

NON-OFFICIAL TRANSLATION

SPECIFIC INSTANCE

‘SOCAPALM — BOLLORE Group and SOCFIN Group in Cameroon’

Follow Up Statement from the French National Contact Point on 10 March 2020

The French NCP reports on steps taken since May 2016.

The French, Belgian and Luxembourg National Contact Points for (NCPs) were seized on 3 December 2010 by a coalition of four non-governmental organisations concerning the activities of Cameroon’s palm-oil company, SOCAPALM¹, in Cameroon.

The complainant’s coalition was composed of the Centre for Development Cameroon (CED Cameroon), the Cameroon Foundation of Rational Actions and Training for the Environment (FOCARFE), SHERPA association (France) and MISEREOR (Germany). The specific instance concerned four companies related to SOCAPALM: **Bolloré SA**, seated in France, **Finanière du Champs de Mars** seated in Belgium, and two companies seated in Luxembourg, namely Socfin (former Société Financière Luxembourgeoise SA, which became **Socfin** in January 2011) and **INTERCULTURES** (now **SOFINAF SA** since January 2011).

1. Summary of the procedure followed between 2011 and May 2016 by the NCPs:

The French NCP, designated as lead NCP for the specific instance in early 2011 acting with the support of Belgium and Luxembourg NCPs, exercises its good offices between Bolloré Group and Sherpa association between June 2012 and May 2013. It conducted a mediation between them between February 2013 and March 2014. It closes the referral by publishing a report on 3rd June 2013 in which it notes several non-compliance with the OECD Guidelines, a clear evolution of the situation and the parties commitment to enter into mediationⁱ. It then published a follow-up statement on 17th March 2014 announcing the negotiation of an action plan for Socapalm resulting from this mediation. It publishes a second follow-up statement on 2^d March 2015, where it notes difficulties in making that action plan operational. The NCP calls on parties to assume their responsibilities and asks supportive NCPs to interact with Socfin Group, which Socapalm is one of its subsidiaries. In 2016, Socfin Group accepts Belgium NCP’s good offices. The French NCP publishes a follow-up statement on 18th May 2016. It transfers leadership of the specific instance to Belgium NCP who is “*responsible for interacting with Socfin Group*”. It takes stock of “*mixed results: the Bolloré Group used the influence it has vis-à-vis its business relationships, but the action plan for Socapalm has not yet been formally implemented*”. It made a number of recommendations to Bolloré Group set out hereafterⁱⁱ.

From May 2016 onwards, the Belgian NCP takes over leadership of the specific instance. It works in coordination with the French and Luxembourg NCPs. After having delivered its good offices, it publishes a final statement on 15th June 2017 and then a follow-up statement on 26th November 2018. It notes that “*In general, many criticisms are still being heard, and the situation in Cameroon still appears to be delicate. (...); The NCP encourages Socfin Group and SOCAPALM to actively pursue and improve the started work and will continue to monitor the situation on the ground by listening to and be at the disposal of stakeholders*”.

The list of the publications of the three NCPs in this specific instance is set out in Annex.

¹ « Société camerounaise de palmerais »

NON-OFFICIAL TRANSLATION

2. Actions by the French NCP since May 2016

French NCP Bylaws provides since 30th July 2012 that “*If it deems necessary or useful, the NCP may monitor the follow-up to its recommendations after having closed the examination of the specific instance*”. In its follow-up statement of 18th May 2016, “*The French NCP asks the two parties to the action plan (Bolloré Group and Sherpa) to inform it of Socapalm’s situation a year from now, in April/May 2017*”. The French NCP reports on the steps taken in this respect and in support of the actions of the Belgian NCP.

2016: The French NCP and the Luxembourg NCP participates in the mediation meeting organized by the Belgian NCP on 29th September 2016 in Brussels². Bolloré Group and Socfin Group participate in it. Sherpa does not take part to it but will send a statement afterwards.

