

BACKROOM BULLYING

THE ROLE OF THE US GOVERNMENT
IN THE HERAKLES FARMS' LAND GRAB IN CAMEROON



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The Oakland Institute

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This report was written by Elizabeth Fraser and Frédéric Mousseau of the Oakland Institute, with an Afterword by Nasako Besingi, Executive Director of Struggle to Economize Future Environment (SEFE), a local NGO in Cameroon.

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Executive Summary

In 2009, SG Sustainable Oils Cameroon Ltd. (SGSOC), a subsidiary of the US firm Herakles Farms, signed a convention with the government of Cameroon to develop a large-scale palm oil plantation.¹ The convention included a 99-year lease for 73,086 hectares (ha) of land in the Ndian and Kupe-Manenguba Divisions in Cameroon's Southwest region.²

Right from its inception, the Herakles Farms project has been full of flaws. Amongst myriad issues, the company violated national laws; ignored court orders to cease work; and moved forward despite massive opposition from local communities, conservation groups, and NGOs. The expected social, economic, and environmental impacts of the project were numerous – including the loss of livelihoods and other socio-economic effects for up to 45,000 people and the massive deforestation of a biodiversity hotspot.³ To make matters worse, Herakles Farms promoted its actions – which included plans to deforest pristine tropical rainforest to establish a monoculture palm oil plantation – as sustainable, telling investors and charitable donors that the project would plant trees to fight climate change, while conveniently forgetting to mention the deforestation that would be required.⁴

Since 2012, the Oakland Institute, along with several other NGOs, has exposed manifold problems with this project. Following several reports,⁵ extensive media exposure,⁶ international campaigns,⁷ and faced with widespread local opposition,⁸ the project was stalled for some time. However, in November 2013, three Presidential decrees were signed, offering a short-term lease to the company.⁹ The decrees lessened the project significantly – the duration shifted from 99 years to a three-year probationary lease for just 19,843 of the original 73,086 ha, and raised the annual rental fee from between US\$0.50 and US\$1.00 per ha to approximately US\$7 per ha.¹⁰

Now, the probationary lease is up for renewal. By November 2016, the Cameroonian government must decide whether

to renew the 19,843 ha lease or revoke it for good.¹¹

As the government prepares to make this vital decision, documents obtained from a Freedom of Information Act request reveal the role of the US government in advocating for this project in complete disregard of the widely known problems associated with it. We now know that the United States put significant pressure on the Cameroonian government to grant Herakles Farms' lease, through various meetings between Cynthia Akuetteh, then-Deputy Assistant Secretary for African Affairs, and various Cameroonian officials, including President Paul Biya, as well as in meetings between Robert Jackson, then-US Ambassador to Cameroon, and Secretary General of the Presidency, Ferdinand Ngoh Ngoh. This bullying was conducted despite full information about the serious local opposition to the project and the vast social and environmental harm that was expected from it. It is also in direct contradiction with numerous US-led and funded projects to protect forest basins, fight deforestation, and address climate change in Cameroon.¹²

This report provides an overview of the Herakles Farms project and its numerous flaws. It examines the Embassy cables obtained through the Freedom of Information Act request that demonstrate not only the bullying tactics of the US government, but the blatant contradictions between the US government's position on Herakles Farms and the forest conservation projects it funds in the region. It also reveals the many concerns held by the Cameroonian government about the project, suggesting that pressure from the US may have been a critical factor in offering Herakles Farms the land.

As the date of renewal approaches, it must be made abundantly clear: the Herakles Farms / SGSOC project has been flawed and opposed from the outset, and must be ended once and for all.





Oil palm nursery in a Herakles Farms concession area © Alex Yallop / Greenpeace

Background

From the very beginning, Herakles Farms has claimed that the SGSOC project would contribute to both socio-economic development and environmental protection in Cameroon. This was in part to be realized through its partnership with *All For Africa*, an American NGO created and led by Bruce Wrobel, the Chairman and CEO of Herakles Farms.¹³ Together, these intertwined entities planned to plant one million palm trees on the Herakles Farms' land, claiming that this would not only address environmental issues such as climate change and deforestation, but also provide over US\$750 million in revenue that would then be invested in local development projects.¹⁴

The reality on the ground has proven to be quite different.

