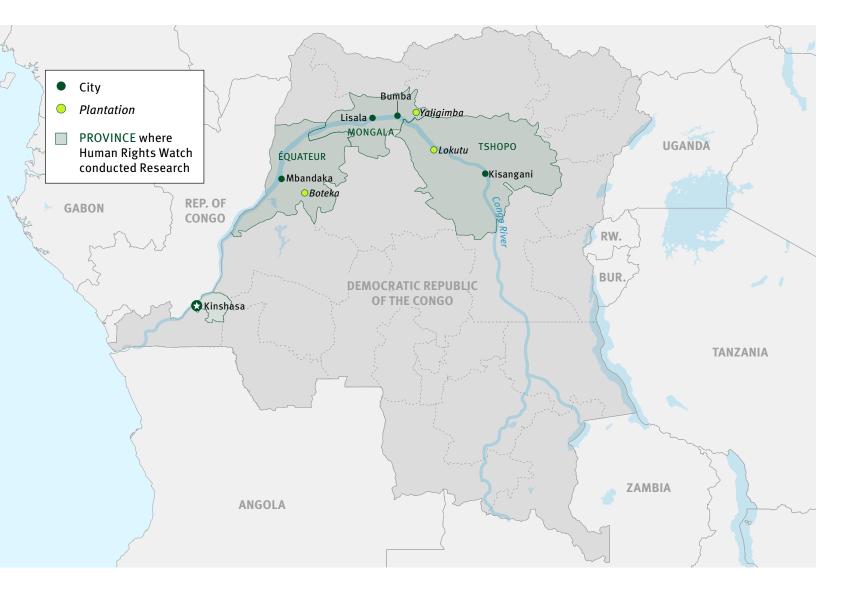




European Development Banks' Link to Abuses in the Democratic Republic of Congo's Palm Oil Industry



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Residents of Mindonga settlement on the banks of the stream of effluents released by the PHC palm oil mill. Their adobe houses can be seen in the background, within close proximity. February 2, 2019, Yaligimba. © 2019 Luciana Téllez/ Human Rights Watch

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"I don't have gloves. When we pick up the fruit bunches it hurts us," said a palm fruit harvester that has worked for the company for over a decade. "Sometimes the fruit bunches fall on people or animals' excrements." Boteka, November 17, 2018. © 2018 Luciana Téllez/Human Rights Watch

While the Congolese government has primary responsibility This report examines the responsibility of four European development banks for abusive practices on oil for protecting the rights of PHC workers, the development banks are also obligated to ensure that the companies they palm plantations in the Democratic Republic of finance are not engaging in abusive practices, an obligation Congo. These banks – BIO, from Belgium; CDC Group, they have failed to meet. This is partly the result of structural from the United Kingdom; DEG, from Germany; and failures in the way the banks operate: most of the banks do FMO, from the Netherlands – are among the ten not assess the potential human rights impacts of the projects largest bilateral development financial institutions they invest in and all do little to disclose relevant information in the world, controlling billions of dollars in investto communities that might be impacted. The banks also do ments across more than 2,000 projects in developing not ensure that affected communities have access to effective countries. Human Rights Watch found that the banks remedies when the companies they finance engage in abuhave failed to ensure that the palm oil companies sive practices. they finance in Congo are respecting the basic rights of the people who work and live on or near their plantations.

Development banks could play an important role in promoting economic opportunities in Congo, a country where two-thirds of the 84 million residents live in poverty, 7.7 million are se-Since 2013, the four banks have invested a total of nearly verely food insecure, and 4.5 million have been internally dis-US\$100 million in the palm oil company Feronia and its subplaced due to armed conflict. As one the five largest private sidiary Plantations et Huileries du Congo S.A. (PHC) (together employers in the country – and the largest in the agricultural "the company"), which operates three oil palm plantations sector, which employs most of the working population spanning over 100,000 hectares in northern Congo: "Boteka," PHC's palm oil plantations are an important source of eco-"Lokutu," and "Yaligimba." In addition to being an investor, nomic opportunity. However, by failing to ensure that PHC is CDC Group is also a shareholder in Feronia: it currently owns complying with international standards and domestic law reg-38 percent of the company. The three plantations employ a ulating employment and environmental practices, the banks total of nearly 10,000 workers. Approximately 100,000 people are not fulfilling their obligation to protect rights, thereby live on or within five kilometers of their property. compromising their stated mission to advance sustainable During field research in Congo between November 2018 and development.