2017: The French NCP participates in the mediation meeting organized by the Belgian NCP on 2^d February 2017 in Brussels³. Sherpa participates in it. Bolloré Group does not participate in it despite Socfin Group is represented and accompanied by The Forest Trust, a consulting organisation whose purpose is to propose CSR strategies to multinational enterprises. On 9th May 2017, the French NCP invites both Sherpa and Bolloré Group to provide it with a review of actions carried out over the past 12 months and to meet the NCP. It participates in consultations organized by the Belgian NCP on its draft final statement. It is consulted by Luxembourg NCP on a draft letter to Socfin Group (published on 29th June 2017). The NCP meets with Sherpa on 3rd July 2017, who hands over a file on Socapalm’s situation. The meeting with Bolloré Group does not take place. On 11th September 2017, the NCP decides to invite again the Group to meet with it. The meeting does not take place.

2018: The NCP refers to the file in March 2018 and follows the work of the Belgian NCP. In July 2018, it invites Bolloré Group to the follow-up meeting organized by the Belgian NCP on 4th September 2018. The Group forwards Socfin’s Sustainable Development Report for 2017 and states that it doesn’t wish to participate in this meeting. In September and October 2018, the NCP decides to organise a meeting with the Group to discuss its due diligence. The Group doesn’t respond to this request. The meeting does not take place. At the end of the year, the NCP participates in consultations on the draft Belgian NCP follow-up statement, adopted on 26th November 2018.

2019: The NCP refers on a regular basis to the file. It contacts Bolloré Group’s lawyer to organise a meeting in May and before preparing a possible statement. The meeting, which was postponed to end of June, does not take place. The NCP notes the simultaneous opening of a judicial proceedings initiated by several organisations, including Sherpa, against the Group about the “forced enforcement” (“exécution forcée”) of Socapalm’s action plan⁴. It then notes that a specific instance has been submitted to the Dutch NCP which deals with the involvement of the financial sector in the palm oil sector and refers to Bolloré Group and to Socfin Group⁵.

On 3 September 2019, the French NCP decides to prepare a statement reflecting steps taken since 2016. This statement intervenes after actions under the leadership of the Belgian NCP leadership in the referral and its statements (see Annex). The French NCP examines a project of the statement at its meeting on 14th October 2019 which it validates on 21st October with the exception of two trade unions. The three NCPs concerned send comments on 15th and 31st October 2019. The NCP validates the draft statement on 14th November 2019 with the exception of two trade unions. It then transmits the draft statement to the parties for factual comments. It adopts the statement by consensus on 10th March 2020 with the exception of two trade unions organizations (CFDT and CGT), and transmits it for information to the parties and to the NCPs concerned before publication on its website and informs the OECD Secretariat.

² These meetings are presented in the Belgian NCP Statement of 15th June 2017.

³ These meetings are presented in the Belgian NCP Statement of 15th June 2017

⁴ <https://www.asso-sherpa.org/huile-de-palme-cameroun-groupe-bolloré-attraite-justice>

⁵ <https://www.oesorichtlijnen.nl/documenten/publicatie/2020/01/20/initial-assesment-friends-of-the-earth-vs.-ing>

3. Conclusion

Following the launch in 2019 of the judicial proceedings referred above related to the ‘forced enforcement’ of Socapalm’s action plan, the NCP notes that Bolloré Group does not have direct dialogue with the NCP to discuss the exercise of its due diligence towards Socfin and Socapalm who are its ‘business relationships’ within the meaning of the OECD Guidelines by virtue of its role as a minority shareholder of Socfin, as an indirect shareholder of Socapalmⁱⁱⁱ and of its presence in their boards of directors (see French NCP Report on 3rd June 2013^{iv}).