First, Herakles Farms neglected to convey that large swaths of pristine rainforest would be deforested in order to make way for their monoculture palm plantation. Indeed, the technical panel of the High Conservation Value (HCV) Resource

Network reported early on that the required assessment of high conservation value lands conducted by Herakles Farms was severely flawed.¹⁵ The lands that the company claimed were degraded (and thus appropriate for their use) were, in reality, tropical rainforest.¹⁶ This is in addition to concerns raised by the Oakland Institute, Greenpeace International, and others regarding the destruction of endangered species' habitats, surface and groundwater contamination, the use of pesticides, and more.¹⁷

The socio-economic consequences of the project were also expected to be high. Herakles Farms claimed that the loss of livelihoods caused by the project would be offset by the creation of new plantation jobs.¹⁸ The convention stated that 7,500 jobs would be created, but contained no guarantees of that figure.¹⁹ The company's own environmental impact assessment suggested that the majority of the 14,000 inhabitants of the original lease area practiced subsistence agriculture, all of whom would be impacted by the project,



while local NGOs put forward estimates that up to 45,000 residents would actually be affected.²⁰ In addition, plantation employees were to be paid according to “minimum wage scales fixed on the basis of productivity and efficiency criteria.”²¹

The economic benefit of the project for Cameroon is also unclear. The initial rental rate agreed for the land was a mere US\$1.00 per ha for developed land and US\$0.50 per ha for undeveloped land. In addition, the company would not be charged tax for the first ten years of production, was to be exempt of various customs charges, would pay a corporate tax rate of 15 percent rather than the typical 38.5 percent in Cameroon, and would be allowed to carry forward losses from previous years indefinitely without limitation.²²

While these terms were all laid out in the 2009 Establishment Convention signed with the government of Cameroon, the actual lease for the 73,086 ha of land was not established at that time. In fact, according to Cameroonian law, amongst the various necessary permits required for such a project, a Presidential decree is mandatory for leases of land over 50 ha.²³ This was not obtained by Herakles Farms, yet in 2010 the company began clearing forest and developing nurseries. Herakles Farms also ignored two local court orders to cease work, one of which specifically ordered the company to cease work until a proper environmental impact assessment was conducted, compensation was made to those directly affected by the project, and a Memorandum of Understanding was negotiated with local indigenous peoples.²⁴

In November 2013, Herakles Farms did obtain Presidential decrees for the use of 19,843 ha of land.²⁵ However, the company’s violation of Cameroon’s national laws has not ceased. Instead, as exposed by Greenpeace International, since 2013 Herakles Farms has engaged in illegal logging from its sites through an opaque relationship with the timber company *Uniprovince*. Most of the illegal wood has reportedly been shipped for sale to China.²⁶

Over the years, Herakles Farms has claimed to have the support of local communities; however, research conducted by the Oakland Institute has revealed the widespread opposition of local communities. For years, communities have been mobilizing and sending letters and petitions to various levels of government, denouncing the project and sharing their legitimate fears over loss of lands and livelihoods.²⁷ In June 2012, community members organized a protest of the project, coinciding with a visit to the area by

the Governor of the Southwest region. Protestors were met with threats and intimidation, with several arrests taking place.²⁸

Since then, the intimidation and threats have continued. One focus of these threats has been Nasako Besingi, director of *Struggle to Economize Future Environment* (SEFE), a prominent local NGO that has organized against Herakles Farms for years. In 2015, Besingi, who had already been assaulted, arrested without charge, and routinely threatened by company employees, was convicted on four criminal accounts of defamation and spreading false information on the internet for an email he sent about being ambushed and attacked by SGSOC staff.²⁹

Besingi’s conviction is particularly astounding when one considers the abundance of false information spread by Herakles Farms itself. The company has consistently provided contradictory information, spinning one story for the public and another for its investors. For example, in an open letter criticizing the Oakland Institute’s early reporting on the project, Herakles Farms’ late CEO Bruce Wrobel wrote that the company had surrendered timber rights on the land to the government in exchange for cheap rental prices.³⁰ However, investor documents leaked to the Oakland Institute revealed promises of generating US\$60 – 90 million through timber sales in the project’s early years.³¹ This is but one of the numerous blatant lies spread by company leadership to convince the public of their benevolence and good will.³²

