



International scientific conference

“Agri-Chains and Sustainable Development: linking
local and global dynamics”

Special session: “Linking public policies and agri-chain governance
mechanisms to support the SDGs goals: lessons and challenges
from and for forest landscapes”

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“Managing Olam rubber plantation’s impacts in a forest
area in Gabon: Rethinking the horizontal dimension of
Sustainable Supply Chain Governance systems.”

Introduction: context

- Strong growth of modern large-scale industrial agriculture in the tropics since 2000: between **22 and 56 million hectares** acquired by foreign capital in sub-Saharan Africa over the last 10-15 years (German et al 2013)
- The **'Emerging Gabon'** strategic plan (2011-2016), a major programme to re-allocate land for agro-industrial projects: about 400,000 ha of land has been acquired since 2005.

République Gabonaise



PLAN STRATEGIQUE GABON EMERGENT

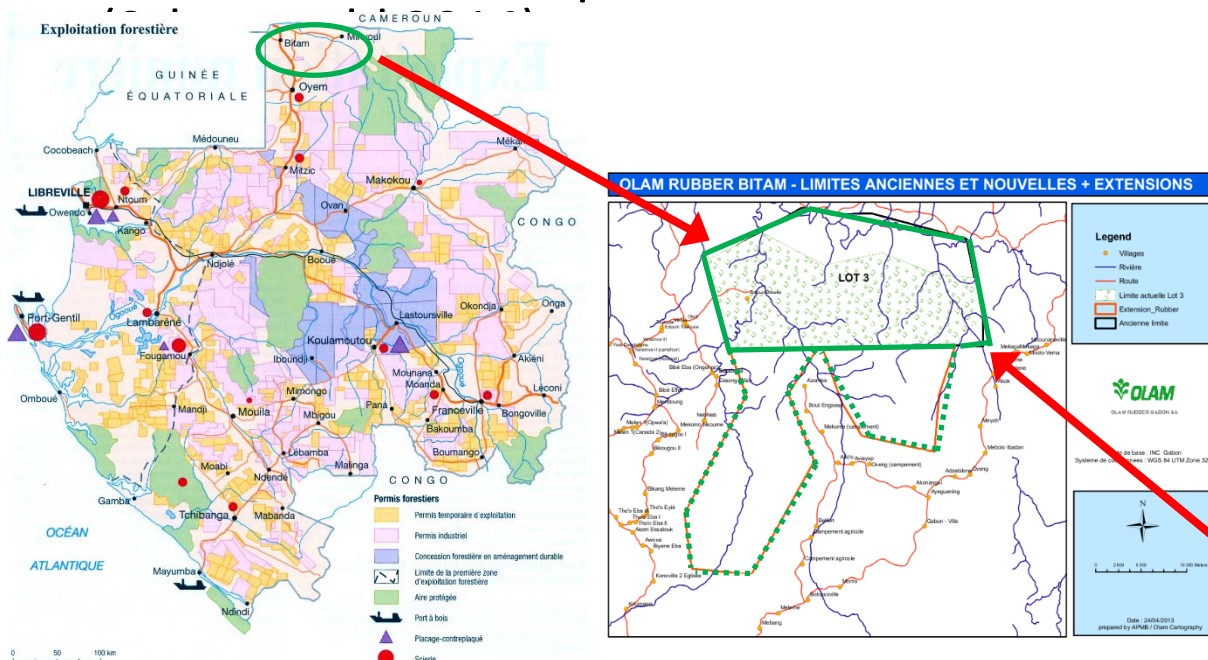
Vision 2025 et orientations
stratégiques 2011-2016

Déclinaison en Programmes et Actions du
Projet de Société de son Excellence Ali
BONGO ONDIMBA, Président de la
République: « l'Avenir en confiance »



Juillet 2012

- 2010: **US\$ 1.5 billion contract with Olam International;**
- Olam associated forest license in Woleu-Ntem province: 50 years renewable lease to establish an industrial rubber plantation (**initial area: 36,000 ha**).



Introduction: question


- Olam's Plantations code: private strategy to mitigate the environmental impacts of the plantations
- **Ability of this private governance system to respond to issues of sustainable development (in particular forest issues)?**

Olam Supplier Code – responsible sourcing

There are three principal steps in our approach to responsible sourcing.

1. **The Supplier Code** - the list of requirements which suppliers sign. This will focus on operational practices, covering the following areas:
 - Management systems
 - Labour standards and working conditions
 - Business ethics
 - Product quality, food safety and traceability
 - Community relations and social investments
 - Environment
2. **Guidance document** - operational guidelines to implement the Code, focusing on policies and processes.
3. **Checklist** - a structured set of checkpoints for self-inspection, second or third party verification and internal reporting to ensure compliance.



