that Somdia Group carried out a comprehensive Social and Environmental Impact Assessment of SOSUCAM's facilities and activities, which was carried out over several months at SOSUCAM's sites by an independent audit firm, and approved by the Cameroonian Ministry of the Environment, Nature Protection and Sustainable Development (MINEPDED) following the chronogram at mentioned in the foot note<sup>3</sup>.

This impact assessment follows those of 2008 (audit of each plants – two Social and Environmental Management Plans or 'SEMP' here-after<sup>4</sup>) and 2012 (SEIA of the extension project – one Social and Environmental Management Plan) and 2017 (SEIA of the irrigation project – one Social and Environmental Management Plan). In addition to responding to the NCP's recommendation, this audit aims to consolidate the measures of the existing four Social and Environmental Management Plans into one single plan by updating them with the development of the Company's activities and facilities and with the evolution of the social, regulatory and normative and national/international contexts, in order to make the implementation more effective. As far as next steps are concerned, the Group states that the Ministry MINEPDED's reaction on the analysis of the SEIA report is expected; and that after the report's validation by the inter-ministerial committee chaired by the MINEPDED, a publicity campaign of the Social and Environmental Management Plan will follow, and the Group proposes to do it in collaboration with the CRVs and the CAVT. The implementation and monitoring of the measures selected in the plan will be carried out in accordance with the deadlines set out in the document. The audit includes a section aimed at consulting surrounding communities and the Complainants. To date, the French NCP has not received the Plan.

The terms of reference for SOSUCAM's social and environmental impact assessment study were validated on 21 March 2023 by the Cameroonian Ministry of the Environment, Nature Protection and Sustainable Development (MINEPDED). The NCP, who was not informed and neither consulted on the preparation of the terms of reference, notes that according to the Complainants the OECD Guidelines were only partially taken into account.

The parties informed the NCP that consultations with local populations, including with the Complainants, were initiated by the audit firm selected by Somdia. Somdia and SOSUCAM informed the NCP that the impact assessment report (210 pages) had been prepared by the audit firm and that it would 'soon' be submitted to the Cameroonian Ministry of the Environment and to an inter-ministerial committee which

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<sup>3</sup> - From October to mid-December 2022: Drafting and transmission of the tender specifications; publication of a call for tenders for firms authorized to carry out social and environmental impact assessments; selection of a firm and signature of a contract with it;

- Mid-December 2022 to mid-January 2023: Distribution of an information note to all stakeholders; receipt of the report produced by the selected firm about the start of the social and environmental impact assessments, and submission of the terms of reference to Ministry MINEPDED for approval;

- 16 March 2023: start of data collection

- 21 March 2023: approval of the terms of reference by the Ministry MINEPDED

- From April to July 2023: public consultation

- 2 August 2023 receipt of the first draft of the social and environmental impact assessments report;

- August to November 2023: review and exchanges with the firm

- 21 November 2023: Adoption of the final version

- 13 December 2023: submission of the report to Ministry MINEPDED

<sup>4</sup> Social and Environment Management Plan, or « Plan de gestion environnementale et sociale » in French



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the Ministry chairs. After approval by this committee, the audit report will be made available to stakeholders in the schools or town halls in the concerned area at the end of November 2023 or beginning of December 2023. This impact assessment report will serve as a basis for the preparation of the SEMP to be designed later on by SOSUCAM. Stakeholders will be able to propose changes and to comment the final impact assessment report. To be taken into account in the final SEMP, those modifications or comments must be approved by Cameroonian authorities.

The NCP notes from its discussions with the parties that the process of public hearings for SOSUCAM's environmental and social management plan will mostly depend on the country's authorities (the Ministry MINEPDED and the prefecture on which the sugar mill depends). The date of the finalisation of the SEMP, which is intended to steer SOSUCAM's social and environmental policy and its engagement with stakeholders, will depend on the next steps.

### ii/ With regard to the quality of the surface and subterranean waters of SOSUCAM

The NCP notes that the complainants report no positive developments in 2022 and 2023.

Somdia states that *'a contract with a design consultants firm working internationally was concluded at the end of December 2023 to carry out a study on SOSUCAM's water management and effluents treatment. The study was launched in January 2024.*

In the absence of any contrary information, the NCP concludes that no water analysis has been carried out since the start of the referral procedure.