May 2019, Human Rights Watch visited the company's three plantations and interviewed more than 200 people, including 102 PHC employees residing on or near the plantations, 20 Feronia and PHC executives and company managers, and 25 government officials, among others. Human Rights Watch also reviewed extensive documentary evidence, including social-environmental impact reports the company submitted to Congolese authorities.

Human Rights Watch found that lack of proper oversight by the banks has enabled Feronia and its subsidiary PHC to commit abuses and environmental harm that infringed upon health and labor rights. These abuses include exposing more than 200 employees to toxic pesticides without adequate protection; not providing employees exposed to hazardous materials with the results of medical examinations; and engaging in abusive employment practices that place many workers under the extreme poverty line. The plantations' palm oil mills also routinely dump untreated industrial waste and may have already contaminated the only drinking water source of local communities.

Congolese authorities have failed to ensure PHC's compliance with domestic laws regulating labor and environment conditions and to protect the rights of plantation workers and local residents.

Workers Exposed to Toxic Pesticides

Half of the active ingredients in the nine pesticides that PHC uses in its plantations are considered hazardous by the World Health Organization (WHO), including some that may cause severe damage to the eyes. Three of the pesticides contain active ingredients that are considered cancer-causing by the WHO or other recognized health authorities. In August 2019, regulators recommended to the European Commission that approval for one of these chemicals be revoked; German authorities said in September they would completely phase out another of these substances by 2023.

As of May 2019, at least 245 PHC male contract employees were working with pesticides across the three plantations. Of these, 213 workers apply these toxic chemicals six days a week using a 16-liter backpack sprayer, each treating 300 to 600 palm trees per day. Thirteen team leaders supervise them on site. Fifteen workers are responsible for mixing pesticides in their purest form to create the formula their team members spray. Every day, the mixers create 200 gallons (the equivalent of nearly 800 liters) worth of formula.

Given the risks to human health, the WHO has developed standards regarding appropriate protective equipment for the use of pesticides in agriculture. Similarly, Congolese law re-

quires that employers provide workers with appropriate protective equipment for their occupation and ensure special medical monitoring for workers in hazardous occupations. PHC's own policies elaborate on the company's institutional commitment to protect the health of their workers and prescribe specific equipment for workers who apply pesticides.

Human Rights Watch interviewed 43 workers on specialized pesticide teams employed by PHC, as well as the manager of one of these teams. Researchers also inspected the pesticide teams' protective equipment and reviewed the training manuals PHC distributed to them. After consulting with occupational and public health experts, Human Rights Watch concluded that the equipment workers received was not consistent with WHO standards, Congolese law, or the company's own policies.

Workers described a wide range of health problems that they had experienced since they began working with pesticides. These included both conditions that developed immediately after spraying pesticides and chronic conditions that emerged over time.

- Most of the workers, who were between the ages of 25 to 46, said they had become impotent since they started their job.
- A number of workers described skin irritation, itchiness, and blisters immediately after the pesticides came into contact with their skin.
- Several workers described pain and irritation in their eyes while applying pesticides; others said their vision had diminished or become blurred since they started the job.
- Other workers said they experienced shortness of breath, elevated heart rate, headaches, weight loss, and chronic fatigue.

Some of these health problems are consistent with risks posed by the active ingredients in the specific pesticides sprayed by PHC workers, such as skin and eye problems. Other health problems such as impotence, shortness of breath, headaches, and weight loss are consistent with exposure to pesticides in general, as described in scientific literature.

