

undertaken in accordance with the social and environmental performance requirements of the World Bank's International Finance Corporation.

In addition, CDC is deploying a major technical assistance program that is being implemented by the [Earthworm Foundation](#) and which aims to enhance a range of social, livelihood and development challenges for Feronia's workers and wider communities (with a focus on Lokutu) as well as providing a mediation service between local communities and the company.

CDC has continued these activities despite losing money on its investment. CDC has never received any money from Feronia and has no expectation of any dividend. Feronia has lost money in every year since CDC's investment. CDC has persevered with the company not for financial gain, but because it is committed to restoring it to a properly functioning and socially responsible business.

Without doubt there remains much still to do and we expect your report will highlight some important areas where improvements are still urgently required. In time, we plan to address all the areas you identify. For now, however, the company has had to make tough decisions about which areas to prioritise; decisions often complicated by external factors such as the recent Ebola outbreak. Although it is important to note how far Feronia still has to go, we hope you also recognise how far it has come, often against the odds.

We are expecting to shortly receive the findings of an independent report from IBIS and Salima Fakira on the death of (10)(2e) We will be delighted to share those findings with you when we have them.

In conclusion, I would like to thank you for making the effort to visit the company. It is too easy to criticize Feronia for shortcomings seen only from London. Only after you have walked the plantations can you appreciate the nature of the challenge, the improvements made and the importance of the company to the surrounding communities. Given your commitment to understanding the context of our investment (and your constructive engagement throughout the process), we look forward to your report both as an understanding of what we have accomplished so far and a roadmap to how we may accomplish more in the future.

Yours faithfully,

(10)(2e)

Nick O'Donohoe  
Chief Executive, CDC Group

To	Human Rights Watch
Date	22/10/2019
Subject	HRW Findings and Request for Information (sent by HRW to CDC on 01/10/19)

#	HRW questions	CDC Responses
<p><b>A. CDC Groups' Human Rights Obligations</b>            As a Development Finance Institution wholly owned by the UK government through its Department for International Development (DFID), CDC Group is under the obligation to conduct its business in line with the UK's commitments under international human rights law, including the provisions contained in the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR), among others. These obligations include that of not financing or contributing to the violation of human rights in other countries. Other domestic development banks owned by states, such as Germany's KfW Bankengruppe, have explicitly acknowledged this obligation through the adoption of human rights declarations or statements.</p>		
	<p>Has CDC Group adopted a human rights policy? If so, does it acknowledge CDC Group's extraterritorial obligations? If not, why not? Does CDC Group envision adopting such policy?</p>	<p>CDC's Investment Policy, which is agreed by the Secretary of State for International Development incorporates at Appendix 3 a detailed Code of Responsible Investing ("the Code"), which sets out specific environmental and social standards which we and our investee companies must meet. It reflects international standards and practices including the International Finance Corporation's ("IFC") Performance Standards, and the UN Guiding Principles on Business and Human Rights. We worked with <a href="#">Sunit</a> to prepare guidance on the application of human rights diligence to private sector investments (available <a href="#">here</a>). Human rights are an important element of the Code and this was reinforced when the Code was most recently updated in 2017. The Code of Responsible Investing is reviewed periodically (every five years) by CDC and DFID to ensure that it reflects evolving best practice. Further assessment on specific human rights related elements were carried out by CDC in case of Feronia (including the use of security personnel).</p>
	<p>What steps does CDC Group take to ensure it is discharging its human rights obligations before and after investing in a venture?</p>	<p>It is important to note that as a developmental investor, part of the impact we seek to achieve is to help the businesses we invest in to achieve the standards in our Code of Responsible Investing and the IFC Performance Standards. We very rarely invest in companies that are 'a finished article', and often the journey that companies must go on can take years.</p>

<p>Does CDC Group disclose to parties potentially affected by a venture they have invested in the results of their social and environmental impact assessment, and how it will impact them specifically? If CDC Group does not do this, does the venture CDC Group invests in do so? If the latter, how does CDC Group ensure that the venture is in fact complying with this requirement in a timely manner and that the information disclosed to potentially affected parties is comprehensive, accessible and meaningful?</p>	<p>Our standard investment approach is to require portfolio companies to demonstrate compliance with the Code of Responsible Investing if there is no exception. It is contractually required to ensure that companies in the Peroma Group (including PFC) comply with the relevant requirements in the Code, including human rights related requirements. CDC's legal agreements specifically require compliance with applicable IFC Performance Standards and Environmental, Health and Safety Guidelines (as stated in the Code). These obligations remain in force.</p> <p>We require our investors to consult with individuals and organizations that are affected by the company's direct or our environmental and social due diligence third parties. We do not generally disclose findings of our environmental and social due diligence to third parties.</p> <p>We, as third party advisers working on our behalf, are responsible for reviewing the quality, scope and appropriateness of such activities against IFC Performance Standards before and throughout the investment. (e.g. Annexes 2.5 to 3.1 of IFC PS 1 related to Stakeholder Engagement activities and the establishment of a grievance mechanism).</p>
<p>Regarding its investment in Peroma, what steps has CDC Group taken to meet its human rights obligations?</p>	<p>Since we invested, we have been actively engaged with Peroma to enhance its environmental and social management to both reduce environmental and social risks and to support the company to achieve an even greater impact than its environmental and social activities. We have done this directly and through our role on the Company's Eco-Committee.</p> <p>Much of the committee's focus is on addressing those aspects of the Company's performance that relate to human rights issues, including working conditions, health and safety, community health and safety, health and education. Recently, we have worked with the Company to improve its engagement with local communities in order to better understand social needs and to address issues of concern. Over time, this has resulted in a greater prioritisation of funding and support for urgent social development challenges and more social impact evaluation work. We have also worked with Peroma to ensure that the investment in water treatment infrastructure would be more socially beneficial, which you have asked in your question.</p>

	<p>Our efforts are ongoing. The human rights elements and our support for social infrastructure development remain a priority both for the Company and CDC (see below). CDC provided a loan specifically for environmental social and governance issues which has led to overall spending on environmental and social issues far in excess of \$3,500,000 (this has supported improved labour and working conditions through the provision of personal protective equipment (PPE), hospital equipment and so on). We estimate spending on human rights elements of Feronia's operation have been in the region of \$10m since 2013 when healthcare, boreholes, all housing and other social infrastructure is included.</p>
<p>Did CDC Group conduct its own social and environmental impact/risk assessment prior to investing in Feronia, or did it rely on an assessment conducted by the company? Could you provide us with a copy of the risk/impact assessment conducted prior to investing in Feronia?</p>	<p>We commissioned independent third-party consultants to undertake Environmental and Social Due Diligence (ESDD) on our proposed investment in Feronia (please see our previous responses on this matter).</p> <p>Although this work is confidential to CDC, we recognised that subsequent investors would benefit from a publicly accessible and updated environmental and social assessment, and so worked with Feronia during 2014 to commission international environmental and social consultants to undertake an Environmental and Social Assessment of Feronia's operations and impacts. That ESA included extensive public consultation. The summary is available <a href="#">here</a>, and access to all sections of the ESA is available <a href="#">here</a>.</p>
<p>Does CDC Group have policies on the social, environmental, and labor standards for its investments? Does CDC Group have policies related to transparency and disclosure of investment information, monitoring and oversight of compliance with CDC Group policies, and accountability and remedy? If so, can you provide us a copy of these policies?</p>	<p>CDC's <a href="#">Code of Responsible Investing</a> defines the environmental, social and labour standards for our investees. We have a transparency policy that stipulates the information we will make public about each of our investments. This is available on our website.</p> <p>CDC's Transparency and Disclosure Policy describes the information CDC makes available regarding its investments. Such information is available on CDC's online database (available <a href="#">here</a>) and in its annual review (the most recent of which is available <a href="#">here</a>).</p>
<p>Which international standards has CDC Group made binding on Feronia through contractual obligations? Do these include all of the International Financial</p>	<p>As previously stated, CDC's investment agreement cites its Code of Responsible Investing and IFC Performance Standards and applicable WB EHS Guidelines as requirements for the investment.</p> <p>As an impact investor, we rarely invest in companies that can achieve all these standards immediately. Our goal is to work with businesses to help them achieve, and importantly embed, high standards across their operations. This can take time, particularly in markets where such standards are unfamiliar and access to the relevant skills, knowledge or equipment is</p>

<p>Corporation's Performance Standards? Do these include all of the World Bank Group's Environmental Health and Safety Guidelines?</p>	<p>low. In Feronia's case, achieving international environmental and labour performance standards across all three plantations will remain challenging. However, Feronia's management remain committed to making improvements and we have a strong conviction that without our continued support environmental and social practices would be both far less advanced and far less impactful, particularly given how remote, deprived and neglected those communities are.</p>
<p>According to CDC Group's Code of Responsible Investing, managers should "identify and record any serious incidents involving Portfolio Companies that result in ... permanent damage to health, a material adverse environmental or social impact, or material breach of law relating to E&amp;S matters, and, in all cases, the promotion of appropriate corrective actions." Has CDC Group recorded any such incidents regarding Feronia's operations? If so which corrective actions has CDC Group promoted and how? Please specify the timeline envisioned for these corrective actions, if any.</p>	<p>We receive notification of environmental and social issues through Serious Incident Reports (SIRs) within three days of the company becoming aware of a serious incident, and through quarterly ESG committee meetings. Over the period we have been invested in the Company we have received 53 SIRs. These are always discussed at ESG committee meetings and, where possible, result in corrective actions, the increased emphasis on the use of Personal Protective Equipment is an example of this. The Company has not submitted a SIR relating to effluent discharge or local community concerns about effluents at any stage since CDC invested, although it has been discussed at quarterly ESG committee meetings as a result of complaints?</p>
<p>How does CDC Group ensure that people affected by their investments have access to remedy?</p>	<p>It is vital that all the companies we invest in take responsibility for, and lead their own, organisation. This is because once we stop investing in a company we need them to be able to continue to run the business in a responsible way. Our role as an investor is to guide and support the company in setting up those systems, processes and behaviours. This means ensuring that the company has an appropriate complaints / grievance process, and appropriately skilled people to respond to any complaints. In Feronia's case, we have also ensured that the company employs Community Relations Managers who are able to perform outreach to communities to identify and deal with issues as early as possible. In addition, CDC has its own complaints process available to external parties. That process is described on our website <a href="#">(available here)</a>.</p>

B. Practices that Endanger Workers' Health

00147

661922

PHC workers who apply and mix pesticides, or supervise these tasks, conduct their work with inadequate and incomplete equipment. Human Rights Watch found The company's alleged failure to provide appropriate protective equipment exposes workers to the serious health effects associated with these toxic chemicals. Workers told Human Rights Watch about a range of symptoms they experience immediately after applying pesticides, as well as chronic conditions they developed after they started the job. Their symptoms are consistent with exposure to the specific pesticides they spray or exposure to pesticides more generally, as described in public health literature and confirmed by public health experts consulted by Human Rights Watch. Workers interviewed by Human Rights Watch consistently reported company doctors and managers failed to disclose the results of compulsory medical tests they underwent over the course of three years in company hospitals, even after workers repeatedly requested these results. Our findings on the inadequate and incomplete equipment of workers who apply pesticides are part of a broader problem that extends to all plantation workers, particularly day laborers and women. We are concerned that PHC is falling short of its obligations to provide adequate personal protective equipment to all plantation workers to prevent and mitigate occupational health hazards, such as machete, thorn prick and trauma injuries, snake and spider bites and exposure to chemical fertilizers. The company's failure to provide clean drinking water for workers on the plantations also exposes them to potentially unsafe water, and the health risks associated to it such as diarrhoea, cholera, dysentery, typhoid and polio.

Please share your views regarding the findings described above.

The Company advised us (September 2018) that it now has a strict policy in place stipulating that all issued PPE must be worn, or work is denied. It has also identified and sourced climate-appropriate PPE and made a firm commitment that everyone working on its sites will have access to the correct PPE early in 2020. It is also investigating how it can provide greater access to changing and washing facilities for its workers who are engaged the mixing and application of agrochemicals.

CDG has supported improvements in occupational health and safety (OHS) since our involvement in the Company. This support has included training and a specific allocation of funding for personal protective equipment (PPE). The matter is also regularly discussed at the ESG committee that reports to the Board. The Company has recognised that the development and improvement in its OHS is important and has taken significant steps to put in place policies and inspection programmes and to source and provide the appropriate equipment and training to employees. While considerable progress has been made, including since Human Rights Watch's visit to Lokutu (nd Yaligimba (Jan 2018) and Boteka (Nov/ Dec 2018), we consider work in this area to be in progress and that further improvement is required.

In particular, in relation to the consistent provision of PPE, there has been improvement since your team's visits to the Company's site to try to overcome some of the challenges the Company has faced in meeting its responsibilities in this area, notably the difficulty in finding PPE compatible with the local climate (waterproof, but not too hot); ensuring regular transportation of equipment from Kinshasa to the company's sites and changing attitudes and behaviours towards OHS and the use of PPE amongst parts of the workforce.

	<p>No class Ia or Ib agrochemicals<sup>1</sup> are used on the Company's sites. It does use Class II agrochemicals, which can cause skin irritation, eye irritation and irritation of the respiratory tract if inhaled or swallowed. The Company has in place several measures and policies to control the risks associated with spraying the agrochemicals it does use. These include the use of PPE (work clothes, rubber boots, safety glasses, rubber gloves, respiratory masks); training for any new sprayer; refresher training for all sprayers, in line with the Company's annual health, safety and environment (HSE) training programme; regular inspections of spraying operations, in accordance with the Company's annual programme and compliance with DRC legislation about the use of buffer zones and the application of agrochemicals near villages and/or water sources. We and the Company are continuing to review how these control measures are implemented and use of agrochemicals so that we can improve safety for workers, local communities and the environment.</p> <p>The Company has initiated twice-yearly medical check-ups for its workers, in addition to an annual physical fitness to work assessment each year. This is a positive step in ensuring employees' health and fitness to work, although the limitations of local medical staff and the basic nature of medical facilities means they may not be equivalent to global best practice. The Company is, therefore, engaging with its medical services provider to explore how more detailed medical assessments can be implemented in future. The Company has also recently invested in and is implementing a 'Social Information Management System' which should help the Company deliver a more systematic health programme that captures all its workers.</p> <p>In the context of a country where access to safe drinking water is limited, even in the largest cities, since 2016 the Company has invested \$1.1 million installing or rehabilitating 70 boreholes to provide clean drinking water for its workers and greater access for all the people living in the communities surrounding its three sites. Statistics from the Company's medical facilities and from conversations amongst people in communities confirms that ailments and illnesses from the consumption of poor quality water have reduced as a direct result.</p>
<p>Did CDC Group's assessments before investing in Feronia identify any of the issues outlined above? If so, which specific measures did CDC Group take to ensure that Feronia corrected practices that endanger workers?</p>	<p>Yes. As we have stated in our previous answer (please see above response), the Environment Social and Action Plan (ESAP) that was agreed with Feronia in 2013 was based on our assessment of the business prior to investment, and has been updated since investment to reflect other in-depth reviews of the company's environment and social impact, our own monitoring and to reflect changes and needs of the business. Over the period that we have been invested, US\$ 280,475 of a CDC loan has been spent on PPE.</p>

<sup>1</sup> WHO recommended classification of pesticides by hazard

health? Please specify the timeline envisioned for these measures, if any, and whether CDC Group considered any of these mitigation plans were successfully executed.

When CDC invested in Ferona, the Company had no dedicated function to deal with E&S issues. Since our investment we have worked with the company to increase funding for environment and social improvements; significantly increase the number of staff working on E&S, and put in place a new ESG Board Committee, to ensure these issues are at the centre of the senior team's priorities.

To protect workers, CDC has supported improvements in OHS, including training and a financial allocation for PPE to accelerate progress, when we updated the Company's Environmental and Social Plan (ESAP) earlier in 2019, to include (amongst other items) specific requirements to increase the availability and use of PPE. One of the requirements of the ESAP is for the Company to carry out a health and safety risk assessment of the Company's current operations. OHS (and the use of PPE) is a standing item on the ESG committee agenda and is discussed at every meeting, and CDC regularly engages with Company staff and management on specific activities.

Some of the challenges the Company has faced around PPE and OHS are outlined above. The delay in supply due to problems transporting PPE to the sites has been a particular frustration, as has lost equipment or workers not wearing available equipment. As outlined above, we are making progress against these concerns and we have been in discussions with Ferona about improving the system around its PPE management.

Did CDC Group's monitoring activities following its investment in Ferona identify any of the issues outlined above? If so, which measures did CDC Group take to ensure that PMC addressed and mitigated the issues that give rise to violations of workers right to health and labor rights? Please specify the timeline envisioned for these measures, if any, and whether CDC Group considered these mitigation plans were successfully executed.

As above.



### C. Mill's Industrial Waste Contaminates Communities' Water, Environment

At least two of PHC's three palm oil mills allegedly dumped their industrial waste largely untreated, a number of Feronia and PHC staff told Human Rights Watch. The company's procedures are apparently not compliant with Congolese law, international human rights standards for the conduct of business, or commercial good practice expected from appropriately designed, operated, and maintained facilities operating under normal conditions, according to the World Bank Group's vegetable oil processing environmental health and safety guidelines.

In one case, the palm oil mill dumped putrid effluents next to a settlement of several hundred workers, with fumes pervading the residential area. Another community of several hundred downstream from the mill, located less than five kilometers outside of PHC concession area, submitted an official complaint to the company's grievance mechanism in November 2018 alleging the effluents had contaminated their only source of drinking water. A PHC representative allegedly told their community leader that the company had tested the water and found that the substance wasn't harmful, so that they would not compensate them, but the community was not shown any test results, the leader told Human Rights Watch in February 2019, and they refused to sign off their complaint as resolved. They have since been forced to continue relying on tainted water, several residents told Human Rights Watch.

Please share your views regarding the findings described above.

Palm Oil Mill Effluent (POME) is released into rivers and is also used as organic fertilizer around the Company's sites. This has been the practice of the Company since it was established in 1911.

POME is organic effluent comprising process waters, mud, fibre residues and a small percentage of palm oil residue. POME is organic and neither toxic or hazardous. Although it might be harmful if drunk, it is strongly diluted after discharge. Water boreholes have been drilled to provide safe drinking water. While releasing POME into a river does not meet global best practice (please note that there are no Congolese laws covering this matter), the best practice treatment of POME requires the construction of an effluent treatment plant at each site at a cost of between \$3m and \$5m. Given the Company's financial constraints (it is not yet making a profit) and the urgent requirements to maintain and enhance other social infrastructure, the ESG Committee of the Board took the decision to prioritise other social infrastructure needs including healthcare, roads, education and boreholes, and address effluent treatment as soon as it was practical to do so. They took this decision based on knowledge of effluent composition (essentially of organic material that is not toxic or hazardous) and dilution rates which further reduces risk of effluent to human health, and in the context of the urgent need for a water borehole drilling programme to provide safe drinking water.

The borehole drilling programme means that communities have access to water sources that are unaffected by the release of organic waste by the Company. The Company's monitoring and maintenance programme for its water boreholes analyses the water to check the physicochemical and microbiological quality of the water and to comply with laws and regulations on water and health standards in the DRC (Laws No 52/443 and 15/026) The water analysis is done in partnership with the

	<p>DRC water distribution system (REGIDESO). CDC will support and monitor the Company's continuing monitoring of borehole water quality.</p> <p>The most recent series of testing, in September 2019, found that the vast majority of water sources met the required levels under DRC law and, in the few cases where levels were not met, remedial action was undertaken to ensure compliance and/or people were advised to boil the water before consumption.</p> <p>We do appreciate that the river presents a large and convenient water source, and using boreholes isn't necessarily a first choice for residents. While the waste is organic and not harmful to human health, the organic waste, notably the oil residue is clearly sub-optimal and it remains our intention to tackle this problem with Feronia as soon as it is practical to do so.</p> <p>There are no "limit values" in DRC law covering the quality of waste effluents from palm mills.</p>
<p>Did CDC Group's assessments before investing in Feronia identify any of the issues outlined above? If so, which specific measures did CDC Group take to bring Feronia's practices into compliance with Congolese law, industry good practice and international standards regarding the right to water and health? Please specify the timeline envisioned for these measures, if any.</p>	<p>The need to install effluent treatment works was identified during Environmental and Social Due Diligence (ESDD), and subsequently assessed in the 2015 ESA (here). As stated in the previous answer, and given the financial status of the Company, it was necessary to prioritise a range of social and environmental actions, and (given the risk to human health and life) priority was given to maintaining and enhancing social infrastructure (including healthcare, roads, education and boreholes). This decision was taken by the ESG committee (in 2016) with recognition that effluent treatment should be addressed as soon as practical.</p>
<p>Did CDC Group's monitoring activities following its investment in Feronia identify any of the abuses outlined above, including the apparent infractions of Congolese law? If so, which measures did CDC Group take to ensure that Feronia addressed and mitigated these abuses? Please specify</p>	<p>Please see the answers above.</p>

the timeline envisioned for these measures, if any, and whether CDC Group considered these mitigation plans were successfully executed.

According to Feronia's grievance procedure policy, unresolved grievances are escalated to be investigated by the Company Management Committee. The ESG Board committee, on which Dave Easton of CDC Group currently sits, will also be advised, according to the policy. Furthermore, all grievances are supposed to be regularly reviewed by management and reported on a quarterly basis to the ESG Board Committee. Was CDC Group, as a member of the ESG Board Committee, aware of any allegations that the company's operations have tainted communities' water sources? If so, how did CDC Group respond to these allegations?

CDC has discussed borehole water quality at the ESG committee, and Feronia has implemented an ongoing monitoring programme to ensure the potability of the supply.

#### D. Employment Practices that Violate Labor Rights

PHC is relying on temporary contracts in an abusive manner apparently to secure the large workforce it requires at a lower cost, Human Rights Watch found. Temporary contracts preclude benefits and result in significantly lower wages for workers. The majority of PHC workers were employed under this modality in December 2018. In one of the plantations, the provincial representation of the Labor Inspectorate fined PHC for its illegal use of temporary contracts and compelled it to provide permanent contracts to nearly 1,500 day laborers over the next two years. The impact of this practice on livelihoods is compounded by other labor rights violations reported by workers, such as underpayment of wages. It would appear that even when plantation workers meet well over 50 percent of their daily quota, they are only paid 50 percent of their daily wage. Many workers told Human Rights

Watch they struggle to meet basic needs with their wages and, as a result, are shouldering significant debt with high interest to simply provide food for their families and pay school tuition for their children.

Please share your views regarding the findings described above.

The Company has a stated commitment to move to a situation where the vast majority of its staff are full-time permanent workers, which it has agreed with its DFI investors, the Labour Inspectorate and the unions. The process to achieve this goal has already begun and the Company has converted more than 2,000 workers to permanent employees over the last three years.

Unusually for a company operating in DRC, Feronia is fully unionised and the company has a strong relationship with the six unions that represent employee interests. It has held successful negotiations with the unions around wages, which has resulted in the Company progressively increasing wages since 2010 and paying above the statutory minimum wage for agriculture in the DRC.

Daily task rates set by Feronia are low by industry standards, both globally and in Africa. For example, in Ghana the average task rates in palm oil plantations are between 60% and 150% higher than they are at Feronia. We know that these rates are low and attainable, because a condition of our investment is that they are audited every two years by an independent expert. If a worker overperforms, they're able to earn bonuses in addition to pay. Feronia employees have access to other benefits including free healthcare for employees and their families (an average of ten people per family); a housing allowance / house; paid annual leave, and maternity pay. Feronia's average worker currently earns more than a teacher or a nurse would earn locally (CDF equivalent of \$3.30 per day, which is also three times the national average income of \$1 per day).

We and Feronia are very aware of our responsibility to local communities as it is the only major employer in those areas. A key part of our commitment to the Company is to try to support decent livelihoods and Feronia knows that its success is dependent on supporting its dedicated workforce. The Company's tough trading environment and the wide range of operational difficulties the company faces mean that this remains both a key priority and a key challenge for the business.

CDC Group's "strategic focus on jobs" as "the main route out of poverty" prioritizes "decent work and economic growth." Does CDC Group have a "decent work" policy? If not, why not? Has CDC Group envisioned adopting such policy? Please specify

CDCs approach to labour rights and working conditions is defined in its Code of Responsible Investing, which are cross-referenced with IFC PS 2 and ESH Guidelines. CDC reviews the scope and requirements of the Code on a regular basis (the next review will take place in 2020/21)

the timeline for the adoption of such policy, if relevant.

Did CDC Group's assessments before investing in Feronia identify any of the issues outlined above? If so, which specific measures did CDC Group take to bring Feronia's practices into compliance with Congolese law and industry good practice, as defined in CDC Group's Code of Responsible Investing? Please specify the timeline envisioned for these measures, if any, and whether CDC Group considered these plans were successfully executed.