The NCP notes that Bolloré Group states that “*after having taking an active part in the preparation of the Socapalm action plan established in 2013 and [having] contributed to the direct progressive involvement of Socfin in the file, under the aegis of the Belgian NCP since 2016*”, it “*confirms that Bolloré Group continues to exercise its influence in its capacity as a minority shareholder of Socfin, for the purpose of continuously improving its diligence arrangements, in particular in Cameroon*”. Bolloré Group also notes that “*each meeting of the board of directors is indeed the occasion to take an overall view of the advances made by Socfin to take into account the social and environmental impacts of its activities*”. Finally, Bolloré Group notes that “*Bolloré Group will continue to play its role as a positive influence in the governance structures of Socfin*”.

The NCP notes that Sherpa states that “*Socapalm’s neighbouring communities and workers are still waiting for the action plan and all remediation measures actions it contains to address the non-compliance with the OECD Guidelines be implemented*”.

In such circumstances:

The NCP does not have elements of information enabling to verify Bolloré Group’s due diligence effectiveness toward its business relationships in Socfin Group in regard with the objectives of Socapalm’s action plan.

1. The NCP recommends to Bolloré Group to ensure that it exercises its due diligence toward Socfin Group and Socapalm in order to contribute to the objectives of Socapalm’s action plan and to follow-up recommendations made by the Belgian NCP on 26th November 2018. In this regard, it reiterates one of its recommendations of 18 May 2016⁶.

2. The NCP recommends to Bolloré Group to exercise its due diligence toward its business relationships (Socfin group, Socapalm) in order to identify, prevent, mitigate actual and potential adverse impacts arising from their activities and to contribute to enabling access to remediation where necessary. To this end, it recommends to it to rely on the OECD Guidance on Due Diligence for Responsible Business Conduct of May 2018 and to the OECD and FAO Guidance for Responsible Agricultural Supply Chains of 2016. In this regard, it reiterates one of its recommendations of 18 May 2016⁷.

3. The French NCP stands at the disposal of its counterpart as supportive NCP as need be.

⁶“*The French NCP calls on all the parties to respect their commitments to implement the Socapalm roadmap without delay. It reminds Socapalm’s business partners and the parties to the roadmap that they need to assist Socapalm and demonstrate due diligence to encourage it to apply principles of responsible conduct in keeping with the May 2011 revised Guidelines (see Art. 13 of the general policies), especially when developing new plantations. The NCP will remain attentive to any initiative that could generate tangible outcomes for Socapalm’s workers and the populations living adjacent to the plantations*”.

⁷“*The French NCP invites the Bolloré Group to fully respect its commitments and resume the operationalisation of the roadmap where it left off (i.e. based on its separation into two parts with GRET’s assistance) within the steering committee set up with Sherpa. The steering committee, comprising the Bolloré Group and Sherpa, should be extended to the Socfin Group under the auspices of the French and Belgian NCPs. The French NCP asks the two parties to the roadmap (Bolloré Group and Sherpa) to inform it of Socapalm’s situation a year from now, in April/May 2017*”.

NON-OFFICIAL TRANSLATION

ANNEX

Publications of the French, Belgian and Luxembourg NCPs in this specific instance

- **3 June 2013** : French NCP Report [ici](#) (FR) - [here](#) (EN)
- **17 March 2014** : French NCP Follow-up Statement [ici](#) (FR) - [here](#) (EN)
« SOCAPALM: A Concerted Roadmap for Enhancing Living and Working Conditions for Plantation Employees and Local Populations »
- **2 March 2015** : French NCP Follow-up Statement [ici](#) (FR) - [here](#) (EN)
« SOCAPALM: The NCP calls on Socapalm's partners to assume their responsibilities»
- **5 October 2015** : Belgium NCP Statement [ici](#)(FR)
- **4 February 2016** : Belgium NCP Statement [ici](#) (FR)
- **18 May 2016** : French NCP Follow-up Statement [ici](#) (FR) -- [here](#) (EN)