Human Rights Watch research found that PHC has not provided workers with information necessary for them to understand the short and long-term health risks associated with their jobs or to consent to these risks. Though these workers are subject to special medical oversight from company doctors, most of those interviewed by Human Rights Watch said they did not receive the results of their medical examinations, even after they repeatedly asked for them, leaving them in a state of uncertainty about their health. The remainder did not say if they had received their results.



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Barges sit on the Congo River next to the Lokutu palm oil mill. Lokutu, February 5, 2019. © 2019 Luciana Téllez/Human Rights Watch PHC workers and dozens of gallons of pesticide formula in the Yaligimba plantation. Yaligimba, February 1, 2019. © 2019 Luciana Téllez/ Human Rights Watch

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Dumping Untreated Waste

At least two of PHC's three palm oil mills dump untreated waste into rivers and near the homes of workers, according to Feronia and PHC staff. The company's waste disposal procedures do not appear to be compliant with Congolese law or with international human rights standards for the conduct of business. Nor are they apparently compliant with commercial good practice expected from appropriately designed, operated, and maintained facilities operating under normal conditions, according to guidelines designed by the World Bank Group.

At the Yaligimba plantation, the company dumps its waste in a narrow channel beside the Mindonga workers' camp, a settlement behind their palm oil mill. The effluents produce a putrid smell and fumes that pervade hundreds of homes on each side of the channel where workers live with their families. The stream of effluents continues its course for five kilometers before flowing into a natural pond. There, women and children bathe and wash their clothes and cooking utensils.

From this pond, the effluents flow through a channel to Loeka stream, west of the palm oil mill, which Human Rights Watch found after pinpointing GPS coordinates in the course of field research and analyzing satellite imagery of the site.

There are no sources of drinking water other than Loeka stream in Boloku, a village of several hundred families down stream from the PHC mill, residents told Human Rights Watch. Boloku's customary leader filed a formal complaint with PHC in November 2018, alleging the stream was polluted by the company's waste discharges. At the time Human Rights Watch interviewed him, three months after he filed the complaint, the company had not taken any action, he said.

In 2018, the year Boloku villagers filed the complaint, the production in Yaligimba quadrupled between January and November, according to the company's tax declarations – with the volume of waste discharged into the water growing proportionally. Boloku's customary leader told Human Rights Watch that residents observed oily waste in the water and that the color of the water had changed. "We don't want to drink it anymore," he said.

The World Bank Group's Environmental, Health and Safety (EHS) Guidelines on Vegetable Oil Production and Processing indicate palm oil mill effluents should be treated to bring them into compliance with nine parameters before releasing them into the environment. In its two largest plantations, PHC

A leak in the Lokutu mill pipeline releases some of the mill's effluents onto the riverbank. The pipeline deposits untreated effluents directly into the Congo River. Every ten days the mill releases approximately 40 tons of effluents into the environment, according to an estimate provided by the Lokutu PHC chief of technical service. February 5, 2019, Lokutu. © 2019 Luciana Téllez/Human Rights Watch

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only controls effluents for one of these nine parameters – the content of palm oil – to avoid dumping their product.

The European development banks imposed compliance with the International Finance Corporation (IFC) Performance Standards and the EHS Guidelines on Feronia and PHC as part of their contractual obligations. The guidelines "are achievable under normal operating conditions in appropriately designed, operated, and maintained facilities," according to the IFC.

The company's practice of dumping untreated effluents endangers the health of villagers who must rely on polluted water and undermines their ability to enjoy private, family, and cultural life in their homes without being overwhelmed by a putrid smell. If unchecked and untreated, effluent dumping could, over time, also cause fish to suffocate and die, or cause large growths of algae that can adversely affect the health of those who come into contact with polluted water or consume tainted fish.