Did CDC Group's monitoring activities following its investment in Feronia identify any of the abuses outlined above, including the infractions of Congolese law? If so, which measures did CDC Group take to ensure that Feronia addressed and mitigated these abuses? Please specify the timeline envisioned for these measures, if any, and whether CDC Group considered these mitigation plans were successfully executed.

Some of the issues above were identified during ESDD, others emerged and evolved subsequently, and were identified through monitoring and our regular engagement with the Company. Please see the answers and links above for more information.

See above comments and links.

E. CDC Group's Accountability Mechanisms CDC Group provides an email address on its website to which anyone can submit "evidence of a breach of [their] Code of Responsible Investing."

00147

661922

<p>Is this email address the only avenue for redress for a party negatively affected by a venture that CDC Group either has invested in, partly owns, or both as in the case of Peromia?</p>	<p>The Companies we invest in, and the intermediaries we invest through, are required to have appropriate complaints / grievance mechanisms in place, including whistle-blower procedures. As mentioned in previous answers, it is vital that companies take primary responsibility for dealing with the matters that arise about their business, so that they continue to operate responsibly after we've stopped investing. Peromia has such procedures in place.</p> <p>CDC will support fund managers and portfolio companies to create, adopt and implement policies promoting whistle-blowing, where they do not already exist.</p> <p>Our own complaints mechanism and policy are described <a href="#">here</a>.</p> <p>Finally, our shareholder, the Department for International Development, also has a complaints procedure. Reporting of concerns relating to corruption, fraud and safeguarding can be made directly to <a href="mailto:reportingconcerns@dfid.gov.uk">reportingconcerns@dfid.gov.uk</a>. People can also write to DFID via the Public Enquiries Point - <a href="mailto:Enquiry@dfid.gov.uk">Enquiry@dfid.gov.uk</a></p> <p>In line with our governance structure with DFID, which details the arm's length nature of our relationship, the normal process would be that DFID would expect CDC to investigate and respond to any complaint through its own procedures. However, if the issue is also raised directly with DFID, this would kick-off a discussion with CDC about its handling of the complaint. Depending on the nature of the complaint, DFID may also report it to <a href="mailto:reportingconcerns@dfid.gov.uk">reportingconcerns@dfid.gov.uk</a> for possible action by DFID's Internal Audit Investigations Service (IAIS).</p>
<p>Which entity is responsible for assessing the admissibility of complaints alleging breaches of the Code of Responsible Investing submitted through the e-mail address above? Please state whether this entity lies outside of CDC Group corporate governance structure, i.e. whether it is an independent body.</p>	<p>CDC's Head of Compliance is responsible for managing an appropriate response to any complaints we receive. These could capture any number of issues, situations and countries – and range in complexity from very simple through to very complex. Accordingly, we maintain a flexible and non-bureaucratic approach to allow us to take the most effective and efficient response in each circumstance.</p> <p>The Head of Compliance, at least once annually, reports to CDC's Board of Directors on the workings and effectiveness of the policy on whistle-blowing and complaints and any reports received.</p>
<p>Can CDC Group provide a description of the process it follows to resolve grievances, including the types of</p>	<p>Please see above.</p>

<p>possible resolutions? What kind of response can a party negatively affected expect from CDC Group, following submission of a complaint to this email address? Over what timeframe?</p>	
<p>Is information about the grievance mechanism process, potential resolutions, and the complaints received about CDC Group investments publicly available anywhere?</p>	<p>Please see the webpage publicising the process <a href="#">here</a>, which also provides a link to our policy. This is linked from the front page of the website and can be found through a simple search on our site. We do not publish details of complaints. These are reported to our Board.</p>
<p>Which measures does CDC Group usually take, including on Feronia/PHC plantations, to divulge the existence of this mechanism among potentially affected parties?</p>	<p>As described above, the primary responsibility for dealing with stakeholders and matter affecting stakeholders, must be the investee firm itself, not only to ensure that they become and remain responsible and accountable for their own operations (including after we divest), but because they will have a recognisable name and presence with their own stakeholders.</p> <p>Therefore, beyond our website, we do not promote the mechanism amongst investee company stakeholders.</p>
<p>Has CDC Group received any complaints alleging a breach of their Code of Responsible Investing in regard to their investment in Feronia? In regard to other investments? If so, what steps has CDC Group taken to respond to these complaints?</p>	<p>We have not received any such complaints.</p>
<p>Has CDC Group adopted an anti-retaliation policy to protect human rights defenders threatened in the context of CDC Group's investments? If so, please share a copy. Has CDC Group implemented this anti-</p>	<p>As stated above, we require investee companies to put in place appropriate complaints and whistle-blower mechanisms, including anti-retribution provisions, and to engage appropriately with local communities and NGOs. We do not have a specific anti-retaliation policy.</p>

retaliation policy following the killing of **(10)(2e)** the RLAO activist allegedly murdered by a PHC security guard? if so, please explain which steps CDC Group has taken to implement this policy.

Are there other mechanisms available where people impacted by CDC Group's investments can bring their complaints and seek remedy? If so, are these operational level grievance mechanisms, judicial mechanisms, or state regulatory agencies that have oversight over the country's overseas investments? Please specify the nature, jurisdiction and competencies of these mechanisms, as well as their ability to impose binding decisions on CDC Group.

Please see the answers above. In addition to our investee complaints and whistleblowing processes, together with those of CDC and DFID, all our investees are subject to local laws, courts and regulatory decisions. Where such laws and regulations exist, they would be required to have regard to those and to comply with those rulings.



(10)(2e)

, Acting Director Environment and Human Rights Division  
Executive Director Africa Division

Human Rights Watch  
350 Fifth Avenue, 34th Floor  
New York, NY 10118-3299

Date  
22 October 2019

Page  
2/13

Subject: FMO response to questions on PHC Oil Palm Plantations in DRC

Dear (10)(2e)

Thank you for your letter of 30 September 2019 regarding the alleged abuses on oil palm plantations operated by *Plantations et Huileries du Congo* (PHC) in the Democratic Republic of the Congo, one of FMO's clients. FMO has taken note of your substantive research on the plantations and we acknowledge the importance of your explicit commitment to produce a report that is well-informed and objective.

In the annex to this letter you will find our response to your questions on (A) FMO's Human Rights Obligations, (D) FMO's Decent Work policy (questions 2-4) and (E) FMO's Accountability Mechanisms. With regards to all other questions, I kindly refer to the email shared with you by CDC earlier today, on 22 October 2019.

I trust all answers will provide you with the requested information.

Yours sincerely,

Peter van Mierlo  
Chief Executive Officer FMO

NEDERLANDSE FINANCIERINGS-MAATSCHAPPIJ  
VOOR ONTWIKKELINGSLANDEN N.V.

T +31 (0)70 314 96 96  
Direct +31 (10)(2e)  
(10)(2e)  
Anna van Saksenlaan 71  
2593 HW The Hague - NL  
P.O. Box 93060  
2509 AB The Hague - NL  
Commercial Register  
The Hague 270 78 545

## **ANNEX | FMO response to (A) Human Rights Obligations, (D) Decent Work Policy and (E) FMO's Accountability Mechanisms**

### **A. FMO's Human Rights Obligations**

**1. A. Does FMO acknowledge that, as a bank majority-owned by the Dutch state, it has extraterritorial human rights obligations?**

As a bank licensed and supervised by the Dutch Central Bank, FMO has the duty to respect human rights.

Under the UNGPs this implies that FMO has the responsibility to avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur.

Secondly, FMO should seek to prevent or mitigate adverse human rights impacts that are directly linked to its operations, products or services by its business relationships, even if FMO has not contributed to those impacts.

As a bank with a development mandate for private sector investments, FMO has a global portfolio of clients. Consequently, through this portfolio, FMO has the obligation to seek to avoid and address adverse human rights impacts outside the Kingdom of the Netherlands.

**2. A. What steps does FMO take to ensure it is discharging its human rights obligations before and after investing in a venture? Does this include human rights due diligence or an environmental and social impact assessment? If so, are these documents made publicly available?**

As indicated by table 1 below, FMO's investment process – from client selection in the beginning to monitoring after disbursement – entails a comprehensive environmental and social risk management approach, executed by FMO's team of environmental and social experts and often supported by external experts.

Also, FMO clients do have a contractual obligation to meet FMO Environmental and Social (E&S) requirements, including to keep FMO, and other Lenders, informed on developments and progress related to the Environmental and Social Action Plan (ESAP).

In 2017, FMO updated its policy universe and introduced the FMO Sustainability Policy (Sustainability Policy, January 2017) and the Human Rights Position Statement (HuRi PS, September 2017). The HuRi PS re-emphasizes FMO's commitment to respect human rights. This commitment is operationalized by making the Human Rights lens more explicit in our investment process, as part of our E&S risk management approach. We use the UN Guiding Principles for Business and Human Rights as our compass and the IFC Performance Standards as our operating tool.

Whereas FMO does not disclose Due Diligence and Environmental and Social Impact assessments, we do disclose to the public our planned investment 30 days prior to contracting. This disclosure on FMO's website includes information on the client, the funding objective and reasons for FMO to fund a potential project. Also, it provides for an Environmental and Social categorization and rationale; which IFC Performance Standards are triggered and/or providing explicit information on whether the project involves resettlement (IFC PS 5) and/or indigenous peoples or cultural heritage (IFC PS 7 and 8).

The objective of our disclosure is to generate greater transparency about our (planned) investments, allowing for accountability and to create an opportunity for stakeholders to provide input to FMO's investment decisions. In this way, FMO aims to advance the quality and substantiation of its work.

**Table 1: FMO Investment Process**

(Based on: Sustainability Policy, January 2017 and HuRi PS, September 2017)

**1. Client Selection:**

- Phase in which our investment teams identify project opportunities to pursue.
- E&S staff is part of these teams, making sure E&S considerations are included from the start.

Specific actions:

- Perform initial screening of country/sector/client and fit with investment criteria.
- Confirm that the transaction will not breach FMO's Exclusion List.

**2. Clearance in Principle:**

- Phase in which our investment teams perform an initial assessment of risks and opportunities, define the key terms of client engagement, and scope any further assessment needs.
- Assessment is documented in a 'Clearance in Principle' proposal, informing FMO's decision to continue preparing an opportunity for a final investment decision.

Specific actions:

- Conduct assessment of E&S risks and opportunities, including the identification of possible red flags. Assign preliminary E&S risk category.
- Conduct a human rights contextual risk assessment, including early-warning screening for risk to human rights defenders.
- Perform an early assessment of community support for the project, including a preliminary assessment of whether Free, Prior and Informed Consent (FPIC) is required.

**3. Detailed Assessment or "Due Diligence":**

- Phase in which FMO carries out a detailed project assessment, referred to by banks as 'due diligence'.
- Results are documented in a Finance Proposal, informing FMO's final decision to invest. In some cases, we rely on the due diligence findings of eligible partner development finance institutions to inform our own due diligence.

Specific actions:

- Review of project documents, including E&S Impact Assessments.
- Perform a site visit, including visits to key stakeholders and engage consultant support in various fields as needed.
- Define and negotiate further E&S requirements prior to FMO's decision to invest.
- Conduct further human rights contextual risk assessment as informed by Clearance in Principle. This includes on-the-ground research and consultation with local stakeholders.
- Conduct further assessment of land rights if applicable, as well as a more systematic assessment of community support, including FPIC, if needed.

**4. Decision to invest:**

- Phase in which FMO's Credit Department evaluates all Finance Proposals and writes Credits Advices in support of a final investment decision by the Investment Committee.

- After investment approval, FMO discloses proposed investments on website for at least 30 days prior to contracting.

Specific actions:

- Credit Department to reflect on Investment team E&S advice.
- Make an investment decision, including additional E&S conditions if needed.
- Provide ex-ante disclosure of proposed investments, including E&S categorization and rationale.

**5. Contracting and Investment Disclosure:**

- FMO includes E&S requirements and conditions in all its agreements with clients to ensure that they are legally binding.
- All contracted investments are disclosed on FMO website during the full tenor of our engagement.

Specific actions:

- Finalize and include E&S, including human rights covenants and ESAP in the legal agreement.
- Disclose signed investments on FMO website, including E&S categorization and rationale.

**6. Disbursement:**

- Disbursement can take place upon achievement of the disbursement related conditions, E&S and other, as set in the legal agreement.

Specific actions:

- Verify E&S conditions for disbursement and overall compliance.

**7. Monitoring:**

- After the agreement is signed, FMO continues to monitor and work with clients to ensure implementation of E&S requirements.

Specific actions:

- Review client's E&S monitoring reports and accident and incident reports.
- Review consultant E&S monitoring reports.
- Conduct client visits.
- Perform an annual Client Credit Review.
- Address deficiencies in the clients' discharge of its human rights obligations and human rights-related emergencies.
- Conduct a regular and more systematic ongoing community support check, including FPIC if needed.

3. A. Does FMO disclose to parties potentially affected by a venture they have invested in the results of their social and environmental impact assessment, and how it will impact them specifically? If FMO does not do this, does the venture FMO invests in do so? If the latter, how does FMO ensure that the venture is in fact complying with this requirement in a timely manner and that the information disclosed to potentially affected parties is comprehensive, accessible and functional?

As stated above, FMO discloses to the public our planned investment 30 days prior to contracting. However, the IFC Performance Standards that FMO requires its clients to adhere to, do include requirements for Environmental and Social Impact Assessments (ESIA), as well as to share such information with communities affected and consult with local stakeholders on ESIA results and other relevant aspects. FMO may require additional studies to ensure an ESIA of appropriate international standard.

For PHC, the ESIA was commissioned in 2014. The summaries thereof can be downloaded via: <https://www.feronia.com/sustainability/view/environmental-and-social-baseline>.

The progress on the ESAP is subsequently monitored by an E&S consultancy on an annual basis. In addition, the Lenders (DEG, BIO and FMO) regularly visit the client to assess and discuss progression. Regular interactions on ESAP further take place in parallel to the Lenders participation as observers to the quarterly PHC ESG Committee.

**4. A. Regarding its investment in PHC, what steps has FMO taken to discharge its human rights obligations? Please describe the concrete steps taken, if any.**

An investment like PHC requires a comprehensive environmental and social risk management approach. An extensive due diligence was performed by FMO in coordination with other E&S experts of the Lenders (DEG in the lead). This was supported by an external independent E&S specialist, also appointed by the Lenders.

**5. A. Did FMO undertake human rights due diligence or social and environmental impact assessments prior to its initial disbursement to PHC? Did FMO conduct its own assessment prior to investing in PHC, or did it rely on an assessment conducted by the company? Could you provide us with a copy of the risk/impact assessment conducted prior to investing in PHC?**

Please see above, FMO requires its clients to undertake these assessments, which are subsequently reviewed and validated by FMO.

In the case of PHC, the reviews and validations were performed by FMO in coordination with the Lenders and supported by an external independent E&S specialist audit. FMO does not disclose Due Diligence and Environmental and Social Impact assessments.

**6. A. According to FMO's Sustainability Policy, FMO "respects internationally recognized human rights standards and takes measures to avoid supporting activities that may cause or contribute to human rights violations and acknowledges the responsibility of its clients to do the same," which "means to avoid infringing the human rights of others and to address adverse impact these businesses may cause or contribute to." Which actions has FMO taken to ensure that PHC is addressing adverse impacts to people affected by the company's operations?**

When referring to FMO's Sustainability Policy, it is important to underline that the contract with PHC dates from 2015 – meaning that the Sustainability Policy cannot be applied retrospectively to existing clients. This is relevant for pre-contracting activities like Due Diligence or possible conditions for Disbursement.

However, when it comes to post-contracting activities like Monitoring, FMO does consider its Sustainability Policy relevant for investments dating before 2017, including PHC. Especially when it comes to FMO's commitment to the freedom of expression. FMO does not condone violations of human rights by its clients, including oppression of, or violence towards, those who voice their dissenting opinion in relation to FMO activities and the activities of FMO's clients.

As per IFC Performance Standard 1, FMO therefore requires its clients to create access to an effective grievance mechanism that can facilitate early indication, and prompt

remediation, of various project-related grievances. We will take seriously credible allegations that a client has acted inappropriately, examine the veracity, and instigate further action as and where appropriate.

Considering the recent reported incidents in and around Lokutu and Boteka plantation areas, whether directly linked to PHC operations or not, FMO actions are two-folded; on the one hand, the requesting of detailed information by PHC management in order to get a deeper understanding of the events occurred while, on the other, also trying to verify this information by third parties – like the Ministry of Foreign Affairs of the Netherlands.

Also, the annual independent E&S monitoring visit, as well as the Lenders multiple site visits and the quarterly PHC ESG Committee meetings, allow for FMO to engage continuously and extensively with PHC and the company's owners about Human Rights to ensure PHC is addressing adverse impacts.

**7. A. Which international standards has FMO made binding on PHC through contractual obligations? Do these include all of the International Financial Corporation's Performance Standards? Do these include all of the World Bank Group's Environmental Health and Safety Guidelines?**

The following international standards are referred to in the contractual obligations between the Lenders, including FMO, and PHC:

- ILO's basic terms and conditions of employment: ILO conventions 26 and 131 (on remuneration), 1 (on working hours) and 155 (on health & safety).
- Labour Organization's (ILO) Core Labour Standards: ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and covering: (i) freedom of association and the right to collective bargaining, (ii) the elimination of forced and compulsory labour, (iii) the abolition of child labour and (iv) the elimination of discrimination in the workplace.
- Both the IFC Performance Standards and World bank Group's Environmental, Health and Safety Guidelines are included as the Environmental and Social requirements.
- The Global Reporting Initiative's Sustainability Reporting Guidelines (G4) as a framework for sustainability reporting.

**8. A. How does FMO ensure that people affected by their investments have access to remedy?**

FMO requires clients to set up and operate a grievance mechanism which is consistent with the IFC Performance Standards and the UNGPs and accessible to people affected by the respective clients.

Additionally, following our commitment under the UNGPs, FMO has also established an Independent Complaints Mechanism (please refer to section E). This mechanism is open to any person living in the area of operations or to anyone who has an economic or other defined interest in the area where he or she can demonstrate to be adversely affected by the activities or impacts of operations financed by FMO.

## **B. Practices that Endanger Workers' Health**

**1. B. Please share your views regarding the findings described above.**

Please refer to CDC's views regarding the findings.

**2. B. Did FMO's assessments before investing in PHC identify any of the issues outlined above? If so, which specific measures did FMO take to ensure that PHC**

corrected practices that endanger workers' health? Please specify the timeline envisioned for these measures, if any, and whether FMO considered any of these mitigation plans were successfully executed.

Please refer to CDC's answer on the same question.

3. B. Did FMO's monitoring activities following its investment in PHC identify any of the issues outlined above? If so, which measures did FMO take to ensure that PHC addressed and mitigated the issues that give rise to violations of workers right to health and labor rights? Please specify the timeline envisioned for these measures, if any, and whether FMO considered these mitigation plans were successfully executed.

As part of the Joint Facility Agreement with the other Lenders, DEG has the lead on all monitoring activities regarding PHC. Collaboration with the lenders takes place on a regular basis, amongst others through the attendance to quarterly PHC ESG Committees, reviews of independent monitoring reports, and feedback to PHC and its shareholders.

DEG's independent monitoring activities (as described under A) provided no indication that the information provided by CDC to HRW with regard to questions in sections B, C and D is incorrect. The topics raised in sections B, C and D were identified during the Lenders' due diligence and addressed, as appropriate, through Lenders' requirements and advice for PHC. Specific findings of the initial E&S assessment and detailed findings of the ongoing E&S monitoring for PHC were addressed through the means described under section A.

### **C. Mill's Industrial Waste Contaminates Communities' Water, Environment**

1. C. Please share your views regarding the findings described above.

Please refer to CDC's views regarding the findings.

2. C. Did FMO's assessments before investing in PHC identify any of the issues outlined above? If so, which specific measures did FMO take to bring PHC's practices into compliance with Congolese law, industry good practice and international standards regarding the right to water and health? Please specify the timeline envisioned for these measures, if any.

Please refer to CDC's answer on the same question.

3. C. Did FMO's monitoring activities following its investment in PHC identify any of the abuses outlined above, including apparent infractions of Congolese law? If so, which measures did FMO take to ensure that PHC addressed and mitigated these violations? Please specify the timeline envisioned for these measures, if any, and whether FMO considered these mitigation plans were successfully executed.

Please refer to CDC's answer on the same question.

4. C. According to Feronia's grievance procedure policy, unresolved grievances are escalated to be investigated by the Company Management Committee. The ESG Board committee will also be advised, according to the policy. Furthermore, all grievances are supposed to be regularly reviewed by Management and reported on a quarterly basis to the ESG Board Committee. Was FMO, as an observer in the ESG Board Committee's quarterly meetings, aware of allegations that the company's operations have tainted communities' water sources? If so, how did FMO respond to these allegations?

CDC has discussed borehole water quality at the ESG committee, and Feronia has implemented an ongoing monitoring programme to ensure the potability of the supply.

Moreover, in general, FMO responds to allegations by engaging with other Lenders and the company to ensure complainants are taken seriously, and to ensure that procedures for handling grievances, including escalation of unresolved ones, are effective or improved when necessary.

#### **D. Employment Practices that Violate Labor Rights**

##### **1. D. Please share your views regarding the findings described above.**

Please refer to CDC's views regarding the findings.

**2. D. FMO's stated mission is to "promote social justice as well as ecological and economical sustainability," in addition to "actively promot[ing] human rights." Does FMO have a "decent work" policy? If not, why not? Has FMO envisioned adopting such policy? Please specify the timeline for the adoption of such policy, if relevant.**

FMO's policy on decent work is integrated in the Sustainability Policy. Furthermore, the human right to decent work is salient for FMO, given that the requirement for skilled and non-skilled labor underpins most of FMO's investments in emerging markets. Labor rights are therefore at the core of our due diligence activities. FMO also assesses decent working conditions beyond those of the direct employees of the company we finance to include the rights of contractors and workers in the supply chain. An initial analysis of the nature of the supply chain allows us to identify the most salient issues that need to be managed or mitigated.

With respect to Decent work, FMO requires our clients to apply IFC PC 2 (Labour and Working Conditions) and the ILO Declaration on Fundamental Principles and Rights at Work. In addition, FMO is committed to contribute to the SDG's and SDG 8 (decent Work and Economic Growth) in particular. As such, FMO actively works together with its clients to improve labor conditions and provides Technical assistance to promote decent work. FMO (in collaboration with EDFI) has published a report that describes how DFI's in general and FMO in particular contribute to decent work and includes some best practices on promoting decent work.

**3 D. Did FMO's assessments before investing in PHC identify any of the issues outlined above? If so, which specific measures did FMO take to bring PHC's practices into compliance with Congolese law and international standards regarding labor rights and the right to an adequate standard of living? Please specify the timeline envisioned for these measures, if any, and whether FMO considered these plans were successfully executed.**

Specific findings of the initial E&S impact assessment, against IFC Performance Standard 2 (Labour and Working Conditions) and ongoing E&S monitoring for PHC were addressed through the means described under section A.

**4 D. Did FMO's monitoring activities following its investment in PHC identify any of the abuses outlined above, including alleged infractions of Congolese law? If so, which measures did FMO take to ensure that PHC addressed and mitigated these violations? Please specify the timeline envisioned for these measures, if any, and whether FMO considered these mitigation plans were successfully executed.**



Specific findings during FMO's monitoring activities addressed through the means described under section A.

## **E. FMO's Accountability Mechanisms**

1. E. According to the Independent Complaint Mechanism's guide, dispute resolution is subject to all the parties "being willing to participate in such a process" and agreeing on a mediator. The process usually culminates with a "mutually agreed program with timelines for implementation as well as roles and responsibilities to monitor the progress made." A mutually agreed party will monitor the "follow-up to agreements." At any given point, the panel will "not take a position on particular allegations nor does it find fault with a party or decide liability."

• Are these agreements binding on FMO and its client?

The Independent Complaint Mechanism (ICM) and its independent panel of experts' function as a facilitator for dispute resolution. As stated in the policies, dispute resolutions aim for a program, mutually agreed amongst the parties to the dispute resolution, which includes responsibilities, timelines and monitoring.

• Are these agreements subject to a timeframe?

This depends on the agreement reached between the parties in the dispute resolution process, but it will usually contain a mutually agreed program with timelines for implementation.

• Does FMO ensure that the client is implementing the resulting agreement?

Roles and responsibilities to monitor the progress are usually part of the agreements reached. Based on the monitoring agreements made, the ICM will disclose the outcomes. It is FMO's interest that the client as well as the individuals or communities respect and honor the commitments they made in the agreement reached. However, FMO has no legal or formal agreement with a client on the responsibilities they committed to in the dispute resolution process. The ICM role is to facilitate dispute resolution.

• What steps does FMO take if its client is not following through on the agreement in good faith?