« The referral enters a new phase: the French NCP ends its follow-up of the recommendations it made to the Bolloré Group and transfers leadership of the referral to the Belgian NCP competent to interact with the Socfin Group»
- **15 June 2017** : Belgium NCP Final Statement [ici](#) (FR)
- **29 June 2017** : Publication of a letter from Luxembourg NCP to SOCFIN SA [ici](#) (FR)
- **26 November 2018** : Belgium NCP Follow-up Statement [ici](#) (FR)

i French NCP Report, 3rd June 2013 - Abstract

7. Conclusion

The NCP has taken into account the fact that the Bolloré Group is a minority shareholder in Socapalm. However, despite the Bolloré Group's position, the NCP has come to the conclusion that the Group along with the three other companies targeted by the referral are Socapalm's "business partners" as per the OECD's Guidelines (June 2000 version) and that they have a "business relationship" as per the new concept introduced in the revised Guidelines of May 2011.

When reviewing this specific instance, the NCP noted that Socapalm's activities violated certain chapters in the Guidelines, including those on General Policies, Employment and Industrial Relations and the Environment. As a result of the referral, the NCP also noted that the targeted companies did not comply with some of the OECD's disclosure recommendations. The NCP therefore offered its good offices to the parties to try and resolve these issues. In this report, the NCP recommends that the targeted companies take steps to remedy this situation.

At the time of writing, the NCP noted a clear improvement in the situation, opening the way to a possible enhancement in the living conditions of both Socapalm's employees and the plantations' local communities. The NCP notes that the Bolloré Group has said it is willing to assume its responsibilities and use the influence it has with its partners in its business dealings with Socapalm and Socfin to end the violations of the OECD Guidelines for Multinational Enterprises resulting from Socapalm's activities in Cameroon.

ii French NCP Follow Up Statement, 18th May 2016 – Abstract

Part III: The French NCP's conclusion and decisions in the Socapalm specific instance

The NCP met on 3 February 2016 following a detailed review and drew the following conclusions:

(1) It understands the frustration of the Socapalm plantation workers and communities living adjacent to the plantations, who have been waiting for the roadmap to be implemented and independently monitored since 17 March 2014.

(2) It deems that its action has had repercussions: (...)

(3) It hereby observes that the centre of gravity for the implementation of the remediation roadmap has shifted from the Bolloré Group to the Socfin Group. Socfin's final acceptance of the Belgian NCP's good offices should usher in a new phase in the referral for the parties to resume dialogue led by the Belgian NCP with a view to achieving the objectives of the roadmap (in its two parts) with Socfin's cooperation. In these circumstances, the NCP feels it necessary to keep the pressure on for the parties to work together to achieve the roadmap's objectives.

In these new circumstances, the French NCP has made the following decisions:

1. The French NCP invites the Bolloré Group to fully respect its commitments and resume the operationalisation of the roadmap where it left off (i.e. based on its separation into two parts with GRET's assistance) within the steering committee set up with Sherpa. The steering committee, comprising the Bolloré Group and Sherpa, should be extended to the Socfin Group under the auspices of the French and Belgian NCPs. The French NCP asks the two parties to the roadmap (Bolloré Group and Sherpa) to inform it of Socapalm's situation a year from now, in April/May 2017.

2. The French NCP calls on all the parties to respect their commitments to implement the Socapalm roadmap without delay. It reminds Socapalm's business partners and the parties to the roadmap that they need to assist Socapalm and demonstrate due diligence to encourage it to apply principles of responsible conduct in keeping with the May 2011 revised Guidelines (see Art. 13 of the general policies), especially when developing new plantations. The NCP will remain attentive to any initiative that could generate tangible outcomes for Socapalm's workers and the populations living adjacent to the plantations.

