

U.S. National Contact Point
Bureau of Economic and Business Affairs
Rm 4950, Harry S. Truman Bldg.
U.S. Department of State
2201 C St. NW
Washington, DC 20520

Yaoundé, 13th June 2013

Dear OECD National Contact Point for the United States,

The Center for Environment and Development (CED)ⁱ and the Network to Fight Against Hunger (RELUFA)ⁱⁱ are both national level Non-governmental organizations advocating for community rights and improved policy around the exploitation of natural resources in Cameroon.

We are writing concerning a violation of the OECD Guidelines for Multinational Enterprises by Herakles Farmsⁱⁱⁱ, a New York-based company operating in Cameroon via its affiliate SG Sustainable Oils Cameroon (SGSOC). Herakles Farms has been operating in Cameroon since 2009. The company stated its intention to develop a 73.000 hectare oil palm plantation and refinery in South West Cameroon.

We believe Herakles Farms may have violated anti-bribery provisions of the OECD Guidelines and would like to bring this matter to your attention for investigation under the “specific instances” procedural mandate of your office.

Reports of Corruption

CED and RELUFA are aware of the following allegations of corruption made against Herakles Farms:

- 1) A February 2013 joint fact finding report by the Cameroonian Ministry of Forestry (MINFOF) and program of the German Government called “Program for the Sustainable Management of Natural Resources” (PSMNR) states:

The [fact-finding] team has collected during its fact finding mission in 20 villages a lot of information showing the way SGSOC is operating. The negotiation [for land] is done with lot of intimidation and bribery, targeting the chiefs and some few influential decision - making members of the communities^v

- 2) Additionally, a report by the Oakland Institute and Greenpeace International of May, 2013 reveals:

The Oakland Institute and Greenpeace International have evidence that suggests that Herakles Farms' employees have used bribery, cash gifts, and promises of employment to win support for its project in Cameroon.

When asked about this issue, a Herakles Farms employee responded: "Of course envelopes were distributed [...] that's how you facilitate your way." The employee added that the former Herakles Farms Plantation Director "distributed a good number of envelopes and huge sums of money."

Information containing similar allegations of corruption involving other Herakles Farms employees, including expatriate staff, has been provided to the Oakland Institute and Greenpeace International.^v

- 3) A May 23rd, 2013 article published in the French newspaper *Le Monde* on the Herakles Farms plantation reports:

In an interview, a high-level civil servant in the Cameroonian Ministry of Lands also says that he was promised employment for his relatives by Hamilton James, the Operational Director of Herakles Farms in Cameroon.^{vi}

CED and RELUFA believe the information cited above indicates that Herakles Farms has violated Cameroonian anti-corruption laws, the US Foreign Corrupt Practices Act, and Chapter VI "Combatting Bribery" of the OECD Guidelines for Multinational Enterprises which state, "Enterprises should not, directly or indirectly, offer, promise, give, or demand a bribe or other undue advantage to obtain or retain business or other improper advantage."^{vii}

Thus, our organizations formally request the US National Contact Point thoroughly and speedily investigate the matter.

ⁱ www.cedcameroun.org

ⁱⁱ www.relufa.org

ⁱⁱⁱ <http://heraklesfarms.com/> USA: Herakles Farms, 277 Park Avenue, 40th Floor New York, NY 10172. Phone: 212-351-0176 and Cameroon: Herakles Farms, Nambeke Street, Half Mile, Limbe, P.O. Box 64 Limbe Southwest Region, Cameroon. Phone: 237-33-33-23-46

^{iv} **Report: Fact finding mission on Herakles Farms (SGSOC) oil palm plantation project, February 2013.** Available at: http://cameroonveritas.files.wordpress.com/2013/04/03_01_2013_report-fact-finding-mission-sgsoc.pdf

^v **Herakles Exposed: The Truth Behind Herakles Farms False Promises in Cameroon.** Available at: http://www.oaklandinstitute.org/sites/oaklandinstitute.org/files/OI_Report_Herakles_Exposed.pdf

^{vi} *Au Cameroun, un projet géant d'huile de palme fait scandale.* Le Monde.

http://www.lemonde.fr/afrique/article/2013/05/23/au-cameroun-un-projet-geant-d-huile-de-palme-fait-scandale_3416319_3212.html.

Our Translation from French. Original text in French:

Dans un entretien, un haut fonctionnaire du ministère camerounais du cadastre raconte également comment des emplois pour ses proches lui ont été promis par Hamilton James, alors directeur opérationnel de Herakles Farms au Cameroun.

^{vii} OECD Guidelines for Multinational Enterprises, 2008. Page 21.