Finally, throughout the project, there has been ample evidence of the use of bribery and corruption. A 2013 fact-finding mission by the Cameroonian Ministry of Forestry and a German government project reported, “the negotiation [for land] is done with lot [sic] of intimidation and bribery, targeting the chiefs and some few influential decision-making members of the communities.”³³ In addition, correspondence with a former Herakles Farms employee revealed that bribery, cash gifts, and promises of employment were used to win support for the project.³⁴

As a result, in June 2013, two Cameroonian NGOs – the *Center for Environment and Development* (CED) and *Réseau de Lutte contre la Faim* (RELUFA) – wrote to the OECD to report violations of the OECD Guidelines for Multinational Enterprises and the US Foreign Corrupt Practices Act.³⁵ The case was investigated and resulted in mediation to agree on a settlement in June 2015.³⁶





Then-US Deputy Assistant Secretary of African Affairs Cynthia Akuetteh meets Cameroon President Paul Biya, May 2013
© Presidency of the Republic of Cameroon

Pressure from the US Government

Given the myriad abuses and blatant lies associated with this project, it was hard to comprehend why, in November 2013, President Paul Biya decided to sign the Presidential decrees granting 19,843 ha of land to Herakles Farms on a three-year probationary lease.

Cables from the US Department of State obtained under the Freedom of Information Act (Title 5, USC Section 552) have now brought to light what may have been a critical factor in the President's decision. These documents reveal that the US government exerted significant pressure on the government of Cameroon to ensure that the palm oil project would move forward, despite knowing all of the aforementioned flaws, including the opposition of local communities.³⁷

The records show that during her visit to Cameroon in May 2013, Cynthia Akuetteh, then-Deputy Assistant Secretary for African Affairs, brought up Herakles Farms in at least three meetings – with Felix Mbayu, Secretary General of the Ministry of External Relations; with President Paul Biya and Paul Atanga Nji, Permanent Secretary of the National Security Council Minister; and with Prime Minister Philémon Yang. These meetings were in addition to at least one previous meeting in which then-US Ambassador Robert Jackson and Secretary General of the Presidency, Ferdinand Ngoh Ngoh, discussed Herakles Farms, in early 2013.³⁸

In the May 2013 meetings, Ms. Akuetteh pressed all parties, including the President and Prime Minister of Cameroon, to end the “investment dispute” with Herakles Farms.

“Akuetteh urged the Prime Minister to make a decision and take action to resolve the dispute. She told Yang that the United States does not want to tell Cameroon what decision to make, but Cameroon should act quickly and avoid arbitration or protracted legal proceedings. She warned that a failure to act could cause uncertainty in the local business climate and have a chilling effect on future foreign investment... Note: Following a series of meetings the week of May 27, Herakles and the GRC [Government of the Republic of Cameroon] are reportedly reviewing the land allocations and redrawing boundaries.”³⁹

– Cable authored by the US Embassy in Cameroon, May 31, 2013

2. (SBU) The controversy surrounding U.S. company Herakles Farms' efforts to establish a palm oil plantation in the Southwest Region continues (Ref B). Three weeks ago, Herakles Farms laid off 700 workers after the Minister of Forests and Wildlife issued a stop work order. Akuetteh urged the Prime Minister to make a decision and take action to resolve the dispute. She told Yang that the United States does not want to tell Cameroon what decision to make, but Cameroon should act quickly and avoid arbitration or protracted legal proceedings. She warned that a failure to act could cause uncertainty in the local business climate and have a chilling effect on future foreign investment.



