

## **Greenpeace complaint against Danzer/Siforco**

**Public summary**

**21 January 2013**

### **Impartial Complaints Panel consisting of Henry Sauvagnat, Henri Boukoulou, Claude Sikubwabo Analysis and recommendations to the FSC Board of Directors**

On 7 November 2011, Greenpeace International lodged a complaint against the Danzer Group, in particular against its subsidiary Siforco, established in the Democratic Republic of Congo<sup>1</sup>. Greenpeace claims that Siforco has regularly violated the human and traditional rights of forest communities in the course of its activities. Greenpeace maintains that this constitutes a violation of the FSC Policy of Association and that FSC should therefore disassociate from the Danzer Group.

An impartial complaints panel consisting of Henry Sauvagnat, Henri Boukoulou and Claude Sikubwabo, members of FSC International, evaluated this complaint for several months, from 21 June 2012 to 21 January 2013. During this time, the panel held 23 teleconferences and interviewed a large number of stakeholders. From 12 to 21 October 2012, Mr Sikubwabo undertook a mission to assess the situation at Bumba and on the SIFORCO concessions, the working conditions of Siforco's employees and the various conflicts involving neighbouring communities. In addition, Mr Boukoulou made three trips to Kinshasa (DRC), mainly to meet the Siforco and Greenpeace managers. These trips took place between Tuesday 30 October and Tuesday 6 November 2012.

Following their assessment of the complaint, the panel ruled that Danzer had not duly complied with FSC Principles 1, 2 and 4 and their ILO corollaries, nor with the articles of the Declaration of Human Rights taken into account by the panel.

Firstly, the escalation of violence between the local communities and the police occurred following looting of property belonging to SIFORCO and its workers, and the communities' obstruction of company activities. This looting was caused by the company's failure to perform certain of its commitments towards the local communities, or by delays in performing them.

Moreover, instead of first seeking to resolve the problems amicably, Siforco handed the problem over to the police. This angered the local people, causing more complex situations and leading to violations of human rights and calls for revenge. The documents in the hands of the panel and the evidence gathered in situ show that Siforco is indirectly responsible for the acts of violence committed at Yalisika. Firstly because instead of engaging in the necessary dialogue with the local communities, it had recourse to the police to settle their dispute. Secondly because it assisted the police force in their action at Yalisika (by making a vehicle available and covering the cost of food). However, this was an unusual situation and certain special circumstances need to be considered. The (written or verbal) requisitioning of vehicles is common practice in DRC and therefore, even if it is possible to conclude that everyone is at fault, the mitigating circumstances must be taken into account.

It should be emphasized that the damaged property belonging to the people of Yalisika was returned by Siforco. Land-use rights were also paid, but some commitments regarding local facilities have not yet been fulfilled. This being the case, the panel considers that the Danzer Group still has much

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<sup>1</sup> Since 28 February 2012, Siforco is no longer owned by the Danzer Group and, on 6 March 2012, Siforco ceased to be FSC certified.

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work to do where its subsidiaries are concerned, and that the present case should be seen as a hard lesson. The fact that Siforco has now been sold further complicates the situation, since Danzer could claim that it owes the communities nothing, having stopped operating the concessions concerned.

Considering that the various violations and disputes can be seen as a learning experience;

Considering the manifest desire of all the parties to negotiate directly, to find solutions on an amicable basis and to make reparations (very positive points for future progress and for meeting FSC's requirements);

The panel unanimously proposes:

- 1. that FSC disassociate from the Danzer Group;**
- 2. that the disassociation be temporary.** There should be a minimum period of disassociation: one year.

Since the purpose of disassociating is to protect FSC's credibility, FSC must put in place a very credible procedure for future re-association.

### Conditions for re-association

The conditions must be published and approved by both parties.

These conditions must include the following elements:

3. Danzer must fulfil all the commitments it has made. Given that the Danzer Group operated for several years in the forest at Yalisika, it must perform its obligations 100%: building the promised school and health centre, and opening the stretch of road required for the Yalisika Group (*groupement*). The Danzer Group must not only supply the construction equipment and materials, but also engage an engineer or enterprise to build the facilities concerned.
4. Danzer must implement clear conflict-resolution mechanisms, and procedures and instruments for preventing such conflicts, including those set out in the WWF<sup>2</sup> and Global Witness<sup>3</sup> reports. Other factors the company must take into account are the FSC guide on FPICs, the free, prior and informed consent of the communities and, if applicable, the recommendations of FSC's Permanent Indigenous People Committee (PIPC) or, until the final version is published, the recommendations of the Working Group for Indigenous People.
5. Danzer's progress must be monitored by a third-party organization, appointed on an ad hoc basis. To avoid any conflict of interests, this should perhaps be a body not associated with the FSC Certifiers, specializing in social affairs in developing countries, such as SwissPeace.

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<sup>2</sup> Muba Mopili, Leon; Bolaluembe Boliale, Claude; Mumba, Freddy: *Rapport de mission d'investigation sur le conflit entre la Siforco et la communauté locale de Yalisika effectuée dans le territoire de Bumba du 20 au 27 mai 2011* (Report of a mission to the Territory of Bumba to investigate the conflict between Siforco and the local community of Yalisika, 20 to 27 May 2011). This mission was funded by WWF and the report published by the Ministry for the Environment, Nature Conservation and Tourism of the Democratic Republic of Congo.

<sup>3</sup> Global Witness: *The art of logging industrially in the Congo. How loggers are abusing artisanal permits to exploit the Democratic Republic of Congo's forests*. October 2012. Available at [www.globalwitness.org/](http://www.globalwitness.org/)

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### Re-association procedure:

- FSC must have the re-association conditions assessed in the third quarter of the first year of disassociation.
- Danzer must pay the costs of these procedures.
- FSC International, and/or the FSC Policy and Standards Unit, must be involved in defining the conditions of re-association, the procedures Danzer must carry out to justify re-association and the monitoring body's criteria and indicators as defined in 5) above, and must diligently supervise the work of the ad hoc monitoring body in the field, document its work and publish it.
- Disassociation shall be permanent should Danzer in future resume activities not in keeping with the rules of good forest management, in particular as regards dialogue with local communities in the event of conflict.
- Siforco must not be granted FSC certification until such time as the Danzer Group has re-associated with FSC and has implemented the measures required to comply with the above recommendations.