The dispute resolution process with PHC/Feronia is the first of its kind since the establishment of the DEG/FMO complaint mechanism in 2014. FMO will in case parties are not respecting their commitments review options and possibilities on how to encourage implementation, also considering experiences from other complaint mechanisms like IFC's CAO Ombudsman.

2. E. According to the Independent Complaint Mechanism's guide, for a compliance review, the panel will assess whether the FMO's performance aligns with its policies and may also issue recommendations for the specific case and/or recommendations for FMO to improve its existing policies and procedures. FMO's management board will publish its response to the panel's report on FMO's website. In the event "material non-compliances are identified, the [mechanism] will monitor the situation until actions taken by [FMO] assure the [mechanism] that [FMO is] addressing the material non-compliance."

- What is the scope of what FMO defines as “material non-compliances”?

“Material non-compliances” in any specific case are defined by the Independent Expert Panel in their compliance review in relation to the applicable policies.

- Given that the panel can only seek assurances that FMO is addressing a material non-compliance, which entity is actually responsible for ensuring that FMO effectively addresses the material non-compliance? Which mechanisms does this entity rely on in order to accomplish this?

In cases where material non-compliances are identified, the ICM will periodically monitor the situation until actions taken by FMO assure the ICM that FMO is addressing the material non-compliance(s). It is the role and responsibility of FMO management to ensure that adequate actions are taken.

- How does FMO communicate to affected parties the actions it will carry out to address material non-compliances?

Please refer to the principles of communication with affected parties in the Complaint Mechanism’s guide in chapter 3.2 Description of the Procedure and chapter 3.5 Reporting & Transparency. For each complaint, the Independent Expert Panel is monitoring, if applicable, how FMO is following up on the material non-compliances. This can include publishing monitoring reports on the website of FMO as practiced with previous complaints.

3. E. According to the Independent Complaint Mechanism’s guide, in 2014 DEG and FMO began to introduce “necessary contractual arrangements” into their client agreements, to enable the functioning of the mechanism. What do these arrangements entail and which kind of information to they provide access to for members of the independent panel of experts?

These arrangements entail that the Independent Expert Panel has access to the premises of the client and to the information relevant for working on the complaint case. It also arranges for the disclosure of client information that is related to the complaint.

4. E. Has FMO adopted an anti-retaliation policy to protect human rights defenders threatened in the context of FMO’s investments? If so, please share a copy. Has FMO implemented this anti-retaliation policy following the killing of (10)(2e) (10)(2e) the RIAO activist allegedly murdered by a PHC security guard? If so, please explain which steps FMO has taken to implement this policy.

As stated in FMO’s HuRi PS of 2017, we do not tolerate any activity by our clients that amount to the oppression of, violence towards, or any other violation of the human rights of those who voice their opinion in relation to FMO activities and the activities of our clients.

We will take seriously credible allegations that a client has acted inappropriately, examine the veracity, and instigate further action as and where appropriate. We have embedded an early warning screening for risks to human rights defenders and elements of on-the-ground research and consultation with local civil society during Due Diligence.

On the death of (10)(2e) FMO is awaiting the conclusions of the CDC-appointed independent investigation team.

5. E. Are there other mechanisms available where people impacted by FMO's investments can bring their complaints and seek remedy? If so, are these operational level grievance mechanisms, judicial mechanisms, or state regulatory agencies that have oversight over the country's overseas investments? Please specify the nature, jurisdiction and competencies of these mechanisms, as well as their ability to impose binding decisions on FMO.

Please refer to next page.

	<b>Nature</b>	<b>Jurisdiction</b>	<b>Competencies</b>	<b>Ability to impose binding decisions on FMO</b>
<b>Project level Grievance mechanism</b>	Operational	<ul style="list-style-type: none"> <li>Company's operations</li> </ul>	<ul style="list-style-type: none"> <li>Depending on the GM, but should be able to assess complaints relating to the Company's operations and provide appropriate remedy</li> </ul>	None, GM is on the client level
<b>Mechanism under the <u>RSPO Complaints System</u></b>	Operational	<ul style="list-style-type: none"> <li>RSPO members</li> <li>Non-members, including affected communities (and their nominated representative), workers and/or other interested parties.</li> </ul>	<ul style="list-style-type: none"> <li>RSPO Complaints and Appeals Procedures</li> <li>RSPO Dispute Settlement Facility</li> </ul>	None, GM is on the client level
<b>NCP   <u>National Contact Point OECD Guidelines</u></b>	State regulatory agency	<ul style="list-style-type: none"> <li>Adherence to OECD guidelines by Dutch companies.</li> </ul>	<ul style="list-style-type: none"> <li>Raising awareness of the OECD Guidelines with businesses, trade unions and non-governmental organisations; and</li> <li>Contributing to the resolution of issues that arise from the alleged non-observance of the Guidelines in specific instances.</li> </ul>	None, Cooperation to a case is voluntary
<b>Dutch National Court</b>	Judicial	<ul style="list-style-type: none"> <li>Operations of Dutch companies.</li> <li>Foreign companies on Dutch territory.</li> </ul>	<ul style="list-style-type: none"> <li>Depending on legal claim</li> </ul>	Yes

To: (10)(2e) @pidg.org]  
Cc: (10)(2e) (10)(2e) @pidg.org]  
From: (10)(2e) (10)(2e)  
Sent: Tue 10/22/2019 12:34:44 PM  
Subject: RE: Feronia new information  
Received: Tue 10/22/2019 12:34:00 PM

Thanks (10)(2e)

From: (10)(2e) @pidg.org>

Sent: dinsdag 22 oktober 2019 11:43

To: (10)(2e) (10)(2e) <(10)(2e) @minbuza.nl>

Cc: (10)(2e) (10)(2e) @pidg.org>

Subject: Re: Feronia new information

Dear (10)(2e),

Thank you for your note.

The social issues in the area do continue to be a focus of Feronia management the lenders. I am in regular contact with EAIF and CDC and they do keep PIDG HSES and the Communication team updated. The lenders do have a formal communication protocol for Feronia which EAIF are listed.

As agreed however it is CDC that are leading the direction and management of these HSES issues. Myself and (10)(2e) have call with CDC tomorrow and Feronia will be on the agenda.

Best Regards

(10)(2e)

On 21 Oct 2019, at 12:55, (10)(2e) (10)(2e) (10)(2e) @minbuza.nl> wrote:

Dear (10)(2e) and (10)(2e)

Are you also directly involved in the Communications protocol of Feronia (together with the other financiers?), or is this just Investec? It might be worthwhile to ask Investec to include you, so that you receive all information, and have the same information as all other lenders. I think you should. I have now heard that the situation in Lokutu is getting worse, Feronia employees are being threatened by the local community and that they have written a letter to the financiers (FMO has received it).

FMO has let us know that next week CDC will bring a visit to DRC and will talk with all ambassadors. Our embassy will now reach out to the UK.

If things develop further at Feronia, I can't promise to send updates to you all the time. Could you please confirm that you have a good reporting line directly via CDC or via the Communications Protocol (some sort of an email chain where all financiers are in, share all developments with each other)?

Many thanks,

(10)(2e)

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

The Private Infrastructure Development Group Limited | Registered office: 6 Bevis Marks, London, EC3A 7BA, United Kingdom | Registered as a company in England and Wales with company number 11265124

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl  
**From:** (10)(2e) (10)(2e)  
**Sent:** Wed 10/23/2019 10:03:01 AM  
**Subject:** RE: HRW summary of findings / PHC  
**Received:** Wed 10/23/2019 10:03:13 AM  
[Covering Letter to HRW from Nick O'Donohoe.pdf](#)  
[HRW additional questions.Feronia Response 22.10.2019 FINAL .pdf](#)

Pelase find attached

**From:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl  
**Sent:** 23 October 2019 10:35 AM  
**To:** (10)(2e) @fmo.nl  
**Subject:** RE: HRW summary of findings / PHC

Nog wel 1 vraag: heb je de CDC email voor mij waar naar wordt verwezen in de beantwoording?

(10)(2e)  
(10)(2e)  
**From:** (10)(2e) (10)(2e) (10)(2e) @fmo.nl  
**Sent:** woensdag 23 oktober 2019 09:27  
**To:** (10)(2e) (10)(2e) @minbuza.nl  
**Subject:** FW: HRW summary of findings / PHC

Goedemorgen (10)(2e)  
Zoals je ongetwijfeld hebt gezien, je bent in gekopieerd op onze beantwoording aan HRW.  
Mocht je nog verdere vragen hierover hebben, weet me te vinden.  
Heeft de reminder aan de ambassade toevallig al iets opgeleverd?  
Zelf heb ik (10)(2e) geattendeerd op het feit dat CDC volgende week in Kinshasa is en dat er iets voor ambassades georganiseerd is.  
Met vriendelijke groeten,  
(10)(2e)

**From:** (10)(2e) @fmo.nl  
**Sent:** 22 October 2019 11:20 PM  
**To:** (10)(2e) @hrw.org  
**Cc:** (10)(2e) (10)(2e) (10)(2e) @fmo.nl; (10)(2e) (10)(2e) (10)(2e) @minbuza.nl; (10)(2e) Wilkinson (10)(2e) @hrw.org; (10)(2e) @hrw.org  
**Subject:** RE: HRW summary of findings / PHC

Dear (10)(2e)  
Apologies for the delay, we were awaiting final approvals from the management team. Please find attached FMO's responses. When can we expect the publication of the report?  
Kind regards,

(10)(2e)  
**From:** (10)(2e) @hrw.org  
**Sent:** 21 October 2019 18:21  
**To:** (10)(2e) @fmo.nl  
**Cc:** (10)(2e) (10)(2e) (10)(2e) @fmo.nl; (10)(2e) @fmo.nl; (10)(2e) (10)(2e) (10)(2e) @minbuza.nl; (10)(2e) Wilkinson (10)(2e) @hrw.org; (10)(2e) @hrw.org  
**Subject:** RE: HRW summary of findings / PHC

Dear (10)(2e)  
I hope this message finds you well. We look forward to receiving FMO's reply, so we may reflect the bank's views. We are on schedule for the publication of our report.  
Best wishes,

(10)(2e)  
**From:** (10)(2e) @fmo.nl  
**Sent:** Tuesday, October 1, 2019 8:39 AM  
**To:** (10)(2e) @hrw.org  
**Cc:** (10)(2e) (10)(2e) (10)(2e) @fmo.nl; (10)(2e) @fmo.nl; (10)(2e) (10)(2e) (10)(2e) @minbuza.nl; (10)(2e) Wilkinson (10)(2e) @hrw.org; (10)(2e) @hrw.org  
**Subject:** RE: HRW summary of findings / PHC

Dear (10)(2e)  
Your message and attachment are well received and we will get back to you on 22 October.  
Kind regards,

(10)(2e)  
00150e

(10)(2e)

Agribusiness, Food and Water

FMO

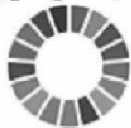
(10)(2e)

Anna van Saksenlaan 71 | P.O. Box 93060 | 2509 AB | The Hague | The Netherlands | [www.fmo.nl](http://www.fmo.nl)

[LinkedIn](#) | [Facebook](#) | [Twitter](#) | [YouTube](#)

FMO's legal name is 'Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.'. FMO is also known as the Netherlands Development Finance Company.

 Be green, leave it on the screen



FMO contributes to the Sustainable Development Goals

**From:** (10)(2e) <[redacted]@hrw.org>

**Sent:** 30 September 2019 11:31 PM

**To:** (10)(2e) <[redacted]@fmo.nl>

**Cc:** (10)(2e) <[redacted]@fmo.nl>; (10)(2e) <[redacted]@fmo.nl>; (10)(2e) <[redacted]@minbuza.nl>; (10)(2e) <[redacted]@hrw.org>; (10)(2e) <[redacted]@hrw.org>

**Subject:** HRW summary of findings / PHC

**Importance:** High

Dear (10)(2e)

I hope this message finds you well. Please see attached a summary of our findings. We hope FMO is able to provide comments by October 22, so we may reflect the bank's views in our reporting.

Kind regards,

(10)(2e)  
[redacted]  
(10)(2e)  
[redacted]

Human Rights Watch  
350 Fifth Avenue, 34th Floor, New York, 10118-3299

(10)(2e)

<http://www.hrw.org>



The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e) @fmo.nl  
**Cc:** (10)(2e), (10)(2e), (10)(2e) @minbuza.nl; (10)(2e), (10)(2e) @minbuza.nl; (10)(2e), (10)(2e)  
(10)(2e); (10)(2e) @minbuza.nl  
**From:** (10)(2e), (10)(2e)  
**Sent:** Mon 10/28/2019 1:21:02 PM  
**Subject:** RE: WhatsApp conversaties met FMO  
**Received:** Mon 10/28/2019 1:21:04 PM

Ref hieronder

(10)(2e), ik antwoord even ipv (10)(2e).

CDC is uitgesteld naar de week van 4 november.  
Bijeenkomst met andere ambassadeurs betrokken bij Feronia (follow up van bijeenkomst begin september) waarschijnlijk donderdag of vrijdag deze week. Mede op verzoek (10)(2a) die zich zorgen maken over recente incidenten richting Feronia medewerkers.

Groet

(10)(2e) (10)(2e)

---

**From:** (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>  
**Sent:** maandag 28 oktober 2019 10:37  
**To:** (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** (10)(2e), (10)(2e) @minbuza.nl  
**Subject:** WhatsApp conversaties met FMO

[10:21, 28/10/2019] (10)(2e) (10)(2e) Hi (10)(2e), even een check: wanneer is de meeting met CDC deze week gepland?  
[10:23, 28/10/2019] (10)(2e) (10)(2e): op verzoek van de (10)(2a) Ambassadeur gaat (10)(2e) (10)(2e) een bijeenkomst organiseren met de ambassadeurs van andere landen. Ik weet niet of CDC mensen ook aanwezig zullen zijn. In de loop van de dag spreek ik hierover met hem  
[10:34, 28/10/2019] (10)(2e) (10)(2e) Ok, dank. Zou je me willen laten weten of dit zo is. En zo ja, dan zouden we heel graag voorafgaand aan die sessie nog even met (10)(2e) willen praten. Het is belangrijk dat hij op de hoogte is van FMO-perspectief (10)(2g)  
(10)(2g) Goed om dat even scherp te hebben. Groeten, (10)(2e)



To: (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]; (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]; (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]  
Cc: (10)(2e) [(10)(2e) @fmo.nl]; (10)(2e) [(10)(2e) @fmo.nl]; (10)(2e) [(10)(2e) @fmo.nl]; (10)(2e) [(10)(2e) @fmo.nl]  
From: (10)(2e) [(10)(2e) @fmo.nl]  
Sent: Mon 10/28/2019 5:25:00 PM  
Subject: RE: Feronia/ PHC: New arrest Lokutu district  
Received: Mon 10/28/2019 5:25:08 PM

Beste (10)(2e)

Zojuist hebben we de onderstaande aanvullende informatie (op basis van onze vragen) vanuit Congo DRC mogen ontvangen. Op basis hiervan hebben we nog twee aanvullende vragen gesteld:

Vraag 1 – hoe komt de politie aan de redenen voor de arrestatie? Is dit op basis van aangifte van diefstal door Feronia en zo ja, van wanneer dateert deze aangifte?

Vraag 3 – hoe komt het dat Feronia deze keer wel de auto kon weigeren en niet destijds bij de september arrestaties?

Met vriendelijke groeten,

(10)(2e)

\*\*\*

**1. What do we / does Feronia/PHC know about the arrest?**

We know that (10)(2e) [(10)(2e)] was wanted by the police for reasons of (10)(2g) The police tried to arrest him in September when they were in Lokutu but they were stopped by many armed people so they decided to come back a next time. That is why they came back last week and arrested him. (10)(2e) owns a camp near our palm oil plantation where there are many traders in search of palm oil. (10)(2g) This is not the first time he is arrested, he was already arrested in August 2019 but he was released a few days after.

**2. Can we confirm (10)(2e) and (10)(2e) are indeed arrested?**

Yes, they are arrested. The warrant is attached where you could see their names (please notice that this document is confidential and cannot be divulged).

**3. Was Feronia, like previous time, involved? For example, was a PHC vehicle again used?**

No, PHC was not involved. The police requested a vehicle when they arrived in Lokutu but we didn't accept.

**4. What do we know about the charges?**

(10)(2g)

**5. What do you know about the request by (10)(2e) made during the meeting with ICM panel?**

Nobody from PHC has participated to the meeting organized by RIAO in Lokutu with the ICM so we don't know if he was there and, if yes, what he said. (10)(2g)

**6. Is (10)(2e) indeed active in the mediation process by ICM as is stated in the article?**

(10)(2g)

From: (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]  
Sent: 28 October 2019 2:12 PM  
To: (10)(2e) [(10)(2e) (10)(2e) @fmo.nl]; (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]; (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]  
Cc: (10)(2e) [(10)(2e) @fmo.nl]; (10)(2e) [(10)(2e) @fmo.nl]; (10)(2e) [(10)(2e) @fmo.nl]  
Subject: RE: Feronia/ PHC: New arrest Lokutu district

Dear (10)(2e),

Kind regards,

(10)(2e)

From: (10)(2e) (10)(2e) (10)(2e)@fmo.nl>

Sent: maandag 28 oktober 2019 13:41

To: (10)(2e) (10)(2e) (10)(2e)@minbuza.nl>; (10)(2e) (10)(2e) (10)(2e)@minbuza.nl>; (10)(2e) (10)(2e) (10)(2e)@minbuza.nl>

Cc: (10)(2e) (10)(2e)@fmo.nl>; (10)(2e) (10)(2e)@fmo.nl>; (10)(2e) (10)(2e)@fmo.nl>

Subject: Feronia/ PHC: New arrest Lokutu district

Dear (10)(2e) (10)(2e) (10)(2e),

Please be informed that a new arrest has been reported in the (10)(2g) Lokutu district.

FMO is directly mentioned in tweet of Friends of the Earth NL mentioning latest article by Farmlandgrab (28 October 2019): <https://www.farmlandgrab.org/post/view/29254>.

In general, (10)(2g) is not new.

However, we have asked Feronia/ PHC to get answers on the following 6 questions:

1. What do we / does Feronia/PHC know about the arrest?
2. Can we confirm (10)(2e) and (10)(2e) are indeed arrested?
3. Was Feronia, like previous time, involved? For example, was a PHC vehicle again used?
4. What do we know about the charges?

Please note: on the one hand the article refers to "reasons that are not yet known" yet, at the same time, mentioning "[A]ccording to information in the possession of RIAO-RDC, (10)(2e) was accused of stealing palm nuts from PHC-Feronia's plantations" and "he was also accused of maintaining a militia against the security guards".

5. What do we know about the request by (10)(2e) made during the meeting with ICM panel?

During the most recent meeting with the panel of the complaint mechanism in Lokutu at the end of August (10)(2e) warned the panel members that the participation of community members in such meetings placed them at high risk. He had requested that the panel members provide a guarantee of security for the participants.

6. Is (10)(2e) indeed active in the mediation process by ICM as is stated in the article?

Should you have any further questions on this, please feel free to connect.

Best, (10)(2e)

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl  
**From:** (10)(2e) (10)(2e)  
**Sent:** Tue 10/29/2019 5:27:39 PM  
**Subject:** RE: Feronia/ PHC: New arrest Lokutu district  
**Received:** Tue 10/29/2019 5:27:43 PM

Hé (10)(2e)  
Hieronder de antwoorden op de opvolgvragen:

**Question 1:**  
Following the information have, it seems that Tanganyika Protection, the security service contracts by Feronia for Lokutu, made a legal complaint the 30th May 2019 against (10)(2e) and other people.

**Question 3:**  
This time the police was directed to a contractor who owns a car to be sure to not be involved in that.  
Laat me weten als je nog verdere vragen hebt.  
Met vriendelijke groeten, (10)(2e)

**From:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>

**Sent:** 28 October 2019 6:07 PM

**To:** (10)(2e) (10)(2e) (10)(2e)@fmo.nl>  
**Subject:** RE: Feronia/ PHC: New arrest Lokutu district

Dank voor de update (10)(2e). Inderdaad terecht opvolgvragen, mn de tweede.  
(10)(2e)

**From:** (10)(2e) (10)(2e) (10)(2e)@fmo.nl>

**Sent:** maandag 28 oktober 2019 17:25

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>; (10)(2e) (10)(2e) @minbuza.nl>

**Cc:** (10)(2e) @fmo.nl>; (10)(2e) @fmo.nl>; (10)(2e) @fmo.nl>; (10)(2e) @fmo.nl>

**Subject:** RE: Feronia/ PHC: New arrest Lokutu district

Beste (10)(2e)  
Zojust hebben we de onderstaande aanvullende informatie (op basis van onze vragen) vanuit Congo DRC mogen ontvangen.  
Op basis hiervan hebben we nog twee aanvullende vragen gesteld:  
Vraag 1 – hoe komt de politie aan de redenen voor de arrestatie? Is dit op basis van aangifte van diefstal door Feronia en zo ja, van wanneer dateert deze aangifte?  
Vraag 3 – hoe komt het dat Feronia deze keer wel de auto kon weigeren en niet destijds bij de september arrestaties?  
Met vriendelijke groeten,  
(10)(2e)

\*\*\*  
**1. What do we / does Feronia/PHC know about the arrest?**

We know that (10)(2e) (10)(2g) The police tried to arrest him in September when they were in Lokutu but they were stopped by many armed people so they decided to come back a next time. That is why they came back last week and arrested him. (10)(2e) a camp near our palm oil plantation where there are many traders in search of palm oil. (10)(2g)  
(10)(2g) This is not the first time he is arrested, he was already arrested in August 2019 but he was a few days after.

**2. Can we confirm (10)(2e) are indeed arrested?**  
Yes, they are arrested. The warrant is attached where you could see their names (please notice that this document is confidential and cannot be divulged).

**3. Was Feronia, like previous time, involved? For example, was a PHC vehicle again used?**  
No, PHC was not involved. The police requested a vehicle when they arrived in Lokutu but we didn't accept.

**4. What do we know about the charges?**  
(10)(2g)  
**5. What do you know about the request by (10)(2e) made during the meeting with ICM panel?**  
Nobody from PHC has participated to the meeting organized by RIAO in Lokutu with the ICM so we don't know if he was there and, if yes, what he said. (10)(2g)

**6. Is (10)(2e) indeed active in the mediation process by ICM as is stated in the article?**  
(10)(2g)

00155 (10)(2e) minbuza.nl>

**Sent:** 28 October 2019 2:12 PM

661885

To: (10)(2e) (10)(2e) (10)(2e)@fmo.nl; (10)(2e) (10)(2e) (10)(2e)@minbuza.nl; (10)(2e) (10)(2e) (10)(2e)@minbuza.nl

Cc: (10)(2e)@fmo.nl; (10)(2e)@fmo.nl; (10)(2e)@fmo.nl

Subject: RE: Feronia/ PHC: New arrest Lokutu district

Dear (10)(2e),

Thank you for letting us know this distressing news. Hopefully we will get more clarity on the exact events soon.

Kind regards,

(10)(2e)

From: (10)(2e) (10)(2e) (10)(2e)@fmo.nl

Sent: maandag 28 oktober 2019 13:41

To: (10)(2e) (10)(2e)@minbuza.nl; (10)(2e) (10)(2e)@minbuza.nl; (10)(2e) (10)(2e)

(10)(2e)@minbuza.nl

Cc: (10)(2e)@fmo.nl; (10)(2e)@fmo.nl; (10)(2e)@fmo.nl

Subject: Feronia/ PHC: New arrest Lokutu district

Dear (10)(2e) (10)(2e) (10)(2e),

Please be informed that a new arrest has been reported in the (10)(2g) Lokutu district.

FMO is directly mentioned in tweet of Friends of the Earth NL mentioning latest article by Farmlandgrab (28 October 2019):

<https://www.farmlandgrab.org/post/view/29254>.

In general (10)(2g) is not new.

However, we have asked Feronia/ PHC to get answers on the following 6 questions:

1. What do we / does Feronia/PHC know about the arrest?
2. Can we confirm (10)(2e) are indeed arrested?
3. Was Feronia, like previous time, involved? For example, was a PHC vehicle again used?
4. What do we know about the charges?

Please note: on the one hand the article refers to "reasons that are not yet known" yet, at the same time, mentioning "[A]ccording to information in the possession of RIAO-RDC, (10)(2e) was accused of stealing palm nuts from PHC-Feronia's plantations" and "he was also accused of maintaining a militia against the security guards".

5. What do we know about the request (10)(2e) made during the meeting with ICM panel?

During the most recent meeting with the panel of the complaint mechanism in Lokutu at the end of August (10)(2e) warned the panel members that the participation of community members in such meetings placed them at high risk. He had requested that the panel members provide a guarantee of security for the participants.

6. Is (10)(2e) indeed active in the mediation process by ICM as is stated in the article?

Should you have any further questions on this, please feel free to connect.

