

May 10, 2012

Mr. Bruce Wrobel
CEO
Herakles Capital
277 Park Ave., 40th Floor
New York, NY 10172

Dear Mr. Wrobel,

We write to express our clear opposition to Herakles Farms' project, through its subsidiary Sithe Global Sustainable Oils Cameroon (SGSOC), to establish a large palm oil plantation in the rainforests of Cameroon. Those plans not only undermine the basic rights of the local population, they also raise very serious legal questions and pose a tremendous threat to the natural forests in an area identified as a biodiversity hotspot.

You may recall that Greenpeace and over fifty other groups expressed our collective concerns about Herakles Farms' plans back in May 2011 in an open letter to Cameroon's Minister of Forestry and Wildlifeⁱ. The project was already described at that time as "ecologically fatal and socially irresponsible" and co-signing organizations asked that the project be stopped and permanently cancelled.

Large-scale forest clearance now seems imminent as Greenpeace has received information that the project driven by Herakles Farms has built an access road to the plantation. On April 19 Cameroon Forestry Ministry inspectors impounded two of the company's bulldozers involved in the contested forest destruction and seized logs and timber.

Local communities and NGOs have written multiple complaints and expressed serious concerns about the project due to the lack of a proper consultation process with the affected population, as well as the threat that numerous communities may lose their farmland, with dramatic social and economic impacts.

The rainforest region where the plantation is to be located has been identified by many leading conservation groups and scientists as one of the world's most important "biodiversity hotspots" and of global conservation importance. The plan to convert a large area of those forests into a palm oil plantation would effectively destroy a huge area of forest that currently connects four significant protected areas. This has created an international outcry from leading conservation scientistsⁱⁱ, who have called upon Herakles Farms to abandon this project.

Furthermore, the plans to clear vast areas of forest that are beyond doubt of high conservation value is completely at odds with the company's stated intention to "respect the biodiversity that surrounds us."ⁱⁱⁱ Conservation scientists and organisations have protested against the quality of the project's Environmental and Social Impact Assessment and High Conservation Value studies. Evidence has been presented to the company that large parts of the forest described as "highly degraded" are actually areas that are of high conservation value at the larger landscape level. For the creation of the palm oil nursery in Talangaye, the company already cleared a forest area which was identified in the project's own studies as being of High Conservation Value.

WWF and other NGOs filed official complaints with the Roundtable on Sustainable Palm Oil in March 2012 against the company's project in Cameroon, raising major social, legal and environmental issues. The RSPO, of which Herakles Farms is a member, has called on the company not to proceed with any land development until all the comments on the complaints are received and settled. Greenpeace is watching with interest to see how RSPO deals with those complaints.

The palm oil industry has been a major driver of tropical deforestation, resulting in the destruction of millions of hectares of valuable tropical rainforests in Indonesia and Malaysia. As you may know, Greenpeace has been escalating its campaign efforts in recent years to shift the palm oil industry away from unacceptable practices. Greenpeace is calling upon the palm oil industry worldwide to commit to a “zero deforestation” strategy – which means that palm oil companies must make a corporate commitment not to develop plantations in natural forests, to fully adhere to the Free, Prior and Informed Consent of indigenous peoples and local communities as well to respect their basic rights, and to comply with all relevant laws and RSPO Principles and Criteria.

Greenpeace believes that the growing global demand for palm oil that is now pushing the expansion of commercial palm oil into West and Central Africa should not occur at the expense of the few remaining natural forests, as the impacts on forest-dependent communities, biodiversity and the global climate is too high. The reputational and financial risks of Herakles farms going ahead with the plantation would be great, not just for the company and its investors, but also for the entire industry which is looking at Africa as the “last frontier”.

We therefore urge you to abandon the project to establish this palm oil plantation in Cameroon, and to adopt a zero deforestation policy for any future palm oil project.

We look forward to your response to our concerns,

Sincerely yours,



Michael O'Brian
Executive Director
Greenpeace Africa



Phil Radford
Executive Director
Greenpeace USA

Cc:

Mr. Stephen Schwarzman, CEO, Blackstone Group

Mr. Darrel Webber, Secretary General, RSPO

ⁱ [ProWildlife et al., Letter to Elvis Ngolle Ngolle, 27 May 2011,](#)

ⁱⁱ [Joshua Linder et al., “An Open Letter about the Environmental and Social Impacts of a Massive Oil Palm Development in Cameroon,” 20 March 2012](#)

ⁱⁱⁱ [Herakles Farms, “A Response to Inquiries Regarding the Sustainability and Intentions of the Herakles Farms GP Sustainable Oils Project in Southwest Cameroon,” 20 March, 2012](#)