“[Akuetteh] suggested that the GRC [Government of the Republic of Cameroon] find ways to end an investment dispute with an American company, Herakles Farms, which is developing a controversial palm oil plantation...in Cameroon’s Southwest Region. Mbayu responded that there is ‘nothing more important than increasing the number of U.S. firms in Cameroon.’ He said the GRC had made significant effort to improve the business climate and would not want these efforts to be tarnished by a legal dispute. Mbayu acknowledged, however, some problems related to the Herakles Farms’ investment and pointed to broader civil society concerns, which his Government felt compelled to take into consideration.”⁴⁰

– Cable authored by the US Embassy in Cameroon, May 24, 2013

2. (SBU) The Secretary General offered a warm reception and spoke openly; he led off by expressing sympathy for the victims of the Oklahoma tornado. Akuetteh pressed for Cameroonian recognition of Kosovo (Ref A); called for improvements to Cameroonian human trafficking legislation in order to bring it into conformity with the Palermo Convention; encouraged Cameroon to act quickly on Boeing’s offer to move Cameroon’s national carrier, Camair-Co, up the waiting list for two 787 Dreamliners; and suggested that the GRC find ways to end an investment dispute with an American company, Herakles Farms, which is developing a controversial palm oil plantation (Ref B) in Cameroon’s Southwest Region. Mbayu responded that there is “nothing more important than increasing the number of U.S. firms in Cameroon.” He said the GRC had made significant effort to improve the business climate and would not want these efforts to be tarnished by a legal dispute. Mbayu acknowledged, however, some problems related to the Herakles Farms’ investment and pointed to broader civil society concerns, which his Government felt compelled to take into consideration.

“Akuetteh said that we hoped that the Government could resolve its dispute with palm-oil producer Herakles Farms. Biya responded that nongovernmental organizations are adamantly opposed to this project; however, Cameroon has thousands of hectares of forests and there is no reason for this project not to move forward. He asked Minister Atanga Nji to work with Minister of Forests and Wildlife Philip Ngwese Ngole to address the issues that had led the latter to order Herakles to cease operations on May 10 ... Note: Ambassador Jackson subsequently provided Atanga Nji with extensive documentation on the Herakles investment and dispute.”⁴¹

– Cable authored by the US Embassy in Cameroon, May 24, 2013

Trade and Investment

9. (SBU) DAS Akuetteh noted that General Electric has followed up on its February meeting with Biya in Paris and is very interested in working with ECC to provide potable water to Yaounde through a \$50 million emergency project and a \$600 million medium-term project that both have ExImBank’s interest. She also urged Biya to move quickly to make the required \$3.6 million deposit on two Boeing 787 Dreamliners for Camair-Co, the national carrier, if the planes are to be delivered in 2015 vice 2019. Biya said, “We love Boeing,” but professed that he was not aware of the urgency and promised to speak with Prime Minister Philemon Yang, who chairs Camair-Co, and Minister of Transport Robert Nkili. Finally, Akuetteh said that we hoped that the Government could resolve its dispute with palm-oil producer Herakles Farms. Biya responded that nongovernmental organizations are adamantly opposed to this project; however, Cameroon has thousands of hectares of forests and there is no reason for this project not to move forward. He asked Minister Atanga Nji to work with Minister of Forests and Wildlife Philip Ngwese Ngole to address the issues that had led the latter to order Herakles to cease operations on May 10. Biya also cited Cameroon’s new investment code, which the National Assembly approved in April, and praised American company Hydromine for helping to identify the minerals that are now being developed by Australian, Chinese, German, and South Korean investors. (Note: Ambassador Jackson subsequently provided Atanga Nji with extensive documentation on the Herakles investment and dispute. End Note.)



Six months later, President Biya signed a three-year lease for Herakles Farms.

The cables also reveal that the US government had extensive knowledge of the flaws of the project, and yet, pushed for it to be accepted anyway. Internal correspondence from February 25, 2013 includes a multi-page, detailed briefing entitled “Herakles Farms: The Environment vs Palm Oil in Cameroon with a Dose of Unethical Behavior Mixed In.”⁴² The memo notes the various illegalities of the project; the existence of major local opposition; ongoing illegal tree felling; that

the government of Cameroon rejected an earlier proposal because of concerns with the size and location of the plantation; the negative socio-economic and environmental impacts of the project; the ruling by the HCV technical panel that Herakles Farms’ environmental impact assessment was inadequate and lacked in every section; the vagueness of the company’s promises to build social infrastructure; the favorable financial situation negotiated by the company; and even details a situation from August 2012 in which company representatives physically assaulted and attempted to abduct a local activist, Nasako Besingi.⁴³