Best, (10)(2e)

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

00155

may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of

661885

resulting from the risks inherent in the electronic transmission of messages.  
The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

To: (10)(2e) @fmo.nl]; (10)(2e) @minbuza.nl]; (10)(2e) @minbuza.nl]  
Cc: (10)(2e) fmo.nl]; (10)(2e) fmo.nl]; (10)(2e) fmo.nl]; (10)(2e) fmo.nl]; (10)(2e) fmo.nl]; (10)(2e) fmo.nl];  
From: (10)(2e)  
Sent: Tue 10/29/2019 8:45:05 AM  
Subject: RE: Feronia/ PHC: New arrest Lokutu district  
Received: Tue 10/29/2019 8:45:11 AM

Beste (10)(2e),  
Ik lees net de feedback van Feronia op jullie vragen. Thanks,  
(10)(2e)

From: (10)(2e) (10)(2e) (10)(2e) fmo.nl>

Sent: maandag 28 oktober 2019 17:25

To: (10)(2e) (10)(2e) (10)(2e) minbuza.nl>; (10)(2e) (10)(2e) (10)(2e) minbuza.nl>; (10)(2e) (10)(2e) minbuza.nl>; (10)(2e) (10)(2e) minbuza.nl>

Cc: (10)(2e) fmo.nl>; (10)(2e) fmo.nl>; (10)(2e) fmo.nl>; (10)(2e) fmo.nl>

Subject: RE: Feronia/ PHC: New arrest Lokutu district

Beste (10)(2e),  
Zojuist hebben we de onderstaande aanvullende informatie (op basis van onze vragen) vanuit Congo DRC mogen ontvangen.  
Op basis hiervan hebben we nog twee aanvullende vragen gesteld:  
Vraag 1 – hoe komt de politie aan de redenen voor de arrestatie? Is dit op basis van aangifte van diefstal door Feronia en zo ja, van wanneer dateert deze aangifte?  
Vraag 3 – hoe komt het dat Feronia deze keer wel de auto kon weigeren en niet destijds bij de september arrestaties?  
Met vriendelijke groeten,  
(10)(2e)  
\*\*\*

**1. What do we / does Feronia/PHC know about the arrest?**

We know that (10)(2e) was wanted by the police (10)(2g). The police tried to arrest him in September when they were in Lokutu but they were stopped by many armed people so they decided to come back a next time. That is why they came back last week and arrested him. (10)(2e) owns a camp near our palm oil plantation where there are many traders in search of palm oil. (10)(2g)  
(10)(2g) This is not the first time he is arrested, he was already arrested in August 2019 but he was a few days after.

**2. Can we confirm (10)(2e) are indeed arrested?**

Yes, they are arrested. The warrant is attached where you could see their names (please notice that this document is confidential and cannot be divulged).

**3. Was Feronia, like previous time, involved? For example, was a PHC vehicle again used?**

No, PHC was not involved. The police requested a vehicle when they arrived in Lokutu but we didn't accept.

**4. What do we know about the charges?**

(10)(2g)  
**5. What do you know about the request by (10)(2e) made during the meeting with ICM panel?**

Nobody from PHC has participated to the meeting organized by RIAO in Lokutu with the ICM so we don't know if he was there and, if yes, what he said. (10)(2g)

**6. Is (10)(2e) indeed active in the mediation process by ICM as is stated in the article?**

(10)(2g)

From: (10)(2e) (10)(2e) (10)(2e) minbuza.nl>

Sent: 28 October 2019 2:12 PM

To: (10)(2e) (10)(2e) (10)(2e) fmo.nl>; (10)(2e) (10)(2e) (10)(2e) minbuza.nl>; (10)(2e) (10)(2e) minbuza.nl>  
Cc: (10)(2e) fmo.nl>; (10)(2e) fmo.nl>; (10)(2e) fmo.nl>

Subject: RE: Feronia/ PHC: New arrest Lokutu district

Dear (10)(2e),  
Thank you for letting us know this distressing news. Hopefully we will get more clarity on the exact events soon.  
Kind regards,  
(10)(2e)

From: (10)(2e) (10)(2e) (10)(2e) fmo.nl>

Sent: dag 28 oktober 2019 13:41

00156 (10)(2e) (10)(2e) minbuza.nl>; (10)(2e) (10)(2e) minbuza.nl>; (10)(2e) (10)(2e) minbuza.nl>

**To:** (10)(2e)@minbuza.nl]  
**Cc:** (10)(2e), (10)(2e), (10)(2e)@minbuza.nl]; (10)(2e), (10)(2e), (10)(2e)@minbuza.nl]  
**From:** (10)(2e), (10)(2e)  
**Sent:** Tue 10/29/2019 8:22:16 AM  
**Subject:** FW: Invitation a une reunion de travail sur Feronia  
**Received:** Tue 10/29/2019 8:22:18 AM

(10)(2e)

Pour mon agenda  
Merci

**From:** (10)(2e) (10)(2e)@diplobel.fed.be>  
**Sent:** dinsdag 29 oktober 2019 07:51  
**To:** (10)(2e)@minbuza.nl>; (10)(2e)@fco.gov.uk; (10)(2e) (10)(2a) (10)(2e) (10)(2e)@international.gc.ca); (10)(2e)@international.gc.ca>; (10)(2e)@kins.diplo.de) (10)(2e)@kins.diplo.de>; (10)(2e)@afdb.org; (10)(2e), (10)(2e) (10)(2e)@minbuza.nl>  
**Cc:** (10)(2e) (10)(2e)@diplobel.fed.be>; (10)(2e) (10)(2e)@diplobel.fed.be>; (10)(2e) (10)(2e)@diplobel.fed.be>  
**Subject:** RE: Invitation a une reunion de travail sur Feronia

Cher collègues,

-Suite à mon message de hier midi, j'apprends qu'une délégation de l'actionnaire majoritaire de Feronia, CDC (10)(2e) (10)(2e)@CDC) passe la semaine prochaine à Kinshasa après une visite des sites de plantations Feronia. Ils ont l'intention de solliciter rendez-vous chez plusieurs ambassades concernés. (10)(2a) un déjeuner le jeudi 7 novembre à 12h30 pour les ambassadeurs intéressés dans une rencontre avec la délégation CDC.

-En ce qui concerne la réunion de travail de ce jeudi, je viens d'être averti qu'une cérémonie de remise de lettres de créances puisse avoir lieu jeudi. Je ne sais donc pas si je puis être de vôtres à la réunion de jeudi matin. Je vous tiens au courant.

Bien à vous,

(10)(2e)

**From:** (10)(2e)  
**Sent:** Monday 28 October 2019 13:57  
**To:** (10)(2e)@fco.gov.uk; (10)(2e) (10)(2a) (10)(2e) (10)(2e)@international.gc.ca); (10)(2e)@kins.diplo.de); (10)(2e)@afdb.org; (10)(2e), (10)(2e)  
**Cc:** (10)(2e) (10)(2e)  
**Subject:** RE: Invitation a une reunion de travail sur Feronia

L'ambassade de Belgique étant fermé le 1er novembre (Toussaint), nous préférons le jeudi 31/10 à 11h

**From:** (10)(2e)@minbuza.nl]  
**Sent:** Monday 28 October 2019 13:49  
**To:** (10)(2e)@fco.gov.uk; (10)(2e) (10)(2a) (10)(2e)@international.gc.ca); (10)(2e)@kins.diplo.de); (10)(2e)@afdb.org; (10)(2e), (10)(2e)  
**Subject:** Invitation a une reunion de travail sur Feronia

Chers Collègues,

En vue de quelques nouveaux développements, j'aimerais vous inviter à une réunion sur le sujet investissement de Feronia en RDC (huile de palme).

Pourriez-vous s'il vous plaît me faire savoir si vous seriez disponibles à l'une des dates suivantes?

- Jeudi 31 octobre 2019 à 11h00
- Vendredi 1<sup>er</sup> novembre à 11h00

Avec tous mes remerciements anticipés pour votre réaction.

Cordialement,

00157




431267

(10)(2e) (10)(2e)

(10)(2e)

Ambassade du Royaume des Pays-Bas  
133, Boulevard du 30 Juin  
(Croisement de l'Avenue des Jacarandas & Boulevard du 30 Juin)  
Gombe – Kinshasa | République Démocratique du Congo

---

   (10)(2e) @minbuza.nl

M: (10)(2e)

Website: [Nederland wereldwijd](#) | [Les Pays-Bas et vous](#)

 Suivez l'Ambassade sur [Facebook](#)

---

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.



**To:** (10)(2e)@minbuza.nl  
**Cc:** (10)(2e)@fmo.nl; (10)(2e)@fmo.nl; (10)(2e)@minbuza.nl; (10)(2e)@minbuza.nl; (10)(2e)@fmo.nl  
**From:** (10)(2e)  
**Sent:** Wed 10/30/2019 5:22:08 PM  
**Subject:** RE: Kamervragen Trouw artikel - Feronia  
**Received:** Wed 10/30/2019 5:22:13 PM

Dag (10)(2e)

Dank voor je input. Ik heb jouw suggesties bekeken en een aantal ervan meegenomen in een nieuwe tekst.

Het punt waar het panel naar kijkt heb ik iets minder expliciet gemaakt.

Groet

(10)(2e)

Vraag 6

*FMO heeft samen met de Duitse en Franse ontwikkelingsbank een onafhankelijk klachtenmechanisme geïmplementeerd om aan belanghebbenden de mogelijkheid te bieden een klacht in te dienen over projecten die door FMO worden gefinancierd. Het mechanisme wordt geleid door een panel van onafhankelijke internationale experts.*

*De werking van het klachtenmechanisme is transparant. Zo is er op de website van FMO een pagina beschikbaar met informatie over de werking, de leden van het panel en de lopende en afgesloten geschillen. Ook is daar een handleiding te vinden voor belanghebbenden en lokale gemeenschappen ('guide for complainants or communities') waarin wordt uitgelegd hoe het mechanisme werkt en welke mogelijkheden er zijn om hiervan gebruik te maken, met (indicatieve) tijdlijnen voor een uitspraak door het panel.*

*De leden van het panel zijn volledig onafhankelijk en zijn niet verbonden aan FMO of andere ontwikkelingsbanken. Het mandaat is vastgelegd in een beleid dat publiek beschikbaar is. De ontwikkelingsbanken leveren alleen operationele en financiële ondersteuning.*

**From:** (10)(2e)@minbuza.nl

**Sent:** 30 October 2019 4:23 PM

**To:** (10)(2e)@fmo.nl; (10)(2e)@fmo.nl

**Cc:** (10)(2e)@fmo.nl; (10)(2e)@fmo.nl; (10)(2e)@minbuza.nl; (10)(2e)@minbuza.nl

**Subject:** RE: Kamervragen Trouw artikel - Feronia

Dag (10)(2e),

Ik heb wat aanvullingen gedaan bij vraag 6, willen jullie even bekijken of het wat jullie betreft zo klopt?

Dank,

(10)(2e)

Vraag 6

*Wat is uw reactie op de kritiek van Global Legal Action Network, geuit in het artikel, op de klachtenprocedure van de ontwikkelingsbanken? Klopt het dat de proceduretermijnen onbekend zijn en dat de geschillencommissie nietvolledig onafhankelijk is van Feronia?*

FMO heeft samen met de Duitse en Franse ontwikkelingsbank een onafhankelijk klachtenmechanisme opgezet. Dit mechanisme biedt aan belanghebbenden, waaronder lokale gemeenschappen, de mogelijkheid klachten in te dienen over projecten die door FMO gefinancierd worden.

Het mechanisme wordt uitgevoerd door een panel van internationale experts, die volledig onafhankelijk van FMO opereren. Dit panel zet bij klachten in op geschillenbeslechting ('dispute resolution') en/of een 'compliance review' van de activiteiten van FMO. In dit laatste geval bezien de experts of een project van FMO voldoet de relevante internationale standaarden, waaronder op het vlak van Internationaal Maatschappelijk Verantwoord Ondernemen (IMVO), werkomstandigheden en mensenrechten. Indien dit niet het geval is, kan het panel aanbevelingen uitbrengen om deze zaken te verbeteren.

De werking van het klachtenmechanisme is transparant. Zo is er op de website van FMO een pagina beschikbaar met informatie over de werking, de leden van het panel en de lopende en afgesloten geschillen. Ook is daar een handleiding te vinden voor belanghebbenden en lokale gemeenschappen ('guide for complainants or communities') waarin wordt uitgelegd hoe het mechanisme werkt en welke mogelijkheden er zijn om hiervan gebruik te maken, met (indicatieve) tijdlijnen voor een uitspraak door het panel.

**From:** (10)(2e)@fmo.nl; (10)(2e)@fmo.nl

**Sent:** donderdag 24 oktober 2019 15:25

**To:** (10)(2e)@minbuza.nl; (10)(2e)@fmo.nl

**Cc:** (10)(2e)@fmo.nl; (10)(2e)@fmo.nl; (10)(2e)@minbuza.nl; (10)(2e)@minbuza.nl

**Subject:** RE: Kamervragen Trouw artikel - Feronia

Beste (10)(2e)

Dank voor het doorsturen van de vragen over Feronia. Ik zal deze binnen FMO coördineren, en ga mijn best doen om dinsdag einde dag bij jou terug te komen met antwoord op de vragen.

Groeten, (10)(2e)

**From:** (10)(2e)@minbuza.nl

**Sent:** 24 October 2019 3:19 PM

**To:** (10)(2e)@fmo.nl; (10)(2e)@fmo.nl

661678

Cc: [redacted]@fmo.nl; [redacted]@fmo.nl; [redacted]@minbuza.nl; [redacted]@minbuza.nl

Subject: Kamervragen Trouw artikel - Feronia

Dag [redacted],

Zoals jullie weten zijn er n.a.v. het Trouw artikel een flinke hoeveelheid Kamervragen gesteld, waaronder een aantal specifiek over Feronia. In afwezigheid van [redacted] die met FMO op reis is, pak ik de beantwoording van de vragen over Feronia op [redacted] coördineert de overall beantwoording. Hierbij de set vragen van Van Den Hul en Diks. De vragen daaruit die specifiek over Feronia gaan:

Vraag 4  
Hoe ver t te investeren in Feronia terwijl het kadaster van Congo al in 2012 de eigendomsbewijzen die Feronia overlegde afwees? Had dit uw inziens voorkomen moeten worden middels het vooronderzoek?

Vraag 5  
Is het onderzoek van de ontwikkelingsbanken naar de moord op mensenrecht-tenactivist [redacted] al afgerond? Kunt u bevestigen dat hij is vermoord door een werknemer van Feronia en dat ij de afgelopen maanden vaker bedreigd werd door beveiligers van Feronia?

Vraag 6  
Wat is u bal Legal Action Network, geuit in het artikel, op de klachtenprocedure van de ontwikkelingsbanken? Klopt het dat de proceduretermijnen onbekend zijn en dat de geschillencommissie niet volledig onafhankelijk is van Feronia?

Vraag 7  
Wanneer verwacht u een uitkomst van de geschillenprocedure over de grondkwestie?

Ik weet dat jullie de afgelopen tijd veel met [redacted] hebben gecorrespondeerd over Feronia. Ik ben nog niet in de gelegenheid geweest om alle mails terug te lezen, dus ik kan op dit moment niet helemaal inschatten in hoeverre jullie de antwoorden op deze vragen al met ons hebben gedeeld. Ik ben zelf morgen en maandag met verlof. Dinsdag kom ik weer bij jullie op de lijn om dit verder te bespreken. Wellicht kunnen jullie in de tussentijd alvast jullie gedachten laten gaan over een mogelijk antwoord? De planning is vrij ambitieus; volgende week vrijdag willen we al een afgestemde versie van de vragen de lijn insturen, zodat ze voldoende ruim voor de BHOS begrotingsbehandeling in de Kamer liggen.

Hg,  
[redacted]  
Policy advisor Infrastructure Development  
**Ministry of Foreign Affairs of the Kingdom of the Netherlands**  
Sustainable Economic Development Department  
[redacted]@minbuza.nl

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.  
The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.  
The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e), (10)(2e), (10)(2e) @minbuza.nl; (10)(2e); (10)(2e) @minbuza.nl; (10)(2e), (10)(2e)  
(10)(2e) @minbuza.nl  
**From:** (10)(2e), (10)(2e)  
**Sent:** Thur 10/31/2019 2:45:28 PM  
**Subject:** FMO call Feronia stand van zaken 31 oktober 2019 gesprek met ambassadeur  
**Received:** Thur 10/31/2019 2:45:30 PM

Verslag call 31 – 10 -2019 (punten in het algemeen vertrouwelijk)

- Situatie Feronia laatste maanden snel verslechterd. Redenen: prijs palmolie lager dan begroot, idem productie + nieuwe CFO die zaken op andere boekhoudkundige manier benadert.  
Integratie van de drie plantages blijkt lastiger dan gedacht.
- CDC, belangrijkste aandeelhouder (van de drie) (NL/FMO heeft lening verstrekt aan Feronia), recentelijk (10)(2g) kapitaalinjectie. Blijkt niet voldoende
- FMO + overige financierders: uitstel van betaling in ieder geval tot einde van het jaar. Wil wel weten wat met die (10)(2g) is gebeurd.
- Er was acuut cash probleem die verhinderde dat de salarissen konden worden betaald. Door (10)(2g) zou dit opgelost zijn.
- Voor FMO centraal wat nieuwe business case is.
- De outlook is niet goed, de recente verslechtering komt als grote verrassing. Wat is het achterliggende verhaal?
- Er is onafhankelijke audit nodig.
- Zijn de bestaande aandeelhouders bereid nieuw geld te investeren?
- Voor FMO tevens centraal respect voor sociaal-economische factoren.
- Er komt nieuwe CEO.
  
- Bij alle tegenslagen vindt FMO wel dat met name CDC voortvarend te werk gaat.
- Interim CFO benadrukt dat er uiteenlopende interpretatie mogelijk is van de boeken, maar dat alles correct is gegaan.
  
- FMO zit als uitlenende instantie niet aan de knoppen. Heeft wel als onderpand de concessies en een fabriek. Echter, bij alles wat FMO doet zullen ook sterk de socio-economische overwegingen een rol spelen.
- 7000 man werken bij Feronia, 100.000 zijn er van afhankelijk. Het verdwijnen van Feronia zal een grote klap betekenen.
  
- Andere punten
- Krantenartikel over FMO (paar weken geleden) heeft geleid tot 45 kamervragen waaronder 4 over Feronia. DDE in drivers seat.
- FMO wil graag details over upgrading veiligheid door Feronia.
- En meer info over de 7 gearresteerden.
- CDC heeft onafhankelijk rapport laten instellen over Feronia. Vragen naar samenvatting of gehele rapport

(10)(2e) (10)(2e)

---

**From:** (10)(2e) (10)(2e) <(10)(2e)@fmo.nl>  
**Sent:** woensdag 30 oktober 2019 17:07  
**To:** (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** (10)(2e) (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) (10)(2e)@fmo.nl; (10)(2e) <(10)(2e)@fmo.nl>  
**Subject:** Agendapunten FMO call Feronia

Beste (10)(2e),

Voor de call van morgen hebben we onderstaande punten opgesteld. Deze lopen we graag even met je door om je goed *up to speed* te brengen op FMO's positie binnen de actuele ontwikkelingen rondom Feronia. Uiteraard vernemen we graag van je, mocht je op basis hiervan nog andere zaken willen bespreken.

Bij voorbaat dank.

Met vriendelijke groeten,

00159

(10)(2e)

431170

**Agendapunten:**

- FMO-lezing van financiële situatie Feronia/PHC: waar staan we en wat zijn de ijkpunten voor de komende weken?
- FMO als Lender in deze investering: wat kan FMO doen, en verhouden wij ons tot DEG en BIO versus CDC?
- ESG update:
  - o Security update: belang van goed verhaal hierachter kunnen uitleggen (eventueel door ambassade aan CDC laten stellen)
  - o Publicatie onafhankelijk onderzoek (komt eind deze week, volgende week naar alle waarschijnlijkheid door CDC bijgepraat)
  - o De vijf arrestanten (12-15 September 2019) + 2 arrestanten (27-28 October 2019) – zijn er nog updates vanuit ambassade?
  - o HRW rapport (laatste stand van zaken)
  - o Kamervragen n.a.v. Trouw artikel 1 (laatste stand van zaken)
  - o Concerns lokale Lokutu medewerkers (FMO respons)

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]; (10)(2e) [(10)(2e) (10)(2e) @minbuza.nl]; (10)(2e) [(10)(2e) @minbuza.nl]  
**Cc:** (10)(2e) [(10)(2e) @minbuza.nl]; (10)(2e) [(10)(2e) @minbuza.nl]  
**From:** (10)(2e) [(10)(2e)]  
**Sent:** Thur 10/31/2019 3:47:39 PM  
**Subject:** FW: kamervragen FMO Feronia  
**Received:** Thur 10/31/2019 3:47:44 PM

Hallo (10)(2e),

(10)(2e) [(10)(2e)] en (10)(2e) [(10)(2e)] zijn druk bezig met de beantwoording van die vragen. (10)(2e) [(10)(2e)] kunnen jullie de post in Kinshasa betrekken bij de beantwoording van de Feronia gerelateerde vragen?

Groet,

(10)(2e)

(10)(2e)

---

**From:** (10)(2e) [(10)(2e)] <(10)(2e) [(10)(2e)]@minbuza.nl>  
**Sent:** donderdag 31 oktober 2019 14:58  
**To:** (10)(2e) [(10)(2e)] <(10)(2e) [(10)(2e)]@minbuza.nl>  
**Cc:** (10)(2e) [(10)(2e)]@minbuza.nl; (10)(2e) [(10)(2e)] <(10)(2e) [(10)(2e)]@minbuza.nl>  
**Subject:** kamervragen FMO Feronia

Beste (10)(2e)

Ik begreep van FMO dat er 45 Kamervragen zijn ontvangen over FMO, waaronder 4 over Feronia. Als je ons kunt betrekken bij het proces, dan natuurlijk graag.

Groet

(10)(2e)

## Kamervragen Feronia

### Vraag 4

*Hoe verklaart u dat FMO in 2015 besloot te investeren in Feronia terwijl het kadaster van Congo al in 2012 de eigendomsbewijzen die Feronia overlegde afwees? Had dit uw inziens voorkomen moeten worden middels het vooronderzoek?*

Input FMO: wij zijn bekend met de problematiek rond land-lease overeenkomsten rond deze plantages. Oop basis van het due diligence onderzoek, geleid door de Duitse ontwikkelingsbank DEG, is geen aanleiding gevonden om niet met de Duitse en Belgische ontwikkelingsbanken mee te gaan in deze investering.

### Vraag 5

*Is het onderzoek van de ontwikkelingsbanken naar de moord op mensenrechtenactivist (10)(2e) al afgerond? Kunt u bevestigen dat hij is vermoord door een werknemer van Feronia en dat hij de afgelopen maanden vaker bedreigd werd door beveiligers van Feronia?*

Input FMO: Het onderzoek is inmiddels afgerond. FMO zal spoedig worden geïnformeerd over de voorlopige bevindingen en beschuldigingen.

### Vraag 6

*Wat is uw reactie op de kritiek van Global Legal Action Network, geuit in het artikel, op de klachtenprocedure van de ontwikkelingsbanken? Klopt het dat de proceduretermijnen onbekend zijn en dat de geschillencommissie niet volledig onafhankelijk is van Feronia?*

FMO heeft samen met de Duitse en Franse ontwikkelingsbank een onafhankelijk klachtenmechanisme opgezet. Dit mechanisme biedt aan belanghebbenden, waaronder lokale gemeenschappen, de mogelijkheid klachten in te dienen over projecten die door FMO gefinancierd worden. De leden van het panel zijn volledig onafhankelijk en zijn niet verbonden aan FMO of andere ontwikkelingsbanken. Het mandaat is vastgelegd in een beleid dat publiek beschikbaar is. De ontwikkelingsbanken leveren alleen operationele en financiële ondersteuning.

Het mechanisme wordt geleid door een panel van onafhankelijke internationale experts. Dit panel zet bij klachten in op geschillenbeslechting ('dispute resolution') en/of een 'compliance review' van de activiteiten van FMO. In het laatste geval bezien de experts of een project van FMO voldoet de relevante internationale standaarden, waaronder op het vlak van Internationaal Maatschappelijk Verantwoord Ondernemen (IMVO), werkomstandigheden en mensenrechten. Indien dit niet het geval is, kan het panel aanbevelingen uitbrengen om deze zaken te verbeteren.

De werking van het klachtenmechanisme is transparant. Zo is er op de website van FMO een pagina beschikbaar met informatie over de werking van het ervan, de leden van het panel en de lopende en afgesloten geschillen. Ook is daar een handleiding te vinden voor gemeenschappen ('guide for complainants or communities') waarin wordt uitgelegd hoe het mechanisme werkt en welke mogelijkheden belanghebbenden hebben om hiervan gebruik te maken, met (indicatieve) tijdlijnen voor een uitspraak door het panel.