Labor Rights Violations and **Extreme Poverty Wages**

In addition to failing to provide adequate equipment to employees who work with pesticides, PHC has not provided basic protective equipment to day laborers, who are employed and paid per day and make up the majority of the company's workforce. Day laborers often set out on the plantation without gloves or boots, making them vulnerable to snake and spider bites, machete and thorn prick injuries, and trauma.

Female plantation workers appeared to be disproportionately impacted by the lack of protective equipment. Speaking of the group of women with which she works, a female laborer from Boteka plantation told Human Rights Watch, "We work without boots, without gloves - with our bare hands, sometimes the fruits [we have to pick up] fall on cows' or people's excrement." In a visit to the Boteka palm oil mill, Human Rights Watch researchers observed that women were the only employees working without any protective equipment.

The range of practices that put workers' health and safety at risk contravene Congolese labor law and international human rights standards, as well as the company's policies. However, PHC workers face considerable barriers when seeking redress for harms incurred, as the remote location of the plantations makes it physically difficult for them to file complaints. In addition, government agencies in charge of enforcing labor law are underfunded, understaffed, and often unable to travel to the plantations to conduct inspections. Further, some of the workers that Human Rights Watch interviewed expressed mistrust toward their trade union representatives, who in some instances are also part of company management.

PHC has made routine use of temporary contracts in apparent violation of Congolese law, which states that companies can hire day laborers for no longer than 22 days in any two-month period, after which a company must offer an indefinite contract. Many workers told Human Rights Watch they were employed as day laborers on temporary contracts for years at a time, including as long as ten years in one case. At one plantation, Congolese authorities imposed a hefty fine for this illegal practice and ordered the company to provide indefinite contracts over the course of two years to 1,500 workers. In December 2018, PHC had nearly 7,000 day laborers.

Day labor schemes preclude cash benefits that are otherwise owed to contract workers under the collective bargaining agreement, such as end-of-year bonuses and statutory annual raises. Day labor schemes then result in significantly lower wages for workers that keep them below the extreme poverty line of US\$1.90 per day, as defined by the World Bank. While PHC's director general said day laborers are paid on the same scale as contract workers, several day laborers told Human Rights Watch the agreement with the company was to be paid 2,000 FC (US\$1.20) per day, which is lower than the lowest paid contract workers.

Among plantation workers, female laborers reported the lowest monthly salaries, ranging between 12,000 FC (US\$7.30) and 30,000 FC (US\$18.75). A former manager who supervised over 200 plantation workers in Boteka told Human Rights Watch that women were mainly employed as fruit-picker day laborers, that the company pays them 30 FC (US\$0.01) for every sac of 10 kilos, and that "15 sacs per day is already too hard to accomplish." The maximum a woman in this role can earn is 15,000 FC (US\$9.04) per month, he said.

Most Congolese live in poverty, and the company provides employment for people who otherwise might be jobless. But the investment banks have consistently stated that one of their primary objectives when they invested in Feronia and PHC was to create decent jobs and promote development. CDC group said that "improving the conditions and rights of workers" was "at the heart" of their investment, in accordance with their development mandate. But contrary to the banks' development mandate, workers in all three plantations, both men and women, told Human Rights Watch that their low wages did not enable them to meet even basic needs, and that they could not afford to provide their families three meals a day.

Lack of Oversight and Enforcement

Congolese authorities have not adequately enforced domestic labor and environmental laws that would help protect workers and communities from the abuses documented in this report. These include the rights to health, to water, and to information, as well as their labor rights. Provincial authorities cited lack of resources and staff as the most common cause for deficient monitoring, highlighting the need for national authorities to provide adequate resources at the local level.

The European development banks, which their respective states wholly own or have majority-ownership, have an extraterritorial obligation to uphold international human rights law. International standards obligate states, and thus the investment banks, to take steps to prevent and provide redress for rights abuses that occur outside their territories due to the activities of business entities over which they can exercise control. KfW, the German-owned development bank that owns and supervises DEG, explicitly recognizes its extraterritorial obligations in its human rights declaration, but has still fallen short in protecting rights.