“In August 2012, SG-SOC representatives physically assaulted Besingi, who was riding his motorbike along a road in or near the SG-SOC project site. A France 24 journalist, who had been trailing Besingi, caught part of the abduction on film.”⁴⁴

– Cable authored by the US Embassy in Cameroon, February 25, 2013

18. (SBU) Lastly, critics condemn HF for enforcing security on land that it does not rightfully possess. For instance, in August 2012, SG-SOC representatives physically assaulted Besingi, who was riding his motorbike along a road in or near the SG-SOC project site. A France 24 journalist, who had been trailing Besingi, caught part of the abduction on film (www.france24.com/en/20121002-planethope-cameroon-palm-oil-rush-forests-development-agriculture-biodiversity-villagers-animals).

“Although not wealthy, the villagers generally have abundant amounts of food. Cash crops – primarily cocoa and non-timber forest products – provide small sources of income, amounting to as much as \$200 per month. The Convention exempts SG-SOC from paying social security benefits and ties salaries to the minimum wage, which is currently \$56 per month.”⁴⁵

– Cable authored by the US Embassy in Cameroon, February 25, 2013

19. (SBU) Skeptics of the project suggest that local villagers, who will likely transition from smallholder farmers to plantation laborers, will be worse off in terms of both food security and economic income. Although not wealthy, the villagers generally have abundant amounts of food. Cash crops — primarily cocoa and non-timber forest products — provide small sources of income, amounting to as much as \$200 per month. The Convention exempts SG-SOC from paying social security benefits and ties salaries to the minimum wage, which is currently \$56 per month.





Herakles Farms nursery in Fabe © Jan-Joseph Stok / Greenpeace

US Government Contradicts Own Environmental Policy Goals & Projects in Cameroon

The US lobby for this project is in blatant contradiction of official US policy and goals around climate change and conservation, and undermines numerous US-financed projects in the region.

First, a key priority of USAID in Cameroon is allegedly to protect tropical forests.⁴⁶ It claims to support the government of Cameroon in four key areas: “enforcing logging regulations; reforming natural resource policy;

engaging communities in resource management; and fairly sharing the benefits of forest resources.”⁴⁷

Second, at least three environmental organizations with funding from the US government – the World Wide Fund for Nature (WWF), the International Union for Conservation of Nature and Natural Resources (IUCN), and the Wildlife Conservation Society – have expressed concerns with the Herakles Farms project on the basis of its environmental impact.

“The concession’s environmental impact was a sticking point for essentially every actor in the conservation sector, including WWF, IUCN, and the Wildlife Conservation Society (all three of which are USG [United States Government] grant recipients).”⁴⁸

– Cable authored by the US Embassy in Cameroon, February 25, 2013

26. (SBU) The concession’s environmental impact was a sticking point for essentially every actor in the conservation sector, including WWF, IUCN, and the Wildlife Conservation Society (all three of which are USG grant recipients). European development agencies, some of which had been carrying out environmental projects in the proposed project area for several decades, also disapproved of the proposed location for the investment. The High Conservation Value Resource Network, a global conservation organization with World Bank funding, dismissed the environmental impact assessment as “completely inadequate” and “severely lacking in every section.”



Third, between 2006 and 2013, the US Fish and Wildlife Service invested nearly US\$5.1 million through 45 grants to conserve endangered wildlife in Cameroon. This specifically included a focus on extractive industries – including logging – that threaten wildlife through the destruction or degradation of important habitat.⁴⁹

Finally, Cameroon is one of the countries covered by USAID’s Central Africa Regional Program on the Environment (CARPE), which strives to reduce the rate of deforestation, forest degradation, and biodiversity loss in the region. Since the early 2000s, the program has spent approximately US\$15 million annually to achieve these goals.⁵⁰

“More than 80 million people depend on Central Africa’s rich forests and associated natural resources for their livelihoods. In addition to satisfying these immediate needs, the forest ecosystem provides services such as global climate regulation and a reservoir for unique and globally important biodiversity resources.”⁵¹

– USAID CARPE Program

The embassy cables reveal that Ms. Akuetteh was briefed on the importance of CARPE, and the need to combat deforestation in the region.⁵² These goals are in

blatant contradiction with the Herakles Farms project, which sought to deforest pristine rainforest in order to create mono-cropped palm oil plantations.