### Vraag 7

*Wanneer verwacht u een uitkomst van de geschillenprocedure over de grondkwestie?*

Input FMO: er is een klacht ingediend bij DEG, de Duitse ontwikkelingsbank. De klacht is ontvankelijk verklaard en wordt conform de geldende procedures behandeld door het onafhankelijke panel.

To: (10)(2e)@hrw.org  
Cc: (10)(2e)@fmo.nl; (10)(2e)@fmo.nl; (10)(2e)@minbuza.nl; (10)(2e)  
(10)(2e)@hrw.org; (10)(2e)@hrw.org  
From: (10)(2e)  
Sent: Tue 11/5/2019 5:47:29 PM  
Subject: RE: HRW summary of findings / PHC  
Received: Tue 11/5/2019 5:47:37 PM

Dear (10)(2e)

Please find below FMO's answers to your questions raised in your email on 24 October. Also, we would very much like to welcome you and Mr (10)(2e) on the 22nd to discuss your findings and recommendations, as per your meeting request sent on 31 October. We will inform you location and attendees in due time. For now: what timeslot would work for you?

Kind regards,  
(10)(2e)

***It is not entirely clear to me how or if "human rights contextual risk assessments" are different from human rights due diligence, and I was hoping FMO could provide us with more details about the methodology you rely on.***

Please note that the Contextual Risk Assessment is one element within FMO's E&S and Human Rights Due Diligence process (as described in section 3 of Table 1: FMO Investment Process in the letter shared with you on 22 October 2019).

As such, the Contextual Risk Assessment entails three phases which are aligned with the FMO Investment process (see Table 1, section 3 of the letter shared with you on 22 October 2019):

- 1) an early stage desk-based research (Clearance in Principle stage of the Investment process);
- 2) an in-depth assessment on the ground on the specific risks identified (Detailed Assessment stage of the Investment process);
- 3) An annual monitoring of the findings and updating of the contextual risk assessment in the annual client credit review (After signing of contract).

On phase 1:

The research focusses at the context of a prospective investment and asks the following:

- If the country/local/sector context is one where there are serious human rights abuses potentially relevant to the project;
- If the country is one where there are recent, i.e. last few years, cases where critical voices, such as people opposing projects (often referred to as Human Rights Defenders or HRD), or (if relevant to the project) people such as park rangers or community activists, have faced risks of violence or oppression;
- If other comparable projects e.g. in the same area or sector, have faced allegations of human rights abuse, or if there are human rights allegations against the project sponsor.

On phase 2:

This entails a more extensive desk research, discussion with the client, contact with external sources of information (i.e. CSOs, local communities, Dutch government and so on). The findings in the Detailed Assessment are related to the specific environment of the project/client to assess degree of risk to the investment, client's willingness and capacity to manage these risks and potential action items.

On phase 3:

This review is intended to determine potential E&S risks, and to examine a prospective on events that have taken place during the review period. This includes analysis on the E&S action plan, contextual developments which can increase project risks, ongoing complaints of the Independent Complaints Mechanism, media attention from local and international sources as well as further reputational issues, and incidents and accidents.

***I would also like to confirm whether FMO, or the Lenders Consortium, conducted a "human rights contextual risk assessment" prior or following their investment in PHC. I'd be grateful if you could provide these further clarifications.***

- Please note that the Contextual Risk Assessment was introduced in FMO's Human Rights Position Statement, as part of FMO's Sustainability Policy of 2017.
- The contract with PHC dates from 2015 – meaning that the Sustainability Policy cannot be applied retrospectively. This is relevant for pre-contracting activities in the Investment process, like Due Diligence or possible conditions for Disbursement.
- Still, since the DFI's were mainly attracted to Feronia in the first instance from a development perspective, and as the company operates in some of the poorest parts of the DRC, FMO's regular pre-contracting activities covered many aspects of a contextual risk assessment. Some of the matters that were discussed during this phase were the functioning of Feronia's ESG management, its E&S policies and procedures, management systems, health and safety, impacts on communities beyond its own premises and the functioning of housing, schools and hospitals around the plantations.
- FMO, together with the other lenders, have had various bilateral and trilateral information exchanges between the lenders and between the lenders and the company, including a physical visit to the DRC, before any contract was signed. In the meantime, external consultants have done the same. All with the aim to build a coherent and robust environmental and social assessment, as well as a social impact assessment. Matters like legacy issues, livelihood, and community engagement were also key elements being discussed during these undertakings.
- Yet, now that the investment in PHC is in the after-contracting/ Monitoring phase of the Investment process, FMO does undertake the "annual monitoring of the findings and updating of the contextual risk assessment in the annual client credit review", as stated above.
- For example, by undertaking regular monitoring visits (coordinated via DEG, the lead arranger) and conducting additional research. Also, as expressed in our letter of 22 October 2019, we are in regular contact with the other lenders, shareholders, as well as with the client, CSO, and other stakeholders to monitor E&S developments and progress on action items.
- Considering the recent reported incidents in and around the Lokutu and Boteka plantation

her directly linked to PHC operations or not, please note that FMO has tried/ is still trying to get a better/ well-informed and the exact situation they are

00162

661925



in. FMO actions are two-folded; on the one hand, the requesting of detailed information by PHC management in order to get a deeper understanding of the events occurred while, on the other, also trying to verify this information by third parties – like the Ministry of Foreign Affairs of the Netherlands and our network of NGOs.

**From:** (10)(2e)@hrw.org>  
**Sent:** 24 October 2019 18:05  
**To:** (10)(2e)@fmo.nl>  
**Cc:** (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e)@fmo.nl>; (10)(2e), (10)(2e), (10)(2e)@minbuza.nl>; (10)(2e)@hrw.org>; (10)(2e)@hrw.org>  
**Subject:** RE: HRW summary of findings / PHC

Dear (10)(2e)  
Thank you for your message. I confirm I received your letter on October 22. I wanted to have an opportunity to read through the responses of all the banks before getting back to each of you, in case there were any follow up questions or clarifications that needed to be made.

It is not entirely clear to me how or if “human rights contextual risk assessments” are different from human rights due diligence, and I was hoping FMO could provide us with more details about the methodology you rely on. I would also like to confirm whether FMO, or the Lenders Consortium, conducted a “human rights contextual risk assessment” prior or following their investment in PHC. I’d be grateful if you could provide these further clarifications.

I will give FMO as well as all the other banks not less than one week notice prior to the publication of the report. I will consult our Legal and Policy office about sharing an advance copy, but this is not usual practice for our organization.  
Many thanks and we look forward to continued, constructive engagement with FMO.

Yours sincerely,

(10)(2e)



Human Rights Watch  
350Fifth Avenue, 34th Floor, New York, 10118-3299  
(10)(2e)  
<http://www.hrw.org>

**From:** (10)(2e)@fmo.nl>  
**Sent:** Tuesday, October 22, 2019 5:20 PM  
**To:** (10)(2e)@hrw.org>  
**Cc:** (10)(2e), (10)(2e)@fmo.nl>; (10)(2e)@fmo.nl>; (10)(2e)@minbuza.nl>; (10)(2e)@hrw.org>; (10)(2e)@hrw.org>  
**Subject:** RE: HRW summary of findings / PHC

Dear (10)(2e)  
Apologies for the delay, we were awaiting final approvals from the management team. Please find attached FMO’s responses. When can we expect the publication of the report?

Kind regards,  
(10)(2e)

**From:** (10)(2e)@hrw.org>  
**Sent:** 21 October 2019 18:21  
**To:** (10)(2e)@fmo.nl>  
**Cc:** (10)(2e), (10)(2e)@fmo.nl>; (10)(2e)@fmo.nl>; (10)(2e), (10)(2e)@minbuza.nl>; (10)(2e)@hrw.org>; (10)(2e)@hrw.org>  
**Subject:** RE: HRW summary of findings / PHC

reeds beoordeeld

**From:** (10)(2e)@fmo.nl>  
**Sent:** Tuesday, October 1, 2019 8:39 AM  
**To:** (10)(2e)@hrw.org>  
**Cc:** (10)(2e)@fmo.nl>; (10)(2e)@fmo.nl>; (10)(2e)@minbuza.nl>; (10)(2e)@hrw.org>; (10)(2e)@hrw.org>  
00162 (10)(2e) 661925

**To:** (10)(2e), (10)(2e) (10)(2e) @minbuza.nl]; (10)(2e), (10)(2e) (10)(2e) @minbuza.nl]; (10)(2e), (10)(2e) @minbuza.nl];  
(10)(2e) (10)(2e) @minbuza.nl]; (10)(2e) @minbuza.nl]; (10)(2e) (10)(2e) (10)(2e) @minbuza.nl]  
**From:** (10)(2e)  
**Sent:** Tue 11/5/2019 10:32:37 AM  
**Subject:** RE: kamervragen FMO Feronia  
**Received:** Tue 11/5/2019 10:32:38 AM  
Kamervragen Feronia 051119.docx

Beste Meneer (10)(2e),

Dank voor de input. Bijgaand een volgend concept dat ik zo bespreek met FMO.

Vr. gr.

(10)(2e)

**From:** (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>

**Sent:** maandag 4 november 2019 14:17

**To:** (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) <(10)(2e)@minbuza.nl>

**Subject:** kamervragen FMO Feronia

*Vraag 4. Hoe verklaart u dat FMO in 2015 besloot te investeren in Feronia terwijl het kadaster van Congo al in 2012 de eigendomsbewijzen die Feronia overlegde afwees? Had dit uw inziens voorkomen moeten worden middels het vooronderzoek?*

M.i kan in het antwoord uitvoeriger worden ingegaan op de aannahme dat het kadaster van Congo "al in 2012 de eigendomsbewijzen die Feronia overlegde" afwees. Nu, althans zo lees ik het antwoord, wordt deze aannahme niet echt betwist en lijkt het alsof Feronia illegaal bezig was, tegen beter weten in. zou allereerst precies naar de tekst van het kadaster moeten worden gekeken (heb ik overigens niet) en ik zou nog bij FMO navragen welke de overwegingen waren om toch te investeren in Feronia in de wetenschap dat er discussies waren over het eigendom (maar vooral discussies die in DRC overal spelen en niet goed oplosbaar lijken, o.a. omdat het kadaster niet goed functioneert).

Reacties van (10)(2e) hieronder.

Vraag 4:

(le financement qu'ont bénéficié les plantations PHC/Feronia a eu pour conséquence de faire un appel d'air à des gens non originaires du coin venir s'installer/occuper sur des terrains appartenant à Feronia – attirés par l'espoir de travail ou de commerce/trafic d'huile de palme – et ensuite ont commencé à réclamer des droits sur terrain dont ils n'avaient aucun droit. Le seul prétexte mis en avant par ces gens était le fait que ces terres appartenaient à leurs ancêtres)

Vraag 5

CDC had ook een apart onderzoek gedaan. Wellicht kan FMO meer vertellen resultaten van dit onderzoek

Vraag 6 en 7:

Geen commentaar

**Bijeenkomst 7/11/2019** met aantal stakeholders in Feronia (VK, BE, NL, Can, Dui(10)(2a) gevolgd door gesprek met (10)(2e), CDC (een van de drie aandeelhouders in Feronia)

1. Nog geen nieuwe CEO benoemd voor Feronia. Zodra die er is, **wordt business case voor de komende 5 jaar** gemaakt. Ik vroeg of daarbij ook rekening gehouden wordt met de bijzondere omstandigheden in DRC, variërend van een afwezige staat, illegale importen, afromingen door lokale bewoners (tot 30%) hoge verwachtingen tav hetgeen Feronia aan de lokale bevolking zou moeten leveren etc. (10)(2e) antwoordde hierop bevestigend, en gaf aan dat (10)(2g) (10)(2g) Voorheen werkte men vooral in middle income landen en dat is toch fundamenteel anders. (10)(2g) (10)(2g)
2. (10)(2g) nader bestudeerd, maar er lijkt geen sprake van fraude, wel mismanagement van cash en onderschatte problemen om alle betalingen, alle in cash, goed bij te houden. Ik vond het persoonlijk geen overtuigend verhaal, maar een onderzoek is gaande. (10)(2g) (10)(2g) om salarissenbetalingen mogelijk te maken.
3. (10)(2e) had het verder over de marktomstandigheden. Palmolie prijs op 10 jaar laag niveau. Vooruitzichten op zich goed. Twee van de drie plantages zijn nu al cash positive, alleen Lokutu is een groot probleem. Tegelijk is Lokutu ook de grootste plantage, met de meeste potentieel.
4. We praten over 1000-en km2 bestaande en inmiddels deels verbeterde palmolieplantages. Het gemiddeld rendement is al met 48% omhoog. Dit cijfer bij de huidige lage wereldprijs, dus meer is mogelijk.
5. Geen illusies over de toekomst. Veiligheidsproblemen en te hoge verwachtingen van de bevolking zullen niet weg gaan. Wordt wel meer ingezet op community engagement, via Earthworm. Hoofdboodschap "zo goed als ten tijde van Unilever" zal het nooit meer worden, is wel moeilijk verkoopbaar.

6. Veiligheid: in 2013 werd bestaande, lokale veiligheidsbedrijf overgenomen. Een weinig subtiel opererende club die na 1 jaar aan de kant werd gezet voor een andere, eveneens lokaal. Hun manier van opereren was uiteindelijk niet veel beter, inclusief verwevenheid met lokale criminele bendes. Nu heeft Feronia het internationale bedrijf G4S ingehuurd. Wat de veranderingen zullen zijn moet worden afgewacht, want de meeste, zo niet alle medewerkers zullen uit de regio blijven komen.
7. Volgende week komt een officieel rapport + persverklaring uit over de moord op 10)(2e) in juli van dit jaar. Hoewel de moord is gepleegd door een veiligheidsmedewerker van Feronia, wordt Feronia geheel vrijgepleit. Het was een persoonlijke aangelegenheid, die uit de hand is gelopen.
8. Wij van onze kant benadrukten richting CDC dat we graag een opener dialoog willen met het nieuwe management van Feronia. Het betreft een belangrijke investering in een high risk omgeving en het achterhalen van feiten is en blijft moeilijk.
9. **De DRC** staat heeft ook geïnvesteerd in Feronia, maar is in de regel afwezig/afzijdig.
10. **Kantoor van Feronia in Londen** gaat dicht. De CFO komt naar Kinshasa.
11. Gesproken over **land grab**. De enige land grab was die van Unilever in 1911, maar dat is een geaccepteerd feit.
12. Op termijn (maar juridische obstakels) wordt overwogen om plots aan de bewoners te geven.
13. Recente incidenten waarbij auto van Feronia was betrokken. Beleid Feronia om bij diefstal de politie te waarschuwen. Deze heeft geen vervoer en maakte in het verleden gebruik van Feronia autos. Gelet op context begrijpelijk, maar niet toegestaan. Wordt nu strenger op toegezien.
14. Gesproken over **Belgische familie** die moest vertrekken (bedreigingen). Hing samen met frauderende truckers, die te horen hadden gekregen dat hun contracten werden opgezegd.

15. **HRW. Rapport** komt binnenkort uit. Zal de nodige kritiek instaan, verwacht (10)(2e) maar dat is op zich geen probleem. Hij heeft indruk dat HRW gedegen te werk is gegaan en hij gaat ervan uit dat HRW rekening houdt met de moeilijke omstandigheden waarbinnen Feronia werkt. Hij vreest echter de interpretatie die minder goed geïnformeerde of kwaadwillende NGO's aan het rapport zullen geven.

**To:** (10)(2e) @minbuza.nl]; (10)(2e) (10)(2e) @minbuza.nl]; (10)(2e)  
(10)(2e) @minbuza.nl]; (10)(2e) @minbuza.nl]; (10)(2e) @minbuza.nl]; (10)(2e)  
(10)(2e) @fmo.nl]; (10)(2e) (10)(2e)  
**From:** (10)(2e) (10)(2e)  
**Sent:** Mon 11/11/2019 12:07:08 PM  
**Subject:** verslag ontmoeting CDC/ (10)(2e) 7/11/2019  
**Received:** Mon 11/11/2019 12:07:15 PM  
Bijeenkomst 7 11 2019 Feronia.docx

**To:** (10)(2e)@fmo.nl; (10)(2e)@fmo.nl; (10)(2e)@fmo.nl  
**Cc:** (10)(2e)@minbuza.nl; (10)(2e)@minbuza.nl; (10)(2e)@minbuza.nl  
**From:** (10)(2e); (10)(2e)  
**Date:** Mon 11/11/2019 9:21:44 AM  
**Subject:** Kamervragen FMO - Feronia  
**Received:** Mon 11/11/2019 9:21:46 AM

Beste (10)(2e) en (10)(2e)

In afwezigheid van (10)(2e) en (10)(2e) stuur ik jullie een e-mail over de FMO Kamervragen.

Wij hebben van onze DG de vraag gekregen om volledig antwoord te geven op vraag vier van de PvdA (over Feronia). In het onderstaande antwoord wordt namelijk niet ingegaan op het feit of het kadaster de eigendomsbewijzen die Feronia overlegde inderdaad afwees? Zouden jullie deze ochtend nog kunnen kijken of onderstaande vraag hierop aangepast kan worden?

Alvast dank en als jullie nog vragen hebben, dan hoor ik dat graag.

#### Vraag 4

Hoe verklaart u dat FMO in 2015 besloot te investeren in Feronia terwijl het kadaster van Congo al in 2012 de eigendomsbewijzen die Feronia overlegde afwees? Had dit uw inziens voorkomen moeten worden middels het vooronderzoek?

#### Antwoord (voorlopig)

Voordat FMO in een project investeert wordt er altijd een uitgebreide *due diligence* verricht. Landrechten maken onderdeel uit van een dergelijk onderzoek.

In het geval van Feronia had de Duitse ontwikkelingsbank DEG het voortouw bij het verrichten van dit onderzoek. DEG heeft de resultaten van het onderzoek gedeeld met de andere ontwikkelingsbanken, waaronder FMO. Op basis daarvan zijn de ontwikkelingsbanken gezamenlijk tot de conclusie gekomen dat de investering in Feronia doorgang kon vinden.

FMO stelt dat de juistheid van de genoemde *land lease* overeenkomsten door de jaren heen bij herhaling is bevestigd door de autoriteiten. Daar waar lokale gemeenschappen deze hebben betwist, is volgens FMO door middel van een dialoog gewerkt aan oplossingen die passen binnen de geldende wet- en regelgeving.

Groet,

(10)(2e); (10)(2e)

Ministry of Foreign Affairs

(10)(2e)@minbuza.nl

Rijnstraat 8, 2515XP

Den Haag, the Netherlands

**To:** (10)(2e); (10)(2e); (10)(2e) [redacted]@minbuza.nl]; (10)(2e); (10)(2e); (10)(2e) [redacted]@minbuza.nl]  
**Cc:** (10)(2e) [redacted]@fmo.nl]  
**From:** (10)(2e); (10)(2e)  
**Sent:** Tue 11/12/2019 9:48:23 AM  
**Subject:** FW: Notification under Communications Protocol: Suspected Murder of Lokutu Mill Security Guard  
**Received:** Tue 11/12/2019 9:48:29 AM  
NOTE D' INFORMATION.pdf  
(10)(2g)

Hi (10)(2e); (10)(2e)

Helaas moet ik jullie weer op de hoogte brengen van een incident betreffende Feronia/ PHC. Ditmaal gaat het om een moord op een security guard ingehuurd door het bedrijf.

In de bijlage het SIR. Ook kan ik meer duiding geven op basis van Lenders call die gisteren plaatsvond:

For your background: I just had call with Lenders and Feronia. Focus of the call was on the financial situation and actions that are being taken but we also received an update on the murder: it is still under investigation (10)(2g)

(10)(2g) But early this morning the board was informed that situation at Lokutu had become more intense. Apparently different rumors had been spread such as that the company had orchestrated the murder in order to blaim Tangayanika and also that foreigners / Rwandese people were going to take over the company. Because of the resulting tensions the manager decided to extract all foreigners from the site. The situation currently is reported to be calm again with the site being secured by the police and they hope that these expats can come back again soon.

There is a sense that the underlying issue is that as the company is cracking down on fuel theft and replacing security / transport contractors the people that have an interest in these companies and have been earning a lot of money in the past years are behind a campaign to hurt the company. The new security contractor G4S is not yet on site but is intended to replace large part of the old security contractor's people. While this should improve security it could also cause further disruptive actions from the people that are not happy with this change. So all in all a very complicated situation.

De komende dagen zal ik bezig zijn met het voorbereiden van HRW meeting op 22 november (16:00 – 17:30 uur). Daarbinnen ga ik ook proberen ruimte te krijgen om NL stakeholders, inclusief jullie, van een bredere update te voorzien. Ik houd jullie daar verder van op de hoogte.

Bij vragen hierover, schakel gerust.

Dank

(10)(2e)

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>



## HSES Incident Notification

**TO:** EAIF Owners and PIDG Board

**FROM:** (10)(2e)

**CC:** EAIF Board, (10)(2e) Philippe Valahu, (10)(2e)  
(10)(2e)

**SUBJECT:** Serious HSES Incident at Feronia Inc

**CLASSIFICATION:** Security / Social - Suspected assault resulting in a fatality

**COUNTRY:** Democratic Republic of Congo (DRC)

**TODAY'S DATE:** 13<sup>th</sup> November 2019

1. Please find below details of a recent HSES incident notification reported on 10th November 2019 to lenders. The incident is believed to have occurred on 9<sup>th</sup> November 2019. Information is limited at this time, however due to the history and the number of interested parties we believe it is vital to communicate such incidents immediately, albeit with limited factual information.

**Overview:** Feronia Inc is an agricultural production and processing business in the Democratic Republic of (DRC). At its heart lies a long-established palm oil business, which has three remote plantations: Lokutu, Yaligimba and Boteka.

Owner	Project/incident	Financial Impact	Reputational risk
EAIF	On 9 <sup>th</sup> November it is believed a Tanganyka contract security guard was involved in an altercation with other security guards at a Feronia fuel depot. It is reported that he was assaulted by his security guard colleagues which resulted in his death. There are indications that the deceased was then moved to a new location to make it appear like an industrial accident, however this needs to be confirmed. It is reported that 10 guards from the Tanganyka Security company who were posted at the site are now on the run. Feronia have indicated that the highest territorial police authority is involved in the investigation.	LOW	HIGH

2. Security management has been an ongoing problem at Feronia. Historically they have used local security contractors, such as Tanganyka to fulfil this requirement. It is believed these local companies have limited resources and appetite to adopt best

practice security management techniques. PIDG have been informed that a number of months ago Feronia set out a strategy to move away, as much as possible, from local security providers and move to the international security company G4S. G4S support a number of other businesses and mines in the area and have well established vetting, training and operating procedures which align to the Voluntary Principles on Security and Human Rights (VPSHR).

3. The (10)(2e) met with CDC on Monday 10<sup>th</sup> November and discussed Feronia. CDC's ESG team lead for this project had just returned from a 14 day monitoring visit to Feronia. As part of her trip she met with G4S and reviewed their systems. Her overall opinion is that such a change could make significant strides in improving security and thus changing overall HSES culture within Feronia. This change will also assist in the social management piece that is being performed by Earthworm.
4. PIDG is continually in dialogue with CDC to ensure we have a joint and a collaborative approach and that the investigation is undertaken correctly and any consequences are managed appropriately.

**Next Steps:**

- A set of further meetings with CDC and other stakeholders, including FMO shall be arranged.
- The (10)(2e) is meeting with FMO in The Hague in January. Feronia is on the agenda.
- Further updates on the incident shall be shared with the Owners and board once available using the incident log tracker.

**To:** (10)(2e) @minbuza.nl]  
**Cc:** (10)(2e) @fmo.nl]  
**From:** (10)(2e)  
**Sent:** Wed 11/13/2019 3:43:44 PM  
**Subject:** Vertrouwelijk: samenvatting onafhankelijk onderzoek (10)(2e)[WARNING : MESSAGE ENCRYPTED]  
**Received:** Wed 11/13/2019 3:43:49 PM  
20191112 Investigation summary RESTRICTED not for publication.pdf

Beste (10)(2e)

In de bijlage tref je de samenvatting van het door CDC geïnitieerde onafhankelijke onderzoek naar de dood van de heer (10)(2e)

Goed om daarbij te vermelden is dat CDC: *"[has] taken the decision not to publish the summary of findings of the independent investigation owing to the possibility that do so might prejudice the fair trial of the accused"*.

Zoals eerder aangegeven, hebben wij bij FMO verder geen inzage(recht) in het volledige rapport. Althans, dit is bij navraag door ons niet gedeeld.

Meer informatie heb ik op dit moment dan ook niet.

Het wachtwoord: (10)(2g)

Mochten jullie op basis van bijgevoegd stuk nog vragen hebben, stuur ze vooral door. Ik kan dan proberen om daar via CDC antwoord op te krijgen.