As a practical matter, the banks that invested in Feronia and PHC can exercise control on decisive operational matters through the conditions they attach to their lending and by monitoring company compliance with these conditions – thereby taking steps to prevent and redress infringements of rights.

The banks conducted due diligence to assess social and environmental risks that could pose a liability to themselves as investors, and they evaluated the gap between the companies' practices and international industry standards. However, neither of these assessments are designed to prevent infringement of human rights that could result from business activity, as would human rights-specific due diligence.

An Environmental, Social and Action Plan (ESAP) was prepared based on the social and environmental assessments. The ESAP's objective is "to ensure that over time Feronia reaches compliance with international standards and law," specifically Congolese law, the 2012 IFC Performance Standards, the EHS Guidelines, and the criteria to obtain certification from the Roundtable on Sustainable Palm Oil (RSPO), a certification initiative for palm oil producers wishing to adhere to labor, social, and environmental industry-specific standards.

PHC worker holds up the cotton uniform he said he uses to work with pesticides. PHC promised to give him and his team waterproof wear, but three years after joining the pesticide team he's still waiting. Lokutu, January 27, 2019. © 2019 Luciana Téllez/Human Rights Watch





The ESAP could be the instrument to ensure that the banks' investments do not support activities that cause or contribute to human rights abuses. Human Rights Watch considers that an ESAP should be prepared on the basis of environmental, social, and human rights due diligence so that the banks may fulfill their duty to protect rights. To effectively prevent abuses, an ESAP should set minimal social and environmental standards for the company's operations with a clear timeframe for these standards to be met. In addition to establishing monitoring mechanisms, it should also define consequences in the event there are serious violations of the company's contractual obligations. In addition, an ESAP should establish enforceable and accessible remediation avenues for people who have suffered rights abuses from bankfunded commercial activities.

On grounds of commercial secrecy, the banks have not disclosed their due diligence assessments, nor the mitigation measures they agreed the company would implement. So long as they shield this information, it is difficult – if not impossible – to effectively monitor whether they are meeting their human rights obligations. This is particularly concerning for investments that are deemed "high risk" under the IFC environmental and social categorization, as PHC has indeed been classified by FMO, because of their "potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented." Disclosing such assessments would not be unusual – the IFC publishes social and environmental impact assessments, or their equivalent, for all their projects.

This opacity means that Congolese and European government oversight agencies have had limited access to information on the human rights risks associated with investments, or the documentation that lays out the agreement between the banks and their clients. Potentially affected communities do not have access to information on how development banks identify, prevent, or mitigate the human rights impacts associated with investments, what these impacts could be, and how these impacts could affect their rights and livelihoods. Civil society groups have been prevented from scrutinizing whether public funds invested in the development banks are enabling activities that cause or contribute to human rights violations abroad.

The four European development banks have complaint mechanisms that provide them with feedback on whether they have acted in compliance with their policies and whether these

Women laborers gather the thorny oil palm fruits after they have been processed in the Boteka mill. They were the only ones working without protective equipment. Boteka, November 17, 2018.

© 2018 Luciana Téllez/Human Rights Watch

policies are adequate to prevent negative social and environmental impacts. Yet, these mechanisms have multiple weaknesses:

- They do not have the authority to compel banks, or the businesses in which they invest, to participate in dispute resolution processes or to implement the agreements reached through these processes;
- They cannot reach a determination of fault or decide liability for abuses;
- They are chiefly available online, and the banks do • little or nothing to publicize their existence for potentially affected people, rendering the mechanism considerably inaccessible for vulnerable rural communities;
- In the case of CDC, the mechanism does not provide any guidance to complainants on timeframes, types of resolutions they might be able expect, or guarantees against retaliation or reprisal when the complaint is brought by an external party, and the authority responsible for investigating complaints submitted through the mechanism is part of the bank's management structure, instead of being an independent authority, compromising its impartiality. In addition, CDC does not publish details of the complaints.