8. (SBU) **Environment and Climate Change:** Efforts to combat deforestation of the Congo Basin, which constitutes the world’s second largest rain forest and extends into southeast Cameroon, are critical to protecting a vital carbon sink and offsetting global warming. Our efforts in this area, coordinated through USAID’s Central African Regional Program on the Environment (CARPE), have multiple side benefits, including improving the economic prospects of populations, combating poaching, protecting endangered species and biodiversity, reducing the spread of contagious diseases, and developing the capacity of law enforcement and border protection authorities. Additionally, these environmental activities contribute to regional cooperation and integration, inasmuch as they have provided a platform for regional discussion between working-level officials and heads of state. Cameroon has begun devoting more resources to this and is also in the throes of developing a policy to benefit from carbon trading mechanisms, such as REDD+.



Bending the Opposition of the Cameroonian Government



People say no to SGSOC © Frank Bieleu / Oakland Institute

A third finding from the cables is that the government of Cameroon seems to have taken into consideration civil society and local communities' concerns over the impact of the project. In multiple instances, government officials responded to pressure by explaining to US representatives the importance of considering people's concerns and opposition to the project.

“Ngho Ngho explained that the GRC recognizes the need to attract investors but must ensure that development takes place equitably: ‘We will explore solutions, but we cannot ignore the social issues.’ Aware of allegations that SGSOC representatives may have violated the Foreign Corrupt Practices Act (Septel), the Ambassador acknowledged the complexity of the situation, but did not say more.”⁵³

– Cable authored by the US Embassy in Cameroon, January 15, 2013

10. (C) The Secretary General promised to follow up on these cases. He then referred to the investment of another American company, Herakles Farms/SG Sustainable Oils Cameroon (SGSOC), which seeks to cultivate 70,000 hectares of land for palm oil production. The highly publicized investment has captured the attention of many local and international NGOs, due to the environmental and socio-economic implications. Ngho Ngho explained that the GRC recognizes the need to attract investors but must ensure that development takes place equitably. “We will explore solutions, but we cannot ignore the social issues.” Aware of allegations that SGSOC representatives may have violated the Foreign Corrupt Practices Act (Septel), the Ambassador acknowledged the complexity of the situation, but did not say more.

“Mbayu responded that there is ‘nothing more important than increasing the number of U.S. firms in Cameroon.’ He said the GRC had made significant effort to improve the business climate and would not want these efforts to be tarnished by a legal dispute. **Mbayu acknowledged, however, some problems related to the Herakles Farms’ investment and pointed to broader civil society concerns, which his Government felt compelled to take into consideration.**”⁵⁴

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“Biya responded that nongovernmental organizations are adamantly opposed to this project.”⁵⁵

– Cable authored by the US Embassy in Cameroon, May 24, 2013

Camair-Co, and Minister of Transport Robert Nkili. Finally, Akuetteh said that we hoped that the Government could resolve its dispute with palm-oil producer Herakles Farms. Biya responded that nongovernmental organizations are adamantly opposed to this project; however, Cameroon has thousands of hectares of forests and there is no reason for this project not to move forward. He asked Minister Atanga Nji to work with Minister of Forests and Wildlife Philip Ngwese Ngole to address the issues that had led the latter to order Herakles to cease operations on May 10. Biya also cited Cameroon’s new investment code, which the National Assembly approved

The cables also make it clear that US officials knew that the opposition to the project was not just from local communities and activists but also from two key government ministries with technical expertise for such projects. Over the years, the Ministry of Agriculture and Rural Development

and the Ministry of Forests and Wildlife have both expressed important concerns, and taken a number of measures to halt or alter the project, though some of the actions of the Ministry of Forests and Wildlife were later reversed.⁵⁶

“The Agriculture Minister’s senior technical advisor responsible for the file ... said that his Ministry would not approve the investment in its present form. The ministry’s primary problems with the project [...] were its size and location, adjacent to several national parks and protected areas.”⁵⁷

– Cable authored by the US Embassy in Cameroon, February 25, 2013

9. (SBU) In May 2011, the Presidency “rejected” the HF file. International NGO contacts confirmed this, saying that the Presidency had sent the land title applications to the Ministry of Agriculture and Rural Development for additional review. [REDACTED] Agriculture Minister’s senior technical advisor responsible for the file, who said that his Ministry would not approve the investment in its present form. The ministry’s primary problems with the project, he said, were its size and location, adjacent to several national parks and protected areas.