Groeten,

(10)(2e)

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e), (10)(2e) (10)(2e) minbuza.nl]

**Cc:** (10)(2e), (10)(2e) minbuza.nl]

**From:** (10)(2e), (10)(2e)

(10)(2e) Wed 11/13/2019 5:31:32 PM

**Subject:** Onafhankelijk onderzoek naar de dood van "mensenrechtenverdediger" door Feronia bewaker

**Received:** Wed 11/13/2019 5:31:00 PM

Hoi (10)(2e),

Van FMO heb ik ondertussen een samenvatting van het onafhankelijke onderzoek dat CDC heeft laten doen naar de moord van een tijdje geleden op een NGO-lid door een Feronia bewaker met verlof.

De conclusie is dat de moord voortkwam uit een persoonlijke kwestie die losstond van Feronia (10)(2g)

(10)(2g)

FMO (en in het verlengde wij) krijgen echter geen inzicht in het originele rapport. Daarnaast is CDC niet van plan om de resultaten van het onderzoek te publiceren om de verdachte een eerlijke rechtsgang te kunnen bieden. De vraag is dus even wat wij aan Kamer kunnen communiceren hierover, gezien de toezegging hun te informeren en het feit dat wij alleen de samenvatting van CDC hebben gekregen.

Laten we hier morgen even over doorpraten.

Groet,

(10)(2e)

(10)(2e)

**To:** (10)(2e) @minbuza.nl  
**Cc:** (10)(2e) @minbuza.nl; (10)(2e) @minbuza.nl; (10)(2e) @minbuza.nl; (10)(2e) @minbuza.nl  
**From:** (10)(2e) (10)(2e)  
**Sent:** Mon 11/18/2019 2:45:28 PM  
**Subject:** Verslag FMO Issue Management Overleg 12-11-19  
**Received:** Mon 11/18/2019 2:45:00 PM

Hallo (10)(2e)

Dinsdag 12 november is een zgn. Issue Management overleg geweest met FMO, waarbij wij op regelmatige basis een overzicht krijgen van de belangrijkste lopende issues bij FMO projecten door de relevante medewerkers. Wij hebben afgesproken dat jij hier een verslag van krijgt.

buiten reikwijdte, ander onderwerp

Feronia

- ∇ Dit betreft de problematische palmolieplantage in DRC waar je vaker over geïnformeerd bent en die centraal stond in het trouw artikel.
- ∇ Recent (10-11-19) is een bewaker op de plantage vermoord, er loopt onderzoek naar de doodsoorzaak/aanleiding. (10)(2g)  
(10)(2g)
- ∇ Een paar maanden geleden is een lid van een kritisch NGO vermoord door een Feronia bewaker met verlof, hierna is een onafhankelijk onderzoek ingesteld door CDC (FMO van VK; aandeelhouder Feronia). In tegenstelling tot eerdere berichten zal de uitkomst hiervan niet gepubliceerd worden om de rechtsgang niet in de weg te zitten / te bevooroordelen. Aan de Kamer is/wordt toegezegd dat zij hier nog over geïnformeerd worden, we moeten bekijken welke informatie we kunnen delen en hoe.
- ∇ Uit een samenvatting van het rapport dat met ons gedeeld is blijkt dat de moord los stond van Feronia, (10)(2g)  
(10)(2g)
- ∇ Bij meer recente onlusten was een Feronia auto betrokken bij de arrestatie van enkele gemeenschapsleiders, die voor o.a. diefstal zijn gearresteerd. FMO heeft NGC (10)(2g) ingeschakeld om in de gaten te houden wat er met de arrestanten gebeurt. FMO doet nader onderzoek. Tot nu toe zijn er geen indicaties dat Feronia betrokken was bij wat een lokale NGO noemt "ontvoering en marteling" van lokale mensen die een klacht hebben ingediend tegen Feronia.
- ∇ De beveiliging van de plantage wordt van een lokaal bedrijf overgenomen door internationaal beveiligingsbedrijf G4S, de geruchten hieromtrent hebben tot meer onrustige situaties geleid. De situatie stabiliseert nu. Naar verwachting zal de nieuwe beveiliging professioneler zijn en met hogere standaarden, maar ook zichtbaarder met o.a. honden en prikkeldraad.
- ∇ Human Rights Watch zal 25 november een kritisch – maar naar verwachting gedegen - rapport uitbrengen en zal 22 november met FMO en BZ hierover spreken bij FMO. We maken Q&A's voor de begrotingsbehandeling in de dagen hierna. We hebben een advance copy gekregen die we op dit moment analyseren.

Wanneer dit vragen oproept hoor ik het graag.

Met vriendelijke groet,

(10)(2e)

(10)(2e)

(10)(2e)

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl; (10)(2e) (10)(2e) (10)(2e) @minbuza.nl; (10)(2e)  
(10)(2e) (10)(2e) @minbuza.nl; (10)(2e) (10)(2e) (10)(2e) @minbuza.nl  
**Cc:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl; (10)(2e) (10)(2e) @minbuza.nl  
**From:** (10)(2e) (10)(2e)  
**Sent:** Mon 11/18/2019 12:06:05 PM  
**Subject:** FW: URGENT: HRW Feronia report  
**Received:** Mon 11/18/2019 12:06:56 PM  
[HRW\\_DevBanksCongoPalmOil.pdf](#)  
[EMB DRC201911Presser\\_Final.doc](#)

Het embargo op publiceren over het HRW rapport is geschonden door een Belgische site, het rapport zou eigenlijk de pas de 25<sup>e</sup> verschijnen en wij zouden de 22<sup>e</sup> nog voorafgaand een gesprek hebben met HRW om de conclusies te bespreken.

Het is nog niet in de NL media verschenen voor zover ik kan zien en HRW zegt dat ze proberen om de publicatie terug te halen, maar het is maar de vraag of dat lukt.

Wij hebben nu ook al een advance copy gekregen, zie bijlage.

Ik zal het z.s.m. gaan lezen om de schade in te schatten en evt. vervolgacties te bedenken.

Groet,

(10)(2e)

(10)(2e) (10)(2e)  
Senior Beleidsmedewerker | (10)(2e)

.....  
**Directie Duurzame Economische Ontwikkeling**  
Ministerie van Buitenlandse Zaken  
(10)(2e)  
.....

**M** (10)(2e)  
(10)(2e)@minbuza.nl

---

**From:** (10)(2e) (10)(2e) <(10)(2e)@fmo.nl>  
**Sent:** maandag 18 november 2019 11:58  
**To:** (10)(2e) (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** (10)(2e) <(10)(2e)@fmo.nl>  
**Subject:** FW: URGENT: HRW Feronia report

Ha (10)(2e)

Zie hieronder. Het is dus al dan niet met opzet een beetje verkeerd gegaan voor HRW en BIO in België.  
(10)(2a) (10)(2a)

Wij gaan voorsnog gewoon door komende vrijdag.

Laat me weten als je nog vragen hebt!

Groeten, (10)(2e)

---

**From:** (10)(2e) <(10)(2e)@hrw.org>  
**Sent:** 18 November 2019 11:48 AM  
**To:** (10)(2e) (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** Daniel Wilkinson <(10)(2e)@hrw.org>  
**Subject:** URGENT: HRW Feronia report

Unfortunately, we just learned that a Belgian newswire broke the embargo on our report, violating the understanding that the findings could not be published before November 25 as I had informed you in previous communications. Upon learning of this breach, we immediately contacted the wire, and they have pulled down the story. The wire has also sent a note to the outlets that are its clients reinstating the embargo (please see below,) and we are getting a hold of their editor to see that he follows up with these outlets to ensure that the content is removed from their webpages.



As you know, our intention was to present the findings of the report directly to you ahead of the release, so that we could discuss the findings and you would be adequately prepared to respond to any media inquiries that you might receive when the report became public. Given this unforeseen development, I am sending you now a copy of the full report and its accompanying news release. The hard copies of the report will also reach you as we had discussed.

We are still hoping the articles are pulled from the media, and I will update you as soon as we know further. We're deeply sorry that this breach of professionalism by one newswire has disrupted the process of dialogue and consultation that we had developed over the past few months.

Sincerely,

(10)(2e)

(10)(2e)


Researcher, Environment & Human Rights  
Human Rights Watch

(10)(2e)

(10)(2e)

(10)(2e)

<http://www.hrw.org>



The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>





**To:** 'Philippe Valahu'[(10)(2e)]; [(10)(2e)]; [(10)(2e)]@pidg.org]; [(10)(2e)]; [(10)(2e)]  
[(10)(2e)]@pidg.org]  
**Cc:** [(10)(2e)]@PIDG.ORG[(10)(2e)]@PIDG.ORG]  
**From:** [(10)(2e)] [(10)(2e)]  
**Sent:** Tue 11/19/2019 7:23:48 PM  
**Subject:** Feronia  
**Received:** Tue 11/19/2019 7:23:48 PM

Hi Philippe, [(10)(2e)] and [(10)(2e)],  
Just a quick update, I hope Investec has informed you. On Monday, Human Rights Watch is going to publish a really ugly report on Feronia. It was leaked by the Belgians, so I think Investec has a copy of it. Note that we have received about 50 queries from parliament about troubled FMO investments. This, after the publication in Trouw with deep dive on Feronia which catalysed queries on other projects as well. Our answers to Parliament (few directly related to Feronia) will be published on the internet very shortly. No mention of PIDG by the way, focus on FMO. Next week Tuesday and Thursday our Minister will probably have to defend it in parliamentary debate. No action needed from PIDG but might be relevant to you too. Especially the report of HRW.

[(10)(2e)]

**To:** (10)(2e); (10)(2e); (10)(2e); minbuza.nl]; (10)(2e); (10)(2e); (10)(2e); minbuza.nl]  
**Cc:** (10)(2e); fmo.nl]; (10)(2e); fmo.nl]; (10)(2e); fmo.nl]  
**From:** (10)(2e); (10)(2e)  
(10)(2e) Wed 11/20/2019 1:50:42 PM  
**Subject:** Media Inquiries HRW report in EU so far  
**Received:** Wed 11/20/2019 1:50:47 PM

Dear (10)(2e); (10)(2e)

In the lead up to the HRW publication on Feronia next Monday I would like to provide you with an overview of media requests known to us at time of this writing:

Netherlands

FD has approached FMO with following questions:

- Report looks pretty ugly, what is our response to the report?
- What will we do with the findings
- What do we think about the mishaps as described: salaries that are – even for DRC standards – exceptionally low, people working with chemical products without proper protection, labor conditions...
- Confirmation of the size of our investment.

Germany

DEG has received an enquiry from SZ (Süddeutsche Zeitung) regarding the HRW report. Deadline for reply is tomorrow. Topics are e.g. wages, PEE, water quality. The journalist also asks for information regarding the cases of death. She reports that she heard from local residents that representatives of CDC told them that the mediation process is not relevant.

UK/Feronia/CDC

This is to inform you that the Company has also had media contact from the BBC in Nairobi and a DRC based journalist who has written on the Company before for Süddeutsche Zeitung. The BBC are planning to run the HRW story next week and are providing the Company with the opportunity to respond. The SZ journalist's questions are about HRW and allegations RIAO has previously made about arrests and the recent death at the Lokutu mill.

Please let me know if you appreciate to be updated on known media requests and whether or not MoFA has received any media inquiries already.

Best, (10)(2e)

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e) (10)(2e) (10)(2e) minbuza.nl]; (10)(2e) (10)(2e) (10)(2e) minbuza.nl]  
**Cc:** (10)(2e) fmo.nl]; (10)(2e) fmo.nl]; (10)(2e) fmo.nl]  
**From:** (10)(2e) (10)(2e)  
**Sent:** Wed 11/20/2019 2:45:48 PM  
**Subject:** Aanvullend punt ter voorbereiding op HRW meeting  
**Received:** Wed 11/20/2019 2:45:51 PM

Beste (10)(2e) (10)(2e)

Naast de directe aanbeveling van HRW aan de Nederlandse staat, lijkt het mij goed om jullie ook te laten kijken naar onderstaande recommendations aan FMO (pp 82-83). Dit ter voorbereiding op de HRW meeting van komende vrijdag. Misschien om eventueel nog even verder af te stemmen hoe we hier in gezamenlijkheid naar kijken.

- Publicly acknowledge, as institutions owned or majority-owned by states, that there exist extraterritorial human rights obligations that need to be met in operations;
- Ensure that the terms of the agreement signed with Feronia and PHC protect rights in line with extraterritorial human rights obligations, including by:

Het gaat hier om het verschil over duty to respect (companies) en protect (governments). Goed om jullie tijdens de meeting hier ook iets over te laten zeggen.

Een opzet van de agenda, zoals wij deze voor ogen zien, is in de maak. Ik deel deze zodra iedereen het er hier intern mee eens is.

Groeten, (10)(2e)

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e) @minbuza.nl; (10)(2e), (10)(2e) (10)(2e) @minbuza.nl  
**Cc:** (10)(2e), (10)(2e), (10)(2e) @minbuza.nl; (10)(2e) @fmo.nl  
**From:** Linda Broekhuizen  
**Sent:** Wed 11/20/2019 8:36:06 PM  
**Subject:** Update on Feronia project  
**Received:** Wed 11/20/2019 8:36:11 PM

Dear (10)(2e) and (10)(2e),

Herewith a brief note to inform you that coming Monday, Human Rights Watch will publish a report on one of our investments in DRC: Feronia.

As we have informed you before, this particular project is one of the most complex projects in our portfolio due to the development gap that the investment addresses, the remote location of the project and the many challenges that need addressing on the ground.

The report highlights a number of issues known to and actively managed by FMO and its lending partners. Beside FMO, the report also addresses our European colleagues CDC (lead arranger), BIO (Belgian lender) and DEG (German lender).

We have received the report and are studying its contents; also, we will have a meeting with HRW on Friday to discuss the report in more detail.

In addition, we know that a number of Dutch and international media have received and will cover the report (a.o. BBC, Süddeutsche Zeitung, Financieele Dagblad). A joint statement on behalf of the lenders and subsequent bespoke messaging for each lender is being developed.

We will keep you posted on new developments. In the meantime, please do not hesitate to contact us if you have any questions.

Best regards,

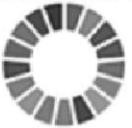
Linda

Kind regards,  
**Linda Broekhuizen**  
Chief Investment Officer | Board  
FMO

(10)(2e)  
Anna van Saksenlaan 71 | P.O. Box 93060 | 2509 AB | The Hague | The Netherlands | [www.fmo.nl](http://www.fmo.nl)

[LinkedIn](#) | [Facebook](#) | [Google+](#) | [Twitter](#) | [YouTube](#) | [Instagram](#) @FMObank

*FMO's legal name is 'Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.'. FMO is also known as the Netherlands Development Finance Company.*



**FMO contributes to  
the Sustainable  
Development Goals**

**Doingakes the difference.** [View our stories here >>](#)

Sent from my iPad

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e)@rekenkamer.nl  
**Cc:** (10)(2e); (10)(2e); (10)(2e)@minbuza.nl  
**From:** (10)(2e)  
**Sent:** Thur 11/21/2019 8:17:30 AM  
**Subject:** RE: aandacht FMO in pers inzake landroof  
**Received:** Thur 11/21/2019 8:17:00 AM

ragen van de leden Diks en Van den Hul over misstanden bij projecten mede gefinancierd door FMO.docx  
d op vragen van de leden Kuik en Amhaouch over het bericht over misstanden in projecten van FMO.docx  
en van het lid Van Raan over door de Nederlandse Ontwikkelingsbank FMO gefinancierde misstanden.docx

Beste (10)(2e)

Het klopt inderdaad dat gisteren de antwoorden op de Kamervragen naar de Kamer zijn verstuurd. Deze hadden parallel naar u verstuurd moeten worden.

Zie de antwoorden in de bijlage, wanneer u hier verdere vragen over heeft hoor ik het graag.

Met vriendelijke groet,

(10)(2e)

(10)(2e)

(10)(2e)

**Directie Duurzame Economische Ontwikkeling**  
Ministerie van Buitenlandse Zaken  
Rijnstraat 8 | Postbus 20061 | 2500 EB | Den Haag

M (10)(2e)

(10)(2e)@minbuza.nl

**From:** (10)(2e)@rekenkamer.nl>

**Sent:** woensdag 20 november 2019 14:05

**To:** (10)(2e); (10)(2e); (10)(2e)@minbuza.nl>

**Subject:** RE: aandacht FMO in pers inzake landroof

Dag meneer (10)(2e); (10)(2e)

Net terug van vakantie kom ik in de nieuwsbrieven kamervragen tegen over FMO.

Ik geen antwoorden, en vraag me af of ik niet goed gekeken heb of dat zijn jullie er nog mee bezig zijn?

Ik hoor het graag,

Met vriendelijke groet,

(10)(2e)

**Van:** (10)(2e); (10)(2e); (10)(2e)@minbuza.nl

**Verzonden:** woensdag 23 oktober 2019 9:47

**Aan:** (10)(2e)

**CC:** (10)(2e); (10)(2e)

**Onderwerp:** RE: aandacht FMO in pers inzake landroof

Beste (10)(2e)

Excuus voor de enigszins late reactie op uw email. Sinds het uitkomen van het Trouw artikel zijn er meerdere sets Kamervragen gesteld die in grote lijn overeenkomen met uw vragen. Wij werken op dit moment aan de beantwoording hiervan. Vindt u het goed als wij deze antwoorden ook naar u opsturen en dat u dan evt. aanvullende vragen die u nog heeft kunt stellen?

Daarnaast verwijs ik u graag naar de website van het FMO klachtenmechanisme, waar veel van de informatie die u zoekt (zoals aantallen klachten) te vinden is: <https://www.fmo.nl/independent-complaints-mechanism>

Met vriendelijke groet,

(10)(2e)

(10)(2e); (10)(2e)

(10)(2e)

**Directie Duurzame Economische Ontwikkeling**  
Ministerie van Buitenlandse Zaken  
Rijnstraat 8 | Postbus 20061 | 2500 EB | Den Haag

M (10)(2e)

(10)(2e)@minbuza.nl

**From:** (10)(2e)@rekenkamer.nl>

**Sent:** woensdag 16 oktober 2019 13:17

**To:** (10)(2e); (10)(2e); (10)(2e)@minbuza.nl>

**Subject:** FW: aandacht FMO in pers inzake landroof

00189 heer (10)(2e)

661927

Ik kreeg een afwezigheidsmelder van (10)(2e) waarin zij naar u verwees.

Graag verneem ik u antwoord op mail.

Met vriendelijke groet,

(10)(2e)

(10)(2e)

**Van:** (10)(2e)

**Verzonden:** woensdag 16 oktober 2019 13:14

**Aan:** (10)(2e)

**CC:** (10)(2e) @minbuza.nl

**Onderwerp:** aandacht FMO in pers inzake landroof

Hoi (10)(2e)

Wij hebben vorig jaar contact gehad over de FMO fondsen voor ons rapport revolverende fondsen.

Vandaar dat ik jou nu benader met de volgende vraag.

We zien dat FMO nu via Trouw (en anderen) in het nieuws is.

We vragen ons af in hoeverre BHOS dit (de projecten van FMO die zijn/liken bij landroof) betreft in de aansturing van de FMO /fondsen en het overleg daarover.


Volgens FMO hebben ze onafhankelijke procedures voor klachten en doen ze due diligence op nieuwe projecten.

We zijn echter wel benieuwd of jullie inzicht hebben in het aantal en soort klachten dat FMO krijgt, hoe ze die afhandelen en of ze hier lering uit trekken (aanpassen procedures bijvoorbeeld)?

Met vriendelijke groet.

(10)(2e)

T  
M (10)(2e)

 Algemene Rekenkamer

Lange Voorhout 8 | 2514 ED Den Haag

Postbus 20015 | 2500 EA Den Haag

[www.rekenkamer.nl](http://www.rekenkamer.nl)



Bezoekt u binnenkort de Algemene Rekenkamer of een andere locatie van de Rijksoverheid?

Dan dient u in het bezit te zijn van een geldige Rijkspas of een geldig identiteitsbewijs (paspoort, identiteitskaart, rijbewijs of vreemdelingendocument).

Indien u bij controle geen geldig identiteitsbewijs kunt tonen, wordt de toegang geweigerd.

Legitimatiebewijzen van andere organisaties worden niet geaccepteerd.

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

Bezoekt u binnenkort de Algemene Rekenkamer of een andere locatie van de Rijksoverheid?

Dan dient u in het bezit te zijn van een geldige Rijkspas of een geldig identiteitsbewijs (paspoort, identiteitskaart, rijbewijs of vreemdelingendocument).

Indien u bij controle geen geldig identiteitsbewijs kunt tonen, wordt de toegang geweigerd.

Legitimatiebewijzen van andere organisaties worden niet geaccepteerd.

**To:** (10)(2e)@cdcgroup.com; (10)(2e)@cdcgroup.com; (10)(2e)@cdcgroup.com; (10)(2e)@cdcgroup.com  
**Cc:** (10)(2e); (10)(2e)@fmo.nl; (10)(2e); (10)(2e)@minbuza.nl  
**From:** (10)(2e); (10)(2e)  
(10)(2e) Thur 11/21/2019 3:33:30 PM  
**Subject:** Request Ministry of Foreign Affairs NL to mention limited facts on Feronia investigation in parliamentary debate  
**Received:** Thur 11/21/2019 3:33:00 PM

Dear (10)(2e)

(10)(2e) (10)(2e) of FMO gave to your contact details and I believe also discussed with you our inquiries regarding the report into the death of (10)(2e)

Thank you for sharing the summary of the independent report in question. We understand that you do not intend to publish the results to ensure the accused in question receives a fair trial. Even though maximum transparency is crucial in these circumstances, I have some sympathy for that position.

Earlier we received parliamentary questions about this serious incident and promised to update parliament on the results, as we were still of the understanding that these would be published. Which I believe was your original intention. Please find the question and answer below, underneath my personal unofficial translation for your convenience.

*Question 5*

*Is the investigation of the development banks into the murder of human rights activist (10)(2e) completed yet? Can you confirm that he has been murdered by an employee of Feronia and that he had been threatened by Feronia security personnel in the last couple of months?*

*Answer*

*The investigation has not been conducted by the development banks themselves, but by a third party and has been completed. FMO and the Ministry of Foreign Affairs will be informed of the results in the coming weeks. When an analysis has been made, you will be informed further.*

*Vraag 5*

*Is het onderzoek van de ontwikkelingsbanken naar de moord op mensenrechtenactivist (10)(2e) al afgerond? Kunt u bevestigen dat hij is vermoord door een werknemer van Feronia en dat hij de afgelopen maanden vaker bedreigd werd door beveiligers van Feronia?*

*Antwoord*

*Het onderzoek is niet uitgevoerd door de ontwikkelingsbanken zelf, maar door een derde partij en is inmiddels afgerond. FMO en het ministerie van Buitenlandse Zaken zullen in de komende weken worden geïnformeerd over de bevindingen. Nadat er een analyse is gemaakt, wordt u nader geïnformeerd.*

Next week (starting Tuesday) there will be parliamentary debates on the budget of the Ministry of Foreign Affairs, specifically Foreign Trade and Development Cooperation, which FMO is a part of. We expect questions about Feronia in this debate and we would like to inform parliament of the fact that no link has been found between (10)(2e) death and Feronia in the independent report. We would mention that to share any more information could potentially harm the local criminal proceedings

(10)(2g)

Since the summary of the report was shared on a confidential basis, we would like to get your agreement to share this limited information specifically at this debate.

Could you please be so kind as to respond to this email or to give me a call before Friday/tomorrow COB?

Best regards,

(10)(2e)

(10)(2e) (10)(2e)

Senior Policy Advisor (10)(2e)

**Sustainable Economic Development Department**

Ministry of Foreign Affairs

Rijnstraat 8 | P.O. Box 20061 | 2500 EB | The Hague

(10)(2e)



## **Media Q&A and key messages**

### **On wages and working conditions:**

Since 2013, wages for Feronia staff have more than doubled and are now substantially above the minimum wage in DRC. The workforce is unionised and benefits from free healthcare provision for employees and their families. Pay levels have been agreed with Unions; the average worker earns \$3.30 per day – higher than a nurse or teacher would earn locally.

Even the lowest paid workers earn one and half times the national minimum wage in DRC.

### **On the release of palm oil production by-products into local rivers:**

Palm Oil Mill Effluent (POME) is an organic mix of natural waste oils and fats and has been discharged into rivers since the plantation came into being in 1911 and does not threaten human health.

A treatment plant for POME represents a multimillion dollar investment – money that the company has chosen instead to spend on housing, clean water provision, healthcare and educational facilities for employees, their families and other members of the local communities. It is the aim of the company to build treatment plants for POME, but is regrettably not in a financial position to do so currently as it continues to make losses.

In addition, the company has refurbished or dug 72 new boreholes for the provision of clean water in the last six years.