The banks said they encourage the creation and implementation of effective grievance mechanisms at the company level so that businesses continue operating responsibly after development banks divest. While it is undoubtedly important for such mechanisms to exist at the company level, this does not relieve the banks - or the government authorities that oversee them – of their obligation to provide remedy and to create avenues for accountability for their role in supporting activities that caused or contributed to abuses. The banks and government oversight authorities should strengthen these mechanisms to create or provide genuine remediation avenues.

KEY RECOMMENDATIONS TO BIO, CDC GROUP, DEG AND FMO

The four European development banks should undertake structural reforms to ensure that they are meeting their human rights obligations to prevent and mitigate abuses by companies in which they invest, such as those documented in this report.

Specifically, the banks should:

- FMO;
- agencies that have oversight over the companies:
- policies that protect activists from backlash when they bring forth complaints; and
- development mandate.

To the Governments of Belgium, Germany, the Netherlands and the United Kingdom

The governments that wholly-own or majority own these banks should ensure that nothing in their domestic legislation prevents the banks from engaging in structural reform that would enable them to meet their human rights obligations.

To the Government of the Democratic Republic of Congo

The government of Congo has the primary responsibility to protect the rights of workers and communities impacted by PHC operations, specifically to:

- resourced, so they are able to conduct regulatory inspections and enforce the law;
- Investigate allegations of labor rights violations and environmental contamination; and
- Adopt a living wage for agricultural workers.

To Feronia and PHC

Feronia and PHC should engage in reform to prevent, mitigate, and address abuses on their plantations. The company should:

- their occupation;
- forced to work without adequate equipment;
- Treat all waste in accordance with good industry standards and Congolese domestic law;
- communities; and
- with domestic law.

 Adopt human rights policies that acknowledge their extraterritorial human rights obligations, in the case of BIO and CDC Group, or modify their existing human rights policy to acknowledge extraterritorial obligations, in the case of

Consistently conduct human rights due diligence prior to investing in a project and disclose, at a minimum, summaries of these risk assessments, as well as the mitigation measures they have adopted to address these risks; Ensure this information reaches potentially affected communities, and that it is also made available to government

• Strengthen their grievance mechanisms so they are effective accountability avenues, and adopt anti-retaliation

Adopt policies on decent work that compel investees to pay living wages, so that their investments meet their

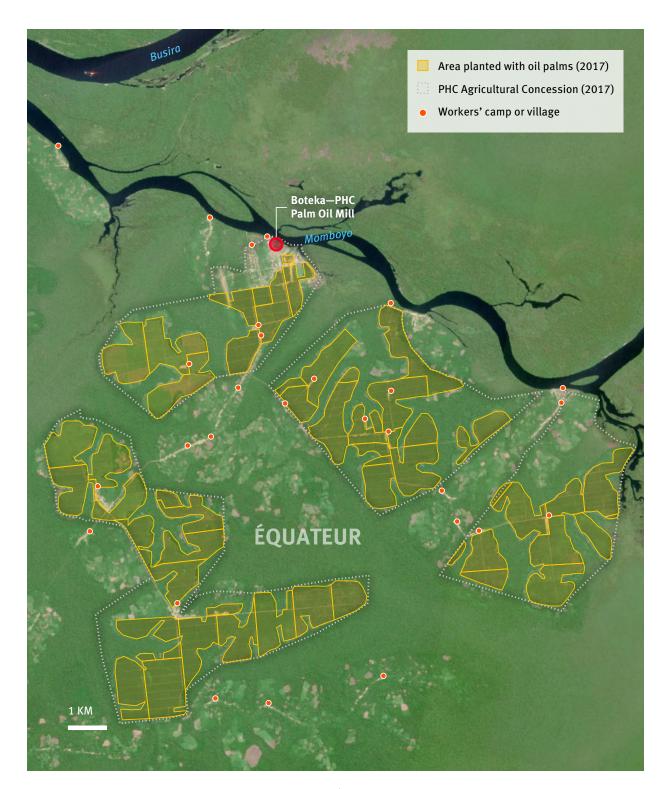
Ensure that provincial representations of the Environment and Labor ministry are appropriately staffed and