*→ Review of the follow-up to Recommendation 2: The NCP notes that several actions have been initiated by SOSUCAM but that the implementation of the Recommendation remains incomplete at this stage. It should be reminded that the impact assessment's terms of reference that were used as the basis for the SEMP were validated by the Cameroonian Ministry of the Environment, Nature Protection and Sustainable Development and that this assessment is well under way. Furthermore, the NCP encourages SOSUCAM to implement measures to make the impact assessment report easily accessible in order to optimise its dissemination. The NCP also notes that a study on water resources is also planned (call for tenders being tendered) but without knowing the details. The NCP encourages the Company to engage in a constructive dialogue with its stakeholders and in particular with the Villages Watch Committees on the formalisation of the next SEMP and on the implementation of the water quality study. The conduct of these two audits is fundamental to tailor appropriated due diligence measures in the SELP in order to prevent, mitigate and, where appropriate, remedy adverse impacts related to SOSUCAM's sugar activity. Engagement with stakeholders should be part of this. The NCP therefore encourages Somdia to strengthen its due diligence towards SOSUCAM to ensure the proper follow-up of these recommendations.*

**RECOMMENDATION 3:** *As part of stakeholder engagement and in accordance with recommendations I.2 and II.A.14, COPAGEF and SOMDIAA Groups should ensure the development of a new action plan for SOSUCAM's engagement with all its stakeholders, beyond administrative stakeholders and traditional (chiefdoms) stakeholders provided for by local regulations. SOMDIAA underlines that SOSUCAM has a mapping of all its stakeholders (administrative and traditional authorities and other organisations interested in its activities) and that SOSUCAM "is open to dialogue with all its stakeholders". The NCP recommends that the Group work towards the reactivation of the SOSUCAM - CRVs/CAVT platform for dialogue so as to allow for mutual information and constructive dialogue with CRVs and the CAVT on measures to identify social and environmental risks, as well as on appropriate measures to prevent, mitigate and remedy potential and actual negative incidences that could affect the riparian populations of its plantations.*

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The NCP notes with satisfaction that SOSUCAM has reactivated platforms for dialogue with the Complainants and local communities. The NCP notes that meetings are held on a regular basis (on average once every three months) and have a significant audience (between 30 and 50 people on average). After each meeting, SOSUCAM draws up an attendance list of the participants and a report (examples of these documents were produced before the NCP). The SEMP, when established, will be the subject of a specific meeting with the Complainants as well as with other stakeholders. The NCP notes that the complainants confirm their participation in meetings of the platforms for dialogue (information confirmed by an attendance list that was produced before the NCP). However, the NCP regrets that SOSUCAM has not committed itself to setting up a CSR Committee within SOSUCAM.

The question of SOSUCAM's contribution to the development of local employment and local subcontracting was discussed during the mediation. The NCP notes that an effective dialogue (see attendance list + reports) has been initiated between SOSUCAM, the 14 Villages Watch Committees, the Centre of Actions for Life and Earth and chiefdoms to increase the involvement of local populations and local economic actors in the Company's activity. As an indication, a "Local Competences File" is being developed on the basis of joint work between the Complainants and the company. The NCP welcomes this engagement with the stakeholders, which translates into concrete actions (hiring of staff and subcontracting with structures from the region) but remains modest. The NCP also notes that the Complainants still claim that the persons hired are not predominantly workers from the neighboring populations of SOSUCAM's production unit.