### **On the inadequate supply of protective equipment:**

This year alone Feronia has spent \$90,000 on protective equipment and all workers have received training on its use. The company requires all workers using pesticides to wear protective equipment at all times.

CDC recognises that agrochemical application is an ongoing challenge at PHC and has spent considerable time and resources in requiring the Company to undertake training, provide PPE, and oversee the application and management of agrochemicals.

The challenge has been compounded by the difficulty in sourcing equipment that is compatible with the local climate and ensuring regular supplies of equipment from Kinshasa to the company's sites.

## **Q&A**

### **What recommendations made by HRW are you planning on implementing?**

We are improving environmental practices and employment conditions at Feronia as part of our commitment to the company, its employees and their families. As regards the specific recommendations made in the report, please see our detailed response. We take the matters raised seriously. Our responses provided today provide details of the immediate actions we will be putting in place further measures once we have spoken with HRW in detail on their findings.

---

**Will you be committing further funds to support Feronia? How can you invest in a company that treats its employees so badly?**

Feronia would collapse without our support. The social and economic fallout if the company went under would be horrific. As part of our investment in Feronia, the company has committed to improving worker rights and its stewardship of the local environment. That's why \$10m has been spend on housing, hospitals, schools and clean water provision since 2013. Also see answers on wages.

Working conditions have improved immeasurably since 2013, but we recognise more needs to be done as the company continues its long journey towards financial self-sufficiency. Feronia operates on a social mandate with local communities. Without their support it would not be able to function. Feronia is committed to enhancing employee benefits within the financial constraints of a company that still makes significant loses.

**Why can't you simply invest more money into Feronia to enable the company to pay higher wages?**

We have so far committed \$100m to Feronia, which is still loss making and reliant on the ongoing financial support of its European DFI backers. Feronia's aim is to increase wages further once the company's financial position allows it to do so. Feronia must become financially sustainable if it is to have a long-term future. We are unable to comment on future funding for Feronia as it is a listed company and all financial announcements have to first be made via the Canadian Stock Market.

**How many workers were paid less than the UN's mandated \$1.90 per day that constitutes extreme poverty income?**

To our knowledge, the number is very small. Workers at Feronia also benefit from free healthcare and other social investments made by the company. As Feronia gets closer to financial cash flow break even, it is intended that wages will be further increased. They have doubled since 2013 and quadrupled since 2009.

Additionally, the company is committed to transitioning casual workers to become contracted members of staff.

**Are you content that Feronia workers are on such low wages, even if they are above the UN's \$1.90 per day definition of extreme poverty wages?**

Through our investment, Feronia has doubled wages since 2013. Two collective bargaining agreements with unions took place in October 2014 and October 2018 which have led to much improved employee wages and benefits including sick pay, holiday pay and healthcare. The company now pays significantly above the average wages paid by agricultural companies in DRC. It also maintains all social infrastructure such as hospitals, housing and schools in the regions in which it operates.

**Why can't you simply invest more money so that Feronia can build an effluent treatment plant?**

Investment funds are not unlimited. European DFIs have so far invested over \$100m in Feronia and the progress the company has made has been significant. Currently, other spending commitments have had to take priority over building a multimillion dollar treatment plant to treat organic waste which poses no risk to human health.

**Is further investment simply throwing good money after bad?**

The company has made huge strides towards becoming a self-sufficient company. Over the last six years it has significantly improved workers' wages and played a central role in bringing a whole community back from the brink of social and economic collapse. We are mindful of Feronia's status as the heartbeat of a whole community, in a very poor and remote area, when we consider future investment decisions.

---

**Will you divest your interest in Feronia?**

There are no current plans to divest our stake in Feronia. Our ethos is to be a long-term provider of patient capital for companies in need. We don't simply walk away when there are problems.

**When will the company build effluent treatment plants?**

When its financial situation allows, but realistically, not in the immediate future. We will however, take steps to mitigate the impact of POME in light of the HRW report findings.

**One of the villages mentioned in the report that is suffering from POME pollution has no borehole. Can you drill one for it?**

Feronia is constantly looking to increase borehole provision and we have asked Feronia to come up with a solution for the village in question and to report back to us at our next meeting in January.

**What are your comments on allegations that exposure to pesticides etc has caused widespread impotence amongst workers?**

No incidents of impotence have been reported to the company, despite it providing workers with regular free health check-ups. The allegations within the HRW report are unsubstantiated but we are committed to looking into them.

**Do you accept that POME has caused environmental problems around the Feronia mills?**

We absolutely accept that the discharge of organic waste materials from the palm oil extraction process is undesirable. However discharge into rivers should not cause any health hazards to local communities.

**Do you accept that effluent pollution has contaminated the only source of drinking water for local communities?**

We are looking at the allegations in the report and if remedial action is required it will be taken. Feronia has drilled or refurbished 72 boreholes to provide clean water for local communities.

**The HRW report contains an allegation that company doctors failed to disclose test results for workers who had been exposed to pesticides and other chemicals. Can you confirm this is the case?**

To our knowledge, workers were given at least verbal reports on their test results. In a few instances they may not have been given written reports and we are committed to ensuring that in future written reports are provided.

**What was the result of the investigation into the death of Joel Lokwa by a Feronia security guard?**

The independent IBIS report found that there was no link between the murder and the accused's then status as an employee of Feronia. Please see statement due to go on the CDC website on 22/11/2019.

**What is the latest on the recent murder of a Feronia security guard by his colleagues?**

Police are in the preliminary state of their enquiries and we are unable to comment further at this stage.

**Background info on partnerships with NGOs**

*Feronia has been working with **Earthworm Foundation** (formerly known as The Forest Trust) who has 20 years of experience in finding solutions to the major social and environmental problems and well known in the*

---

sector. Under a 3 year Technical Assistance programme co-funded by Feronia, CDC and FMO, Earthworm is supporting the company on site site to mediating with local communities as well as addressing security and social / community development capacity constraints in the company.

Feronia has been working with **Proforest** an independent mission-driven organisation working in the field of natural resource management and specialising in practical approaches to sustainability. Feronia's has commissioned Proforest to providing advice with regards to the management of forest area in the concession in the context of the RSPO and HCV rules and procedures.

Feronia has actively participated to the work undertaken by **GASHE** in Boteka whose mission is dedicated to supporting local communities and indigenous peoples in the sustainable management of natural resources in order to improve their living conditions. **GASH** (Action Group to Save Man) is a Congolese NGOS

**To:** (10)(2e) @pidg.org]; Contact (10)(2e) (10)(2e) @dfid.gov.uk]; Contact (10)(2e) (10)(2e) @dfid.gov.uk]; Contact (10)(2e) @minbuza.nl];  
Contact (10)(2e) @sida.se]; Contact (10)(2e) @seco.admin.ch];  
Contact (10)(2e) @seco.admin.ch]; PIDG Ltd Board (10)(2e) @pidg.org]  
**Cc:** (10)(2e) @pidg.org]; (10)(2e) @pidg.org]; Philippe Valahu (10)(2e) @pidg.org]; (10)(2e) @minbuza.nl]  
**From:** (10)(2e) (10)(2e)  
**Sent:** Fri 11/22/2019 12:15:09 PM  
**Subject:** RE: Incident Report - Feronia Project  
**Received:** Fri 11/22/2019 12:15:09 PM

Dear (10)(2e),

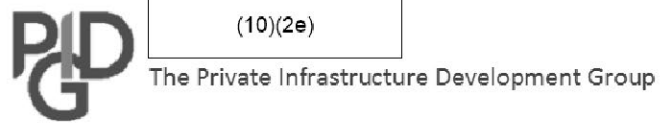
Many thanks for sharing. I am happy to read under nr 7 that PIDG and the other lenders are having an active dialogue with CDC on the extra actions that need to be undertaken at project level, in the field, and also in terms of communication to donors. We support PIDG (and FMO) in this.

(10)(2e)

---

**Van:** (10)(2e) @pidg.org>  
**Datum:** donderdag 21 nov. 2019 18:53  
**Aan:** (10)(2e) <(10)(2e) @dfid.gov.uk>, Contact (10)(2e) <(10)(2e) @dfid.gov.uk>, Contact (10)(2e) <(10)(2e) @dfid.gov.uk>, (10)(2e) <(10)(2e) @minbuza.nl>, (10)(2e) <(10)(2e) @minbuza.nl>, Contact (10)(2e) <(10)(2e) @sida.se>, Contact (10)(2e) <(10)(2e) @seco.admin.ch>, Contact (10)(2e) <(10)(2e) @seco.admin.ch>, PIDG Ltd Board (10)(2e)  
**Kopie:** (10)(2e) @pidg.org>, (10)(2e) (10)(2e) @pidg.org>, Philippe Valahu (10)(2e) @pidg.org>  
**Onderwerp:** Incident Report - Feronia Project

Dear EAIF Owners,  
Please find attached a HSES Incident Notification relating to the Feronia Project in the DRC  
If you have any further question, please do not hesitate to contact us.  
Kind regards  
(10)(2e)



T: (10)(2e)  
M: (10)(2e)  
O: (10)(2e) @pidg.org  
PIDG.org / Twitter / LinkedIn 6 Bevis Marks, London EC3A 7BA

The Private Infrastructure Development Group Limited | Registered office: 6 Bevis Marks, London, EC3A 7BA, United Kingdom | Registered as a company in England and Wales with company number 11265124

**To:** (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@minbuza.nl>  
**From:** (10)(2e) <(10)(2e)@fmo.nl>  
**Sent:** Fri 11/22/2019 2:24:41 PM  
**Subject:** RE: antwoord aan FD  
**Received:** Fri 11/22/2019 2:24:00 PM

Hallo allen,

Had niet eerder de kans om hier naar te kijken. Eens met opmerkingen (10)(2e) Daarnaast leest het antwoord op de PPE kwestie niet erg proportioneel t.a.v. het probleem dat geschetst wordt en in lijn met de bevindingen van HRW.

Waarschijnlijk zijn antwoorden al de lijn in, maar voor verder communicatie en onze lijn t.b.v. de begrotingsbehandeling dinsdag waar dit ongetwijfeld ter sprake komt zou het goed zijn om concreet van jullie te horen wat jullie hebben gedaan en doen om z.s.m. verbeteringen te realiseren. Veel mensen zullen het rapport lezen en de antwoorden die de DFI's op vragen geven en denken: als een bedrijf niet genoeg geld heeft om veilig mensen pesticides te laten spuiten moet je zorgen dat je dat geld krijgt of niet die mensen op pad sturen onder onveilige omstandigheden.

Tot straks!

Groet,  
(10)(2e)  
(10)(2e)

**From:** (10)(2e) <(10)(2e)@fmo.nl>

**Sent:** vrijdag 22 november 2019 12:30

**To:** (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@fmo.nl>  
**Subject:** RE: antwoord aan FD

H(10)(2e)  
Grote dank voor je snelle reactie en scherpe oog.  
Gr  
(10)(2e)

**From:** (10)(2e) <(10)(2e)@minbuza.nl>

**Sent:** 22 November 2019 12:25 PM

**To:** (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@fmo.nl>  
**Subject:** RE: antwoord aan FD

Dag (10)(2e),  
Zie hieronder nog 2 opmerkingen van mijn kant. Eerste zin vind ik persoonlijk wat teveel ruimte geven om te concluderen dat FMO haar zaken simpelweg niet op orde heeft, maar laat ik aan jullie.  
Daaronder nog een dubbeling in de tekst.  
Ik hoop dat (10)(2e) ook nog de tijd heeft om er even naar te kijken.

Groet,  
(10)(2e)

**From:** (10)(2e) <(10)(2e)@fmo.nl>

**Sent:** vrijdag 22 november 2019 12:17

**To:** (10)(2e) <(10)(2e)@minbuza.nl>  
**Cc:** (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) <(10)(2e)@fmo.nl>; (10)(2e) <(10)(2e)@fmo.nl>  
**Subject:** antwoord aan FD

**Importance:** High

Beste (10)(2e)  
Onderstaande reactie op het HRW rapport willen we zo direct (uiterlijk 13.00u) aan het FD sturen.  
Hoor graag of jullie hier nog vragen, suggesties, gedachten bij hebben.  
Hartelijke groet  
(10)(2e)

**Response**

*FMO welcomes the extensive research undertaken by Human Rights Watch and much appreciates that the organization allowed us to reflect on their preliminary findings and provided us with the opportunity to respond to these before publishing their conclusions. Though we might not agree on every aspect of the findings, we take all three infringements upon health and labor rights very seriously. The Feronia-specific findings and the best way to address these urgent challenges will be discussed in our upcoming quarterly Environmental, Social and Governance (ESG) meetings with the company and its shareholders. In terms of the recommendations specifically addressed to FMO, we will examine these carefully to better understand where we could improve further. We must and will continue to learn and we must and will continue to improve. As a development finance institution, it is our mandate to invest in some of the world's most challenging markets, sometimes under difficult circumstances. Feronia is one of the most complex investments we have in our portfolio; due to the va-*

its challenges, the time it will take to address all of these, its geographical location and the complexity of its operating context and legacy.

These projects are never quick fixes and HRW's findings stress the urgent need for further support; this is the only way environmental and social standards, as well as working conditions can be improved. The company is loss-making and reliant on ongoing financial support. Feronia must become financially sustainable if it is to have a long-term future, one that affects approximately 100,000 people in the region, for example through social infrastructure like healthcare and education.

**Response to challenges addressed in the HRW report**

On wages and working conditions:

As part of our financing agreement with Feronia, the company has committed to improving worker rights and its stewardship of the local environment. Although working conditions have improved since 2013, we recognize more needs to be done. Additionally, the company is committed to transitioning casual workers to become contracted members of staff.

The workforce is unionized; two collective bargaining agreements with these unions took place in October 2014 and October 2018. These have led to much improved employee wages and benefits including sick pay, holiday pay and free healthcare provision for the employees and their families. Not all salary issues are solved but across the board the company now pays significantly above the average wages paid by agricultural companies in DRC.

Regrettably, given the current financial position Feronia is in, wages cannot be further increased in the nearby future.

On the release of palm oil production by-products into local rivers:

A treatment plant for Palm Oil Mill Effluents (POME), an organic mix of natural waste oils and fats, requires a multimillion-dollar investment – money that the company has chosen instead to spend on housing, clean water provision, healthcare and educational facilities for employees, their families and other members of the local communities.

In the last six years, the company has refurbished or dug 72 new boreholes for the provision of clean water **in the last six years**. It is most certainly the aim of the company to build treatment plants for POME but is regrettably not in a financial position to do so currently as it continues to make losses.

On the inadequate supply of protective equipment:

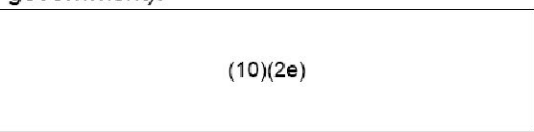
This year alone Feronia has spent \$90,000 on protective equipment and all workers have received training on its use. The company requires all workers using pesticides to wear protective equipment (PPE) at all times.

FMO together with other lenders recognizes that agrochemical application is an ongoing challenge at PHC and has spent considerable time and resources in requiring the Company to undertake training, provide PPE, and oversee the application and management of agrochemicals.

The challenge has been compounded by the difficulty in sourcing equipment that is compatible with the local climate and ensuring regular supplies of equipment from Kinshasa to the company's sites.

**The size of our investment**

BIO, DEG, EAIF and FMO provide a long-term loan facility in an amount of up to USD 49 million (BIO: USD 11 million, DEG: USD 16.5 million, EAIF: USD 5 million, FMO: USD 16.5 million, through the Building Prospects fund we manage on behalf of the Dutch government).

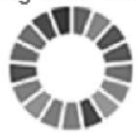


Anna van Saksenlaan 71 | P.O. Box 93060 | 2509 AB | The Hague | The Netherlands | [www.fmo.nl](http://www.fmo.nl)

[LinkedIn](#) | [Facebook](#) | [Twitter](#) | [YouTube](#)

FMO's legal name is 'Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.'. FMO is also known as the Netherlands Development Finance Company.

Doing makes the difference. [View our stories here >>](#)



FMO contributes to  
the Sustainable  
Development Goals

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>





berichtgeving in Trouw, een deel is nieuwe informatie.

- ∇ Het rapport richt zich met name op de gevaarlijke werkomstandigheden van werknemers die pesticides spuiten (met medische klachten als gevolg), het zeer slechte salaris van arbeiders (vrouwen onevenredig geraakt) en de vervuiling van waterbronnen en rivieren door het lozen van een palmolieverwerking restproduct. Het bericht is in de Nederlandse pers opgepakt (o.a. FD, Trouw, Nu.nl, BNR, Radio1) waarbij met name over de conclusies van het HRW rapport wordt bericht.
- ∇ De ontwikkelingsbanken hebben in een gezamenlijke reactie erkent dat er verdere verbeteringen doorgevoerd moeten worden in de werkomstandigheden van arbeiders. Toen de ontwikkelingsbanken in Feronia investeerden in 2013 (FMO investeerde in 2015) waren de werkomstandigheden aanzienlijk slechter en er zijn destijds concrete afspraken gemaakt over een verbetertraject als onderdeel van de financieringsafspraken, er wordt op dit moment gewerkt aan nadere afspraken om de huidige omstandigheden te adresseren.
- ∇ T.a.v. de lage salarissen geven de ontwikkelingsbanken aan dat salarissen aanzienlijk gestegen zijn de afgelopen jaren als onderdeel van CAO afspraken met de lokale vakbonden, ook de laagst betaalde werknemers zouden 1,5x het minimumloon verdienen. Wanneer bevestigd wordt dat er geen sprake is van gelijke betaling van mannen en vrouwen zal een plan gemaakt worden om dit op korte termijn te realiseren.
- ∇ Over het lozen van palmolieverwerking restproduct (POME: Palm Oil Mill Effluent) zeggen de ontwikkelingsbanken dat er geen sprake is van gezondheidsrisico's en dat het minder vervuilend maken van het productieproces (sinds 1911 gaande) niet de hoogste prioriteit heeft gezien Feronia's slechte financiële staat. Wel worden verbeteringen toegezegd t.a.v. monitoring, onderhoud en een onderzoek naar een specifieke situatie waarbij de gemeenschap een klacht heeft ingediend.
- ∇ Onze appreciatie is dat FMO en de ontwikkelingsbanken met deze investering alles bijeengenomen een positieve invloed hebben op een zeer complexe situatie in een van de armste regio's ter wereld, maar de bevindingen zijn onacceptabel en moeten (wanneer bevestigd) met spoed verbeterd worden. Onze conclusie blijft echter dat het FMO beleid voornamelijk de implementatie van staand beleid beter had moeten in deze situatie. HRW wil met het rapport misstanden aan de kaak stellen en aansturen op verbetering, maar expliciet niet het vertrek van FMO uit het project (Radio1 interview). Bovendien heeft HRW afgelopen vrijdag in een gesprek met FMO en BZ aangegeven dat FMO een voorloper is tussen de ontwikkelingsbanken t.a.v. milieu- en sociaal beleid.
- ∇ Op dit moment wordt gewerkt aan Q&A's voor de begrotingsbehandeling en een passieve woordvoeringlijn. FMO zal de bevindingen van het rapport samen met de andere ontwikkelingsbanken bespreken met Feronia en aansporen op verdere verbeteringen. Bij het aankomende beleidsoverleg dat twee maal per jaar met het FMO bestuur wordt gehouden zal dit tevens onderdeel van gesprek zijn.

Met vriendelijke groet,

(10)(2e)

(10)(2e)

Directie Duurzame Economische Ontwikkeling  
Ministerie van Buitenlandse Zaken  
Rijnstraat 8 | Postbus 20061 | 2500 EB | Den Haag

M (10)(2e)

(10)(2e) @minbuza.nl

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

**To:** (10)(2e) @minbuza.nl]  
**From:** (10)(2e) (10)(2e)  
**Sent:** Mon 11/25/2019 12:23:45 PM  
**Subject:** RE: R-bulletin over HRW rapport FMO investering  
**Received:** Mon 11/25/2019 12:23:00 PM

Hallo (10)(2e)

Het jaartal klopt. Het is een zeer oude voormalig Unilever plantage en sinds het begin wordt de POME in de rivieren geloosd.

Groet,

(10)(2e)

(10)(2e)

**From:** (10)(2e) @minbuza.nl>

**Sent:** maandag 25 november 2019 12:20

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>

**Subject:** RE: R-bulletin over HRW rapport FMO investering

Klopt dit jaartal? Of een typo?

(10)(2e)

**From:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>

**Sent:** maandag 25 november 2019 11:26

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl> (10)(2e)

(10)(2e) @minbuza.nl>

**Cc:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>; (10)(2e) (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>; (10)(2e)

(10)(2e) @minbuza.nl>; (10)(2e) (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>;

(10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>; (10)(2e)

(10)(2e) @minbuza.nl>

**Subject:** R-bulletin over HRW rapport FMO investering

Reeds beoordeeld

**To:** (10)(2e) @minbuza.nl  
**Cc:** (10)(2e) @minbuza.nl; (10)(2e) @minbuza.nl; (10)(2e)  
**From:** (10)(2e) @minbuza.nl  
**Sent:** Mon 11/25/2019 3:05:15 PM  
**Subject:** RE: R-bulletin over HRW rapport FMO investering  
**Received:** Mon 11/25/2019 3:05:17 PM

Wordt aan gewerkt, dank!

**From:** (10)(2e) @minbuza.nl>  
**Sent:** maandag 25 november 2019 15:00  
**To:** (10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>; (10)(2e)  
<(10)(2e) @minbuza.nl>  
**Cc:** (10)(2e) @minbuza.nl>  
**Subject:** RE: R-bulletin over HRW rapport FMO investering  
(10)(2e)

Nee bedoel een lijstje voor in de redeneerlijn tijdens begrotingsbehandeling. Maar daar zou ze idd ook een technische briefing kunnen aanbieden.... (al komt dat volgens mij niet zo vaak voor in een plenaire debat).  
Thnx, (10)(2e)

**From:** (10)(2e) (10)(2e) <(10)(2e) @minbuza.nl>  
**Sent:** maandag 25 november 2019 14:55  
**To:** (10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>; (10)(2e)  
<(10)(2e) @minbuza.nl>  
**Cc:** (10)(2e) @minbuza.nl>  
**Subject:** RE: R-bulletin over HRW rapport FMO investering  
(10)(2e)

Bedoel je in de vorm van een technische briefing? Vind ik helemaal geen gek idee.  
Groet, (10)(2e)

**From:** (10)(2e) @minbuza.nl>  
**Sent:** maandag 25 november 2019 14:46  
**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>; (10)(2e)  
(10)(2e) @minbuza.nl>  
**Cc:** (10)(2e) @minbuza.nl>  
**Subject:** RE: R-bulletin over HRW rapport FMO investering  
(10)(2e) en (10)(2e)

Ik kan me voorstellen dat er meerdere vragen gesteld gaan worden over FMO en IMVO in de eerste termijn van de TK. We zouden dit natuurlijk allemaal weer schriftelijk af kunnen doen, maar ik denk dat het beter is hier mondeling op terug te komen en ingewikkeldheid van investeringen in fragiele staten toe te lichten met alle checks en balances die we (FMO) inbouwen. Geen mooi weer spelen, wel het eerlijke verhaal. Hoe goed FMO het doet, dixit HRW, maar ook hoeveel er altijd weer te verbeteren valt. Belangrijk dat organisatie gestoeld is op leren en aanpassen. Hoe wij FMO daarin scherp houden. Weet niet of R dat straks wil, noch of er voldoende aanleiding is nav eerste termijn, maar denk goed als jullie vast een lijstje opstellen.  
Veel dank alvast!  
Wg, (10)(2e)

**From:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl>  
**Sent:** maandag 25 november 2019 11:26  
**To:** (10)(2e) (10)(2e) >; (10)(2e) <(10)(2e) @minbuza.nl>; (10)(2e)  
<(10)(2e) @minbuza.nl>  
**Cc:** (10)(2e) (10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>; (10)(2e)  
(10)(2e) @minbuza.nl>; (10)(2e), (10)(2e) <(10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl>;  
(10)(2e) @minbuza.nl>; (10)(2e) <(10)(2e) @minbuza.nl>; (10)(2e)  
(10)(2e) @minbuza.nl>

Reeds beoordeeld

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl]; (10)(2e) (10)(2e) @pidg.org]  
**From:** Philippe Valahu  
**Sent:** Mon 11/25/2019 9:03:37 AM  
**Subject:** RE: parliamentary debate Tuesday  
**Received:** Mon 11/25/2019 9:04:03 AM

Thanks (10)(2e). You will have seen my note to you and (10)(2e) (I shared the article with (10)(2e)).

**From:** (10)(2e) (10)(2e) @minbuza.nl>

**Sent:** 25 November 2019 07:59

**To:** Philippe Valahu <(10)(2e)@pidg.org>; (10)(2e) (10)(2e) @pidg.org>

**Subject:** RE: parliamentary debate Tuesday

Ok many thanks for letting me know. If you link him with me I will guide him on which live stream he should choose etc (or I will inform him in case timings are being adjusted).