Old growth tree in the tropical rainforest that Herakles Farms plans to clear © Jan-Joseph Stok / Greenpeace





Timber left next to the Herakles Farms palm oil nursery in Fabe village © Jan-Joseph Stok / Greenpeace

“According to an independent forest observer recruited by the GRC, ‘SG-SOC conducted tree felling without authorization inside the permanent forest estate. ... SGSOC did not follow the procedures and legal terms guiding the alienation of the permanent forest estate.’ Additionally, ‘the Ministry of Agriculture and Rural Development and the Ministry of Forests and Wildlife were not associated to the implementation of the development project in the area requested, according to the regulations in force.’ **A technical advisor at the Ministry of Agriculture later reiterated this point, calling the project ‘illegal.’ The Ministry of Forests issued a \$50,000 fine, condemned the tree-cutting as illegal, and required HF [Herakles Farms] to re-negotiate its Establishment Convention.**”⁵⁸

– Cable authored by the US Embassy in Cameroon, February 25, 2013

15. (SBU) The use of land categorized as private property of the State requires authorization from the Ministry of Forests and Wildlife. According to an independent forest observer recruited by the GRC, “SG-SOC conducted tree felling without authorization inside the permanent forest estate. ... SGSOC did not follow the procedures and legal terms guiding the alienation of the permanent forest estate.” Additionally, “the Ministry of Agriculture and Rural Development and the Ministry of Forests and Wildlife were not associated to the implementation of the development project in the area requested, according to the regulations in force.”

16. (SBU) A technical advisor at the Ministry of Agriculture later reiterated this point, calling the project “illegal.” The Ministry of Forests issued a \$50,000 fine, condemned the tree-cutting as illegal, and required HF to re-negotiate its Establishment Convention. (Note: In an abrupt reversal, the Ministry of Forests later issued HF the necessary authorizations, to the surprise of conservationists, apparently having hastily recategorized the lands as “secondary forest estates.” **End Note.**)



What Happens Now?

The Embassy cables provide three important learnings: (1) President Biya's government was aware of and sensitive to local concerns; (2) the US government put significant pressure on the government of Cameroon to accept the project; and (3) the US support to Herakles Farms contradicts its own environmental goals and undermines US-funded projects in the region.

What is not clear is why the US government was willing to go to bat for the project in the first place. The cables show that several other economic projects were discussed by US and Cameroonian officials, including an offer from Boeing to provide Cameroon with two 787 Dreamliner airplanes.⁵⁹ The US government's interests in this deal are clear: Boeing aircrafts are made in the US, and thus involve both jobs and income for the US. The financial and economic benefit of the Herakles Farms project for the US is less obvious: how would the US economy benefit from a palm oil project led by a US businessman, but involving a company (SGSOC) registered in a tax haven (the Cayman Islands)?⁶⁰

The pressure put on Herakles Farms over the years by local communities, NGOs, and government ministries has had a serious effect on the company. In 2013, the website for Herakles Farms' partner NGO, *All For Africa*, was taken down and all previous contact information was no longer functional, suggesting that the organization had folded.⁶¹ In 2014, Herakles Farms shut down its New York City headquarters.⁶² In the summer of 2015, the company

pulled out of two of the three areas where it was working in Cameroon, laying off workers at both sites.⁶³ However, the company has continued to clear forest and seems to still be hoping to secure the renewal of its temporary three-year lease in November 2016.⁶⁴

While the US benefit for the project has never been clear, the cables expose that the significant US pressure to let the project go forward may have been a critical factor in the decision of the Cameroonian government to allow a three-year temporary lease in November 2013.