Ensure that all workers have appropriate and complete equipment that adequately protects them from the hazards of

 Ensure that laborers who work with toxic chemicals have access to adequate information to understand the risks associated to their job, that they promptly receive all test results of medical examinations, and that they are not

Effectively address complaints about water contamination with a view to provide reparations to affected

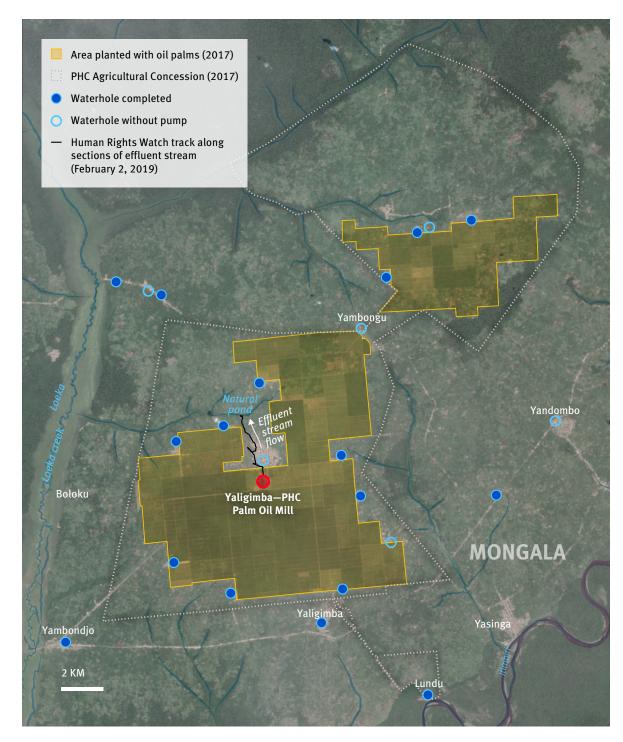
Ensure access for Congolese authorities to all company sites whenever they conduct regulatory inspections, in line



The Boteka agricultural concession, located in the northwestern province of Équateur, spans over 6,000 hectares, of which 3,667 are planted with oil palm, according to the plantation's social environmental impact report which was approved by the Congolese government in 2017. The company's palm oil mill dumps its effluents on the Momboyo River, a tributary of the Congo River. Sources: Satellite image April 25, 2019. © 2019 ESA. The boundaries of the agricultural concessions and planted areas were uploaded by Feronia on MapHubs on January 11, 2017, https://feronia.maphubs.com/layer/info/103/Boteka-Planted-Areas#12.84/-0... (accessed July 25, 2019). Waterways data: Open Street Map (accessed July 24, 2019). Location of the palm oil mill available on OpenStreetMap, https://www.openstreetmap.org/way/651138268 (accessed July 25, 2019); Human Rights Watch researchers also conducted a visit to the mill in November 2018. Satellite image April 25, 2019. © 2019 ESA



The Lokutu plantation, located in the province of Tshopo, spans over 60,000 hectares, of which 14,800 are planted with oil palm, according to the plantation's social environmental impact report, which was approved by the Congolese government in 2017. The company's palm oil mill dumps its effluents into the Congo River. Sources: Satellite image May 7, 2019. © 2019 ESA. Boundaries of the agricultural concessions and planted areas uploaded by Feronia on MapHubs on January 11, 2017, available at: https://feronia.maphubs.com/layer/info/40/Plantation-Lokutu#11.05/1.0864... (accessed July 25, 2019). Waterways data: Open Street Map (accessed July 24, 2019). Human Rights Watch researchers pinpointed the location of the palm oil mill using a GPS in February 2019 during a research trip to Lokutu Satellite image May 7, 2019. © 2019 ESA