I just sent you an article of the Financieele Dagblad. Via Whatsapp I also sent to (10)(2e) a new article in Trouw and in the Belgian newspaper. All published this morning.

(10)(2e)

---

**Van:** Philippe Valahu <(10)(2e)@pidg.org>

**Datum:** maandag 25 nov. 2019 08:49

**Aan:** (10)(2e) (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) (10)(2e) @pidg.org>

**Onderwerp:** RE: parliamentary debate Tuesday

Hi (10)(2e):

A quick note to confirm that (10)(2e) will listen in on the parliamentary debate.

Kind regards,

Philippe

---

**From:** Philippe Valahu

**Sent:** 24 November 2019 21:06

**To:** (10)(2e) (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e) (10)(2e) @PIDG.org>

**Subject:** RE: parliamentary debate Tuesday

Thanks (10)(2e). I will check with (10)(2e) in the morning and will let you know.

Kind regards,

Philippe

---

**From:** (10)(2e) (10)(2e) <(10)(2e)@minbuza.nl>

**Sent:** 24 November 2019 21:05

**To:** (10)(2e) (10)(2e) @pidg.org>; Philippe Valahu (10)(2e) @pidg.org>

**Subject:** parliamentary debate Tuesday

Dear (10)(2e) and Philippe,

Would you ((10)(2e)) or any other Dutch speaking person at PIDG/Investec) be interested in following our parliamentary debate on Tuesday?

It starts at 19.00 (NL time) and ends at 22.30, if everything goes well...sometimes they go on during the night...

It is the annual debate re the budget for International Trade and Development Cooperation. Given the fact that 5 political parties have submitted queries on FMO, Feronia, landgrabbing etc, with explicit request to answer these questions before the debate, we expect that there will be lot of discussion about FMO. And if the HRW report gets any media attention, this could catalyze a discussion on Feronia as well.

But: it can also be VERY boring (always very hard to predict). So I can also just give you a signal once it is on FMO/Feronia. I will be watching any way because I need to support our minister.

And please, don't feel obligated. We have enough troops helping us. It would be more for your own interest/please do not consider this as a request from me.

Just let me know. You can watch live via this link and it is called 'Begrotingsbehandeling Buitenlandse Handel en Ontwikkelings Samenwerking (BHOS)'.  
[https://www.tweedekamer.nl/debat\\_en\\_vergadering](https://www.tweedekamer.nl/debat_en_vergadering)

Best, (10)(2e)

Best, (10)(2e)

---

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten. 441508

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

**The Private Infrastructure Development Group Limited | Registered office: 6 Bevis Marks, London, EC3A 7BA, United Kingdom | Registered as a company in England and Wales with company number 11265124**

---

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

**To:** (10)(2e) (10)(2e) (10)(2e) @minbuza.nl]  
**Cc:** (10)(2e) (10)(2e) @pidg.org]; Philippe Valahu (10)(2e) @pidg.org]  
**From:** (10)(2e)  
**Sent:** Mon 11/25/2019 9:30:03 AM  
**Subject:** Re: Feronia in Dutch FT  
**Received:** Mon 11/25/2019 9:30:15 AM

Dear (10)(2e) - Thank you for sharing.

On 25 Nov 2019, at 07:37, (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl> wrote:

Good morning (10)(2e) (10)(2e) and Philippe,  
This morning an article about HRW report in the Dutch 'Financial Times'. See attachment page 21.

(10)(2e)

---

**Van:** (10)(2e)@minbuza.nl>  
**Datum:** maandag 25 nov. 2019 07:48  
**Aan:** (10)(2e)@minbuza.nl>  
**Onderwerp:** Editie binnenland 25-11-2019

Ander onderwerp

Ander onderwerp

## Buitenlandse handel

### ‘Veel mis op door Nederland gesteunde plantages Congo’

<anp-time-logo.jpg>

25-11-2019 | Woorden: 629 | Het Financieele Dagblad | Pagina: 08

Van onze redacteur  
Amsterdam

Volgens Human Rights Watch is er veel mis met de arbeidsomstandigheden en het milieu op door de Nederlandse ontwikkelingsbank FMO gefinancierde palmolieplantages in de Democratische Republiek Congo.

Dat schrijft de mensenrechtenorganisatie Human Rights Watch in een vandaag gepubliceerd rapport. Zo zouden arbeiders impotent worden omdat ze landbouwgif gebruiken zonder beschermende kleding. Human Rights Watch stelt bovendien vast dat salarissen zo laag zijn dat medewerkers in extreme armoede moeten leven. Ook zou onbehandeld afvalwater in het drinkwater van omwonenden terecht zijn gekomen.

De misstanden zijn opmerkelijk: FMO, voluit de Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden, is als ontwikkelingsbank juist opgericht om de armoede in ontwikkelingslanden te bestrijden en de leefomstandigheden te verbeteren. FMO verstrekt krediet in ontwikkelingslanden voor projecten waar commerciële banken wegblijven. Die leningen moeten de economische ontwikkeling bevorderen, maar ook rendement voor FMO opleveren.

De in Den Haag gevestigde bank is voor 51% in handen van de staat.

In Congo financiert FMO, samen met drie andere ontwikkelingsbanken, uit België, Duitsland en het Verenigd Koninkrijk, drie palm-olieplantages van het Canadese beursgenoteerde bedrijf Feronia. In totaal hebben de vier ontwikkelingsbanken sinds 2013 meer dan \$100 mln (€91 mln) geïnvesteerd in het bedrijf, met de bedoeling de bedrijfsvoering te verbeteren en de economische ontwikkeling van het straatarme Afrikaanse land te bevorderen. Feronia is verlieslatend; zonder de hulp van de ontwikkelingsbanken was het bedrijf waarschijnlijk kopje-onder gegaan.

Maar uit het rapport van Human Rights Watch blijkt dat er zes jaar na het ingrijpen van de ontwikkelingsbanken nog veel mis is op de plantages. Zo zouden de medewerkers die werken met landbouwgif geen of onvoldoende beschermende kleding dragen, terwijl dat ook in Congo verplicht is. Twee derde van de door Human Rights Watch geïnterviewde plantagearbeiders stellen impotent te zijn geworden na het werken met het gif.

De arbeiders op de plantages krijgen bovendien slecht betaald. Volgens de mensenrechtenorganisatie is het salaris van veel medewerkers lager dan \$1,90 (€1,72) per dag, de door de Wereldbank gehanteerde armoedegrens. De situatie is het schrijnendst bij de dagloners, die de meerderheid van het personeel uitmaken.

FMO stelt in een schriftelijke reactie aan het FD het onderzoek van Human Rights Watch 'te verwelkomen' en de misstanden serieus te nemen. De bank benadrukt dat het verbeteren van de situatie in Congo een zaak van de lange adem is.

De bank stelt dat er al veel gedaan is om de omstandigheden op de plantages van Feronia te verbeteren. Zo zijn de salarissen van de (vaste) medewerkers al verhoogd, en heeft het bedrijf waterputten geslagen voor de werknemers en de inwoners van de dorpen rond de plantages. Feronia zou bovendien de intentie hebben ook de dagloners in dienst te nemen.

Ook Feronia zelf benadrukt in zijn reactie dat er al veel verbeterd is. Het gemiddelde salaris bedraagt volgens het bedrijf \$3,30 per dag, meer dan een leraar zou verdienen in Congo. Het bedrijf stelt bovendien dat er wel degelijk is geïnvesteerd in beschermende kleding.

Human Rights Watch stelt echter dat eigen onderzoek uitwijst dat het salaris in de praktijk veel lager ligt. De organisatie roept de ontwikkelingsbanken op meer druk uit te oefenen op Feronia, en de afspraken tussen de banken en Feronia over arbeidsomstandigheden en milieu volledig openbaar te maken.

Die zijn nu nog deels geheim. Volgens FMO kan de bank deze afspraken niet zonder toestemming van Feronia volledig openbaar maken, omdat die deel uitmaken van het contract tussen de banken en het bedrijf.

Het is niet de eerste keer dat FMO in opspraak is vanwege misstanden op door de ontwikkelingsbank gefinancierde projecten. De bank trok zich in 2017 bijvoorbeeld terug uit de financiering van een waterkrachtcentrale in Honduras, na de moord op een activiste.

Dagblad Trouw berichtte half oktober over misstanden bij in totaal zeven projecten van FMO, waaronder plantages in Congo, waar een activist zou zijn vermoord door een beveiliging.

---

Van onze redacteur | Sectie: Nieuws

Ander onderwerp



Ander onderwerp

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

<Editie binnenland 25-11-2019.pdf>

**The Private Infrastructure Development Group Limited | Registered office: 6 Bevis Marks, London, EC3A 7BA, United Kingdom | Registered as a company in England and Wales with company number 11265124**

**To:** (10)(2e)@seco.admin.ch]  
**Cc:** (10)(2e)@seco.admin.ch]  
**From:** (10)(2e)  
**Sent:** Mon 11/25/2019 10:46:50 AM  
**Subject:** RE: New Appointment - Head of TA  
**Received:** Mon 11/25/2019 10:46:00 AM

Van Basten's remarks were very painful...normally Dutch people are really nice, like the country itself (although no mountains....that is something that has gone totally wrong at the time of establishment of the NL haha)  
I don't have a communication line of the Feronia thing. It is actually me informing the PIDG about it. Investec does not really seem to be 'on' it, DFID or CDC don't inform the PIDG either, which is getting into quite an unacceptable stage in my view.  
My communication with (10)(2e) (10)(2e) and Philippe is good though, they do everything they can, but are (like FMO) really depending on CDC, especially when it comes to communication (even FMO has to get approval from CDC to make specific statements).  
FMO wants to learn from this case and fix what is broken. FMO also has a very open communication about this with parties like Human Rights Watch. CDC on the other hand, acts a bit as if everything is ok as it is (I am putting it a bit into black and white here, as it is quite complex).  
Today there will be a shareholder meeting in London, and the lenders are considering putting more money into the project, to fix things, because leaving the project is worse than staying and fixing the problems. But again, FMO is quite dependent on CDC. Same for PIDG.

---

**From:** (10)(2e)@seco.admin.ch <(10)(2e)@seco.admin.ch>

**Sent:** maandag 25 november 2019 10:30

**To:** (10)(2e)@minbuza.nl>

**Cc:** (10)(2e)@seco.admin.ch

**Subject:** AW: New Appointment - Head of TA

No don't think there is a football game I just like Holland – van Basten 'footballer' remarks had some reverberations this weekend... and we are happy that we are not bilaterally into Feronia.

Do you happen to have the PIDG version/communication line of the Feronia thing?

Best, (10)(2e)

---

**Von:** (10)(2e)@minbuza.nl>

**Gesendet:** Montag, 25. November 2019 10:16

**An:** (10)(2e) SECO <(10)(2e)@seco.admin.ch>

**Cc:** (10)(2e) SECO <(10)(2e)@seco.admin.ch>

**Betreff:** RE: New Appointment - Head of TA

Hi (10)(2e) many thanks. This history is unknown to me, but I agree. I am actually quite happy with the explanation of Philippe.

buiten reikwijdte, ander onderwerp

Good to see that the exec team is now in direct contact with (10)(2e)

Are we having a football match tonight? I think I missed it whaa.

Or do you mean our combat with Parliament and media on Feronia? Today, it's all over in the newspapers, and tomorrow our minister will have to defend it to Parliament. CDC (as shareholder to Feronia) is acting very conservative: FMO/NL is putting pressure on them.

(10)(2e)

---

**From:** (10)(2e)@seco.admin.ch <(10)(2e)@seco.admin.ch>

**Sent:** maandag 25 november 2019 09:53

**To:** (10)(2e)@minbuza.nl>

**Cc:** (10)(2e)@seco.admin.ch

**Subject:** AW: New Appointment - Head of TA

Hi (10)(2e)

buiten reikwijdte, ander onderwerp

My best wishes to Holland!

(10)(2e)

---

**Von:** (10)(2e)@minbuza.nl>

**Gesendet:** Sonntag, 24. November 2019 21:05

**An:** Philippe Valahu <(10)(2e)@pidg.org>; (10)(2e)@seco.admin.ch>; (10)(2e) SECO  
<(10)(2e)@seco.admin.ch>; (10)(2e) SECO <(10)(2e)@seco.admin.ch>; Contact (10)(2e) 441505

< (10)(2e) @sida.se>; Contact (10)(2e) @dfat.gov.au>; Contact (10)(2e)  
< (10)(2e) @dfat.gov.au>; Contact (10)(2e) @ifc.org>; Contact (10)(2e)  
(10)(2e)@dfid.gov.uk>; Contact (10)(2e) @dfid.gov.uk>; (10)(2e) @dfid.gov.uk>; (10)(2e)  
(10)(2e) minbuza.nl>  
**Cc:** (10)(2e) @pidg.org>; (10)(2e) @PIDG.org> (10)(2e)  
< (10)(2e) minbuza.nl>

**Betreff:** RE: New Appointment - Head of TA

Dear Philippe,

buiten reikwijdte, ander onderwerp

(10)(2e)

**From:** Philippe Valahu (10)(2e) @pidg.org>  
**Sent:** dinsdag 19 november 2019 18:19  
**To:** (10)(2e) @minbuza.nl>; Contact (10)(2e) @seco.admin.ch>; Contact (10)(2e)  
< (10)(2e) @seco.admin.ch>; Contact (10)(2e) @seco.admin.ch>; Contact (10)(2e)  
< (10)(2e) @sida.se>; Contact (10)(2e) @dfat.gov.au>; Contact (10)(2e)  
< (10)(2e) @dfat.gov.au>; Contact (10)(2e) @ifc.org>; Contact (10)(2e)  
(10)(2e)@dfid.gov.uk>; Contact (10)(2e) @dfid.gov.uk>; (10)(2e) @dfid.gov.uk>; (10)(2e)  
(10)(2e) minbuza.nl>  
**Cc:** (10)(2e) @pidg.org>; (10)(2e) @PIDG.org>  
**Subject:** New Appointment - Head of TA

buiten reikwijdte, ander onderwerp



**Philippe Valahu**  
Chief Executive Officer  
The Private Infrastructure Development Group

T: +44 (0) [redacted] (10)(2e)  
M: +44 (0) [redacted] (10)(2e) @pidg.org

[PIDG.org](http://PIDG.org) / [Twitter](#) / [LinkedIn](#) 6 Bevis Marks, London EC3A 7BA

**The Private Infrastructure Development Group Limited | Registered office: 6 Bevis Marks, London, EC3A 7BA, United Kingdom | Registered as a company in England and Wales with company number 11265124**

---

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

---

Help save paper! Do you really need to print this email?

Dit bericht kan informatie bevatten die niet voor u is bestemd. Indien u niet de geadresseerde bent of dit bericht abusievelijk aan u is toegezonden, wordt u verzocht dat aan de afzender te melden en het bericht te verwijderen. De Staat aanvaardt geen aansprakelijkheid voor schade, van welke aard ook, die verband houdt met risico's verbonden aan het elektronisch verzenden van berichten.

This message may contain information that is not intended for you. If you are not the addressee or if this message was sent to you by mistake, you are requested to inform the sender and delete the message. The State accepts no liability for damage of any kind resulting from the risks inherent in the electronic transmission of messages.

**To:** (10)(2e) @fmo.nl  
**Cc:** (10)(2e), (10)(2e), (10)(2e) @minbuza.nl; (10)(2e) @minbuza.nl; (10)(2e) @minbuza.nl; (10)(2e) @fmo.nl; (10)(2e) @fmo.nl; (10)(2e) @fmo.nl  
**From:** (10)(2e), (10)(2e)  
**Sent:** Mon 11/25/2019 12:14:10 PM  
**Subject:** RE: FMO in news over Human Rights Watch report about Feronia  
**Received:** Mon 11/25/2019 12:14:12 PM

Beste (10)(2e)

Ik heb niet alle artikelen gelezen, maar de grote lijnen zijn wel duidelijk.  
Dank voor het delen.  
Laat ons weten als we tzt nog iets moeten aanleveren.  
Ik neem aan dat jullie DDE en DAF zelf in de loop houden?

Sterkte met dit dossier

Groet

(10)(2e)

---

**From:** (10)(2e) @fmo.nl  
**Sent:** maandag 25 november 2019 11:53  
**To:** (10)(2e), (10)(2e) <(10)(2e) @minbuza.nl>  
**Cc:** (10)(2e), (10)(2e) <(10)(2e) @minbuza.nl>; (10)(2e) @minbuza.nl; (10)(2e) @minbuza.nl; (10)(2e) @fmo.nl; (10)(2e) @fmo.nl; (10)(2e) @fmo.nl; (10)(2e) @fmo.nl

**Subject:** FW: FMO in news over Human Rights Watch report about Feronia

Beste (10)(2e),

Ik vermoed dat je de verschillende artikels in de Nederlandse/Belgische media hebt gelezen ondertussen omtrent Feronia.

In volledige transparantie wilde ik onderstaande email met jullie delen, gelieve deze interne/confidentiele FMO email wel niet verder te verspreiden.

Beste groeten,  
(10)(2e)

---

**From:** (10)(2e) @fmo.nl  
**Sent:** 25 November 2019 06:43  
**To:** FMO Employees <(10)(2e)>; FMO External staff <(10)(2e)>  
**Cc:** Peter van Mierlo <(10)(2e)>; Linda Broekhuizen <(10)(2e) @fmo.nl>; (10)(2e) (10)(2e) @fmo.nl  
**Subject:** FMO in news over Human Rights Watch report about Feronia

Dear colleagues,

Today, Human Rights Watch (HRW) published a report called 'A Dirty Investment'. This report covers one of the most complex investments FMO has in its portfolio: Feronia, a palm oil company in DRC.

CDC is the lead arranger with approximately USD 50 million (debt and equity). BIO, DEG, EAIF and FMO provide a long-term loan facility in an amount of up to USD 49 million (BIO: USD 11 million, DEG: USD 16.5 million, EAIF: USD 5 million, FMO: USD 16.5 million). FMO's investment is funded through the Building Prospects fund that we manage on behalf of the Dutch government, and which is aimed at high risk projects with high development impact potential.

The report is addressed to all four lenders, their respective governments, Feronia and the government of DRC. HRW shares a number of concerns on the Feronia plantations, which mainly have to do with health and safety of the plantation workers, waste treatment and wages.

FMO welcomes the extensive research undertaken by Human Rights Watch and much appreciates that the organization allowed us to respond on their preliminary findings and provided us with the opportunity to respond to these before publishing their conclusions. 431198

Though we might not agree on every aspect of the findings, we take all three infringements upon health and labor rights very seriously. The Feronia-specific findings and the best way to address these urgent challenges will be discussed in our upcoming quarterly Environmental, Social and Governance (ESG) meetings with the company and its shareholders.

In terms of the recommendations specifically addressed to FMO, we will examine these carefully to better understand where we could improve further. We must and will continue to learn and we must and will continue to improve.

As a development finance institution, it is our mandate to invest in some of the world's most challenging markets, sometimes under exceptionally difficult circumstances. Feronia is one of the most complex investments we have in our portfolio; due to the vastness of its challenges, the time it will take to address all of these, its geographical location and the complexity of its operating context and legacy.

These projects are never quick fixes and HRW's findings stress the urgent need for further support; this is the only way environmental and social standards, as well as working conditions can be improved. The company is loss-making and reliant on ongoing financial support. Feronia must become financially sustainable if it is to have a long-term future, one that affects approximately 100,000 people in the region, for example through social infrastructure like healthcare and education.

On Friday, we have met with Human Rights Watch who have presented their findings and recommendations. We have been approached by the Financieele Dagblad and BNR Newsradio (national news radio station), FMO's largest financial daily who will cover the report and have asked FMO for a response; we expect extensive news coverage. We are in close contact with the other lenders to align our approaches and response and have prepared a statement which for our website.

### About DRC

*DRC is the largest francophone country in Africa. It has nearly 80 million inhabitants, with less than 40% living in urban areas. The country is still recovering from years of war and political instability. The last three decades have seen multiple violent outbreaks and in recent years, DRC faced an Ebola outbreak. DRC has one of the world's lowest gross national incomes per capita, and on the UN Human Development Index 2018 the DRC ranks 176<sup>th</sup> out of 189 countries. The DRC has an unemployment rate of 82% and a poverty rate of 63%. With 80 million hectares of arable land, and availability of minerals and precious metals, the DRC has the potential to become a driver of African economic growth. The country's economic growth is above average in the African region, growing at a rate of 4.1% in 2018, up from 3.7% in 2017 and 2.4% in 2016. Only 1.8% of existing roads are tarred and less than 19% of the population has access to electricity (World Bank, 2017).*

(10)(2e)

FMO

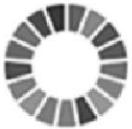
T: (10)(2e) | M: (10)(2e)

Anna van Saksenlaan 71 | P.O. Box 93060 | 2509 AB | The Hague | The Netherlands | [www.fmo.nl](http://www.fmo.nl)

[LinkedIn](#) | [Facebook](#) | [Twitter](#) | [YouTube](#)

*FMO's legal name is 'Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.'. FMO is also known as the Netherlands Development Finance Company.*

**Doing makes the difference.** [View our stories here >>](#)



FMO contributes to  
the Sustainable  
Development Goals

The following conditions apply to this e-mail: <https://www.fmo.nl/e-mail-disclaimer>

**To:** (10)(2e); (10)(2e); (10)(2e); minbuza.nl]  
**Cc:** (10)(2e); (10)(2e); @fmo.nl]; (10)(2e); @fmo.nl]  
**From:** (10)(2e); (10)(2e)  
**Sent:** Mon 11/25/2019 5:08:53 PM  
**Subject:** Re: DRC/Feronia: CDC undermines mediation, letter of concern  
**Received:** Mon 11/25/2019 5:08:59 PM

Ha (10)(2e),

Brief is bekend bij Peter en Linda. We hebben CDC om een nadere toelichting verzocht. Wij waren immers niet ter plaatse of er op de een of andere manier verder van op de hoogte. Hoop hier morgen meer op te horen, evenals de CDC publicatie over onafhankelijk onderzoek.

Ik houd je op de hoogte.

Groeten, (10)(2e)

Sent from my iPhone

On 25 Nov 2019, at 17:00, (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl> wrote:

Ha (10)(2e),

We hebben een kopie gekregen van deze brief aan Peter. Wat is jullie reactie hierop? Zou op kunnen komen tijdens debat morgen en wij willen een standaardantwoord klaar hebben liggen.

Groet,

(10)(2e)

**From:** (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>

**Sent:** maandag 25 november 2019 16:10

**To:** (10)(2e); (10)(2e) <(10)(2e)@minbuza.nl>

**Subject:** FW: DRC/Feronia: CDC undermines mediation, letter of concern

Maak je hier ook een q en a voor?

**From:** (10)(2e)@minbuza.nl>

**Sent:** maandag 25 november 2019 15:47

**To:** (10)(2e), (10)(2e) <(10)(2e)@minbuza.nl>

**Subject:** FW: DRC/Feronia: CDC undermines mediation, letter of concern

(10)(2e)

**Van:** (10)(2e)@milieudefensie.nl>

**Datum:** maandag 25 nov. 2019 09:14

**Aan:** (10)(2e); (10)(2e) <(10)(2e)@minbuza.nl>; (10)(2e)@minbuza.nl>

**Kopie:** (10)(2e); (10)(2e); (10)(2e)@minbuza.nl>; (10)(2e)@minbuza.nl <(10)(2e)@minbuza.nl>

**Onderwerp:** DRC/Feronia: CDC undermines mediation, letter of concern

Beste (10)(2e); (10)(2e); (10)(2e)

Ik stuur u hierbij de brief die we samen met Congolese organisaties hebben verzonden aan de ontwikkelingsbanken in Europa, die de Feronia plantage in DRC financieren, waaronder FMO.

De brief spreekt voor zich en ik verzoek u om daadwerkelijk uw belang in FMO aan te wenden om het klachtenmechanisme goed te laten functioneren.

Met vriendelijke groeten, (10)(2e)

-----Original message-----

**From:** (10)(2e)@grain.org>

**Sent:** Friday 22nd November 2019 18:56

**To:** (10)(2e)@cdcgroup.com

**Cc:** (10)(2e)@deginvest.de; (10)(2e)@fmo.nl; proparco@proparco.fr; (10)(2e)@bio-invest.be; centro.informacion@aecid.es; (10)(2e)@opic.gov; complaintsoffice@deginvest.de

**Subject:** DRC/Feronia: CDC undermines mediation, letter of concern

**To:** Mr. Nick O'Donohoe, CEO of the CDC Group (10)(2e)

**CC:** Christiane Laibach, Chair of the Management Board of DEGINVEST -Germany (10)(2e); Peter Van Mierlo, CEO of Nederlandse FMO NV (10)(2e)

Grégory Clément, CEO of PROPARCO - France (10)(2e)