5. The NCP recommends that the Bolloré Group find the means to act on its strategy for dialogue with the local stakeholders to remedy situations non-compliant with the OECD's CSR standards and prevent all risks of negative impact. Given that the Socfin Group and its companies remain leading business relationships for the Bolloré Group in its plantation activity, the NCP asks the Bolloré Group to continue to use its influence and to demonstrate due diligence in its different business relationships to ensure the implementation of the OECD Guidelines. In this respect, it invites the Bolloré Group to take into account the new OECD-FAO Guidance for Responsible Agricultural Supply Chains for the plantations in which it is

a shareholder. The NCP notes that the Bolloré Group attended the launch of this guidance at the OECD on 11 March 2016, to which it invited representatives of the Socfin Group.

See [OECD-FAO Guidance for Responsible Agricultural Supply Chains](http://mneguidelines.oecd.org/OECD-FAO-Guidance.pdf)
<http://mneguidelines.oecd.org/OECD-FAO-Guidance.pdf>.

Source: <http://www.tresor.economie.gouv.fr/File/426854>

iii SOCFIN is owned by Hubert Fabri of 52.24 % and Bolloré Participations at 38.75 % (source: SOCFIN annual report 2018). The main shareholders of the Socapalm are SOCFINAF, which holds 67.46 % of the shares, together with the State of Cameroon with 22.36 %; the balance, i.e. 10.18 %, is divided into Cameroon's private hands via the Douala Stock Exchange (source: Sustainable Development Report 2018). SOCFINAF is held by SOCFIN at 58.85 % and by Bolloré at 9 % (Source: SOCFINAF Annual Report 2018).

iv [French NCP Report, 3rd June 2013 – Abstract](#)

2. Analysis of the admissibility of the referral by the French NCP

The analysis of the admissibility of this referral was made difficult as a result of two factors:

- The existence of parallel court proceedings following the filing of libel suits by the Bolloré Group, one against one of the claimants. In accordance with the procedural guidance for national contact points, the NCP felt that it was necessary to pursue this specific instance after examining the facts.

- The difficulty in establishing the nature of the ties between the Bolloré Group, a minority shareholder in Socapalm, the other companies targeted by the referral and the Cameroon-based Socapalm whose business has been directly challenged by the claimants; due to the lack of information published by these companies, the difficulty lay in establishing whether or not they were “business partners”.

The NCP referred to a public information notice from the *Société Générale de Banques au Cameroun* (SGBC) issued to coincide with Socapalm's flotation on the Douala Stock Exchange in 2008. This notice stated that the majority of Socapalm's stock was owned by the Cameroon holding company Palmcam and that the Cameroon government was the second-biggest shareholder in the company. The Bolloré Group was listed as a minority shareholder in Socapalm with a stake of 9.35%; it also held a seat on the Socapalm board of directors, a fact it confirmed to the NCP in 2012.

The notice stated that in 2008, Socfinaf (formerly Intercultures), a holding company targeted by the referral, owned 63.72% of Palmcam's share capital, with the remaining 36.28% owned by the Monthé Group's *Société Financière et Commerciale*, one of whose directors also has a seat on the Bolloré Group's board of directors. Socfin (formerly Socfinal) owns a majority stake in Socfinaf, another holding company targeted by the referral, in which the Bolloré Group owns a 37.8% stake. The NCP notes that: “with 38.7% of the share capital, the Bolloré Group owns a significant stake in the Socfin Group, one of the world's biggest independent plantation companies. Socfin manages approximately 150,000 hectares of plantations, mainly oil palm and rubber tree plantations, in Africa and Asia”.

The French NCP took into consideration the information it received from the Belgian and Luxembourg NCPs to establish the ties between the companies targeted by the referral.

Despite the Bolloré Group's position, the NCP believes that the Bolloré Group and the other three companies targeted by the referral are all business partners of Socapalm as per the Commentary on the Implementation Procedures in the OECD Guidelines for Multinational Enterprises of June 2000 (§10) and in keeping with the concept of “business relationship” introduced in the revised Guidelines of May 2011. The NCP therefore decided that the specific instance was admissible and was worthy of further examination on 5 July 2011.

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