*→ Review of the follow-up to Recommendation 3: The NCP notes significant progress in Somdia and SOSUCAM engagement with stakeholders as symbolized by the reactivation of meetings of SOSUCAM's platform for dialogue. The Complainants confirm that they are in fact participating in these platforms for dialogue. The NCP welcomed the fact that this work, which help easing tensions, and include issues related to the employment of local populations and the development of local subcontracting. However, it calls on Companies to continue in this direction with an institutionalized engagement of SOSUCAM with its stakeholders by setting up a CSR Committee in the future.*

**RECOMMENDATION 4:** *In accordance with recommendations on Due Diligence A.10, 11, 12 of Chapter II, the NCP recommends that COPAGEF and SOMDIAA enrich their corporate policy and its implementation by SOSUCAM, drawing on the [OECD Due Diligence Guidance for Responsible Business Conduct](#)<sup>5</sup> and the [OECD/FAO Guidance on Responsible Agricultural Supply Chains](#)<sup>6</sup> as well as [OECD work on agricultural supply chains](#)<sup>7</sup>.*

Somdia was suspended from BONSUCRO in 2020 for lack of due diligence. By letter of 28 September 2023, BONSUCRO stated that it was reinstating the Company on the basis of the following comments:

*“The Board acknowledged the substantial progress made by SOMDIAA in implementing the recommendations put forth by the French OECD National Contact Point (NCP) regarding the Cameroon case and your willingness to share this progress with the French NCP. They were also pleased to learn of your new CAP27 Transformation Project and your efforts to embed responsible business conduct across the SOMDIAA Group of Companies”.*

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<sup>5</sup> [Due Diligence - Organisation for Economic Co-operation and Development](#)

<sup>6</sup> [Guidelines for MNEs - Organisation for Economic Co-operation and Development](#)

<sup>7</sup> [Guidelines for MNEs - Organisation for Economic Co-operation and Development](#)



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This "reintegration" is due in particular to the adoption of guidelines on social and societal law for SOSUCAM in Cameroon (2023). The NCP takes note of the fact that, within this framework, SOSUCAM has taken into account a better understanding of aspects relating to human rights and environment protection, issues which are directly covered by the OECD Guidelines.

The finalisation of the SEMP should usefully complement due diligence arrangements of Somdia and SOSUCAM.

Furthermore, the NCP notes that Somdia has two old internal procedures (PEKYS created in 2020 and previously PECAE) with regard to the exercise of due diligence, in particular with regard to the company's suppliers. These measures, if not new, fully apply to SOSUCAM and contribute towards improving due diligence.

*➔ Review of the follow-up to Recommendation 4: SOMDIAA has a framework document setting out guidelines for the Group and its subsidiaries (including SOSUCAM) in terms of social and societal law. On this basis, the Somdia Group was reinstated in BONSUCRO initiative after its suspension. The NCP takes note of the consideration human rights and environment protection aspects in this new framework, in line with the OECD Guidelines. The finalisation of the impact assessment report and then of the SESMP should usefully complement this scheme.*

**RECOMMENDATION 5:** *In accordance with recommendations 1, 2, 3 and 4 of Chapter III, the NCP recommends that the COPAGEF and SOMDIAA Groups improve their disclosure on SOSUCAM.*

The NCP notes that the Group will review and will modernise its communication policy on CSR aspects, including notably:

- A new website was put into operation at the beginning of 2024 and is being enriched
- A strengthened communication approach on CSR
- Specific communication with stakeholders
- Annual publication of a non-financial report
- A CSR communication plan
- Regular publication of vigilance reports.

*➔ Review of the follow-up to Recommendation 5: The NCP notes that expected progress is slow to materialise while the DF Holding (former COPAGEF Group) is subjected to the French Law on Duty of Vigilance on the one hand, and to obligations to disclose non-financial information on the other hand. The NCP notes that new guidelines would have been defined by Somdia and SOSUCAM on the disclosure of information in relation with social and environmental responsibility of the Company, what follow the meaning of its recommendations. The NCP asks the Group to be keep informed about the development of this work.*

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**The NCP thanks the parties for their participation in the follow-up to the referral. It takes note of the progress made by the parties and congratulated them in particular for launching SOSUCAM's social and environmental impact assessment and resuming the platforms for dialogue. The NCP notes that these actions are ongoing and that additional actions are still needed to implement its 2022 recommendations. In this context, it invites the parties to come back to it over the next twelve months to keep it informed in particular of i) the finalisation of SOSUCAM's social and environmental impact assessment, ii) the preparation and results of the water analysis, iii) the preparation of the**



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**future ESMP and in particular the due diligence measures for water quality and iv) the disclosure of information on SOSUCAM.**

**The NCP will communicate at a later stage on the outcome of the follow up of this specific instance.**