The Yaligimba plantation, located in the province of Mongala, spans over 30,000 hectares, of which 11,682 are planted with oil palm, according to the plantation's social environmental impact report, which was approved by the Congolese government in 2017. The company's palm oil mill dumps its effluents next to workers' homes. Downstream the waste mixes with a natural pond and a stream that supplies drinking water to Boloku, a community of several hundred people outside of the agricultural concession. Though the company has built or restored a number of boreholes, there are none in the affected community, residents told Human Rights Watch, as it is outside the bounds of the agricultural concession. The nearest borehole inside the plantation is five kilometers away measured in a straight line; no dirt road is visible between the two locations in the satellite imagery. Sources: Satellite image January 22, 2019. © 2019 ESA. Boundaries of the agricultural concessions and planted areas uploaded by Feronia on MapHubs on January 11, 2017, available at: https://feronia.maphubs.com/layer/info/41/Plantation-Yaligimba#10.52/2.3... (accessed July 25, 2019). Waterways data: Open Street Map (accessed July 24, 2019). Human Rights Watch researchers used GPS to pinpoint the location of the palm oil mill, the natural pond where the effluent stream flows into, and Boloku in February 2019 during a research trip to Yaligimba. Researchers walked five kilometers along sections of the effluent stream and used GPS to track the journey. Satellite image January 22, 2019. © 2019 ESA



Boloku village, located less than five kilometers from the boundaries of the Yaligimba PHC agricultural concession, can be seen in this satellite image. In 2011, when the image was taken, there were approximately 75 houses in the village. Community leaders told Human Rights Watch there were over 100 homes in February 2019. To the west of Boloku is Loeka stream and its creek; community members told Human Rights Watch this was their only source of drinking water and that effluents from the PHC mill had contaminated it in 2018. Though PHC has drilled a number of boreholes in the concession, the nearest one to Boloku is five kilometers away measured in a straight line; no dirt road is visible between the two in the satellite imagery. The palm oil production quadrupled that year in Yaligimba, according to the company's 2018 tax declarations. To the east of Boloku, the Yaligimba mill releases largely untreated effluents that flow into a natural pond, which is connected to Loeka stream through a narrow channel (see Map 4 above). Satellite image March 29, 2011. © DigitalGlobe - Maxar Technologies 2019; source: Google Earth. Source: Human Rights Watch researchers used a GPS to pinpoint the location of Boloku during a research trip to Yaligimba in February 2019. During that visit, researchers were taken on canoes by villagers on what we believe is Loeka creek. They subsequently identified Loeka stream through analysis of satellite imagery. © DigitalGlobe - Maxar Technologies 2019; source: Google Earth



European Development Banks' Link to Abuses in the Democratic Republic of Congo's Palm Oil Industry

Four of the world's largest bilateral development banks are financing oil palm plantations in the Democratic Republic of Congo with abusive employment and environmental practices. These plantations belong to the Canadian company Feronia and its subsidiary Plantations et Huileries du Congo (PHC). They extend over 100,000 hectares in the Congo Basin. More than 100,000 people live on the plantations and 10,000 work for the company, one of Congo's five largest private employers.

A Dirty Investment documents how the company exposes workers to toxic chemicals without adequate protection, dumps untreated industrial waste that contaminates local drinking water, and pays extreme poverty wages. The development banks—BIO from Belgium, CDC Group from the United Kingdom, DEG from Germany, and FMO from the Netherlands—are failing to meet their obligations as state-owned entities to assess the human rights risks associated with their investments, disclose critical information to government authorities and affected communities, and provide effective avenues for redress to the victims of the abusive practices of the companies they finance.

The banks should fulfill their mandates to foster sustainable development and should adopt policies that will ensure their investments are not funding activities that cause or contribute to human rights abuses.

(above) Oil palm plantation, Boteka, November 17, 2018. © 2018 Luciana Téllez/Human Rights Watch (front cover) PHC workers await instructions from their supervisor in Yaligimba plantation. Yaligimba, February 1, 2019.

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