As detailed in Nasako Besingi's testimony below, the opposition of the project by local communities continues, with tensions rising within the project area. Despite the reversal of some of the opposition by the Cameroonian ministries, the initial concerns expressed by these departments regarding the inappropriateness of the project and the wrongdoings of the company remain valid even today.

The above leads to a clear conclusion: it makes no sense for the government of Cameroon to let the Herakles Farms project continue. Given the contents of the cables detailed in this report, a renewal of the lease will mean that the government has succumbed to the bullying of a foreign government at the expense of its own people. The governments of the United States and Cameroon will then have to be held accountable for the consequences of such a decision.



Afterword: The Ongoing Community Struggle against Herakles Farms

by Nasako Besingi, SEFE



Nasako Besingi, Executive Director, Struggle to Economize Future Environment (SEFE)

In the years since Herakles Farms received their three-year lease, there has been social discord among the villages named in the decrees and those that were not named but whose land overlaps with the new Herakles Farms' concession, inflaming tensions in an area that has been known for its mutually existing lifestyle for centuries.

Tensions have also been reported between the villages named in the decrees and Herakles Farms because the company wants to expand beyond the boundary stipulated in the decrees. This has led to physical confrontations with villagers defending their land. For example, the people of Esoki village in the Mundemba area physically confronted workers of Herakles Farms who were demarcating their forest for timber extraction purposes. This led to Herakles Farms abandoning their operations in the Mundemba and Toko concessions in April 2015.

In addition, some of the land and forest belonging to villages not named in the decrees was attributed to villages named in the decrees. This has caused tremendous tension locally, with some villages at the verge of confrontation over the disputed land. These tensions exist between the Babessi II and Baduman villages, the Meangwe II and Fabe villages and the Meangwe II and Ndiba villages, and between the Loe Batanga and Lipenja I villages, with Loe Batanga village accusing Lipenja I for having inappropriately given land out to Herakles Farms.

Herakles Farms' provisional lease expires on November 25, 2016, with a possibility of not just renewal, but the awarding of a longer lease for 99 years. To ensure the prolonged lease will be effective, the company was asked to invest money in the new concession areas. To date, it has failed to do so. The decrees also required Herakles Farms to pay land taxes to the departmental treasuries of the Ndian and Kupe-Muaneguba Divisions before commencing their operation, but no money has been paid. Along with disobeying these orders, the company continues to tear down the forest to log and export timber in violation of numerous laws. Three years on, the company has been engaged in laundering timber without any trace of infrastructural development on the ground.

Sadly, the Cameroonian administration appears to be supporting Herakles Farms' excessive abuses and violations of the controversial Presidential decrees and forestry law. The government's intention to favor the company at the expense of the local communities is exemplified by a recent visit of some directors of ministries from Yaounde to the Herakles Farms concession areas to evaluate the level of execution of the lease.

The delegation's report was aired on national television and flatly indicated that the company was making substantial progress on the ground. The assessment was tailored to give the impression that the communities that had rejected the project now support it and that Herakles Farms is respecting the requirements of the Presidential decrees. The report purportedly showed villagers expressing the desire for Herakles Farms to come back; however, the delegation never met the villagers or went into the villages – they finished their tour at the nursery facilities.

At the community level, people are very happy that Herakles Farms has left the Mundemba and Toko areas. However, they are deeply worried that Herakles will come back. In the Nguti area, Herakles Farms still maintains a presence, but with a reduced workforce. Many villages are happy the company activities have slowed down considerably.

The company has had numerous secret meetings with some chiefs and elites as well as with members of the administration. This is because they will need the signatures of the chiefs and two notables in each village to enable the President to prolong the lease to 99 years. There are many formerly pro-Herakles Farms chiefs who have fallen out



with the company after the campaign by SEFE and partners showed that Herakles Farms was deceiving them.

the effect of this project on a region that has long been quiet and peaceful.

The ongoing tensions in the villages elucidate the fact that the process of acquiring the land was done without the involvement of the villages concerned. It also demonstrates

Communities are not backing out on their opposition to Herakles Farms. Instead they continue to demand an end to this project.



Palm seeds after harvest. © Jan-Joseph Stok / Greenpeace

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