THE BRAND BEHIND THE BRANDS 

Building Sustainable Supply Chains

Corporate Responsibility & Sustainability Report 2013



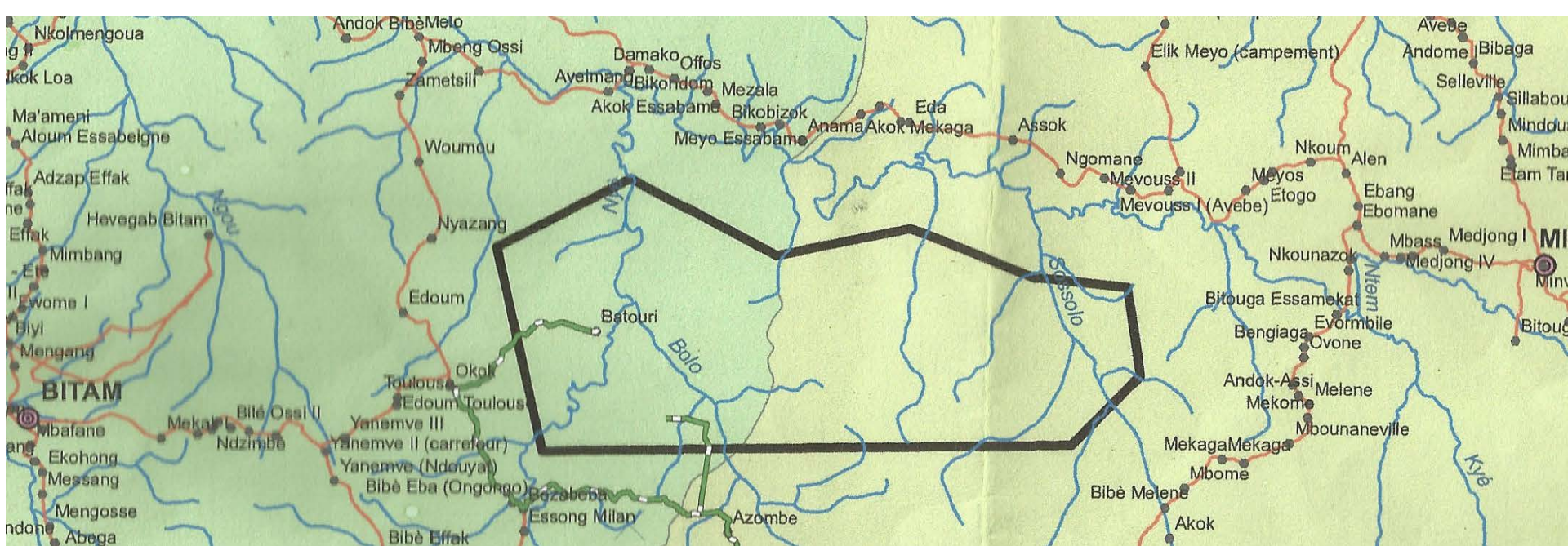
The Olam Sustainability Standard



Theoretical framework

- **Corporate Social and environmental Responsibility (CSR) :** companies commit themselves to adopt practices that go beyond complying with legal obligations in order to improve working conditions, protect the environment, and respect human rights ([Auld et al., 2008](#)).
- **Sustainable Supply Chain governance (SSCG) systems):** forms of cooperation of market actors in (international) supply chains (possibly together with non-market actors) in improving the environmental and social conditions of production operations in developing countries” ([Vermeulen, 2010](#))
 - ⇒ Integrating sustainability in global value chains.
 - ⇒ Combining vertical approaches (Global Value Chains, Gereffi et al. 2005) and horizontal approaches (Global production networks,
 - ⇒ **Territorial dimension**

Methodology



Appraisal mission to assess the rubber plantation's environmental and social impacts

- socio-anthropological fieldwork;
- field observations in the concession area and in the close vicinity of the plantation;
- semi-structured interviews with over 30 stakeholders in the three main cities of the study area (Oyem, Bitam and Minvoul) and in Libreville;
- literature review including internal reports of Olam and statements of NGOs

Results 1: mitigating the environmental impacts in the plantation

Main environmental impacts

- loss of biodiversity due to the conversion of a large area of native forest into plantation
- damages caused by mechanical equipment on soils
- risk of runoff and contamination of surface and ground water
- generation of industrial waste.

Environmental mitigation measures

- usable area has been reduced (36000 to 28000 ha)
- 5 km buffer zone has been delineated between the plantation's area and the villages
- natural forest strip 60 -100 m. around watercourses
- waste processing and recycling of used oils and fuels



Results 2: mitigating the social impacts of the plantation

Main social impacts

- loss of forest usage rights like hunting and gathering activities

Social mitigation measures

- social contracts:
 - provision of basic infrastructure (roads, schools, pumps, etc.)
 - hiring local workers
 - income-generating activities

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Au mois de **septembre 2012**, la société **OLAM RUBBER GABON**, a annoncé officiellement son engagement à intégrer et à développer un processus de gestion responsable des ressources naturelles dans la mise en place de sa plantation industrielle dans le **Woleu-Ntem**.

Ce processus repose notamment sur un ensemble de négociations pour aboutir au « **CLIP** », Consentement Libre Informé et Préalable, entre OLAM RUBBER et les Communautés locales du HAUT-Ntem directement impactées et concernées par le projet de plantation.

L'implication de toutes les parties prenantes à ce processus a permis non seulement de dissiper les malentendus liés à la mise en place du projet et du programme social mais aussi d'apprécier les retombées socioéconomiques futures de ce projet et du CLIP.

En effet, la condition fondamentale pour la mise en œuvre du CLIP est le respect des piliers de la gestion responsable des ressources naturelles, à savoir : l'adéquation économique, l'équité sociale et la compatibilité écologique.

Pour aboutir à ce consentement, le processus a été mené en trois phases :

- La première phase a été consacrée à l'information des parties prenantes sur les exigences du projet, ses impacts potentiels, et les mesures préventives ou d'atténuation prévues pour compenser les dommages.
- La deuxième phase a consisté à l'identification de manière participative des modes de consultation, de représentation. Cette phase a abouti à la mise en place de deux organes de gestion et de concertation : un comité de suivi dans chaque village et un comité de pilotage regroupant en son sein les représentants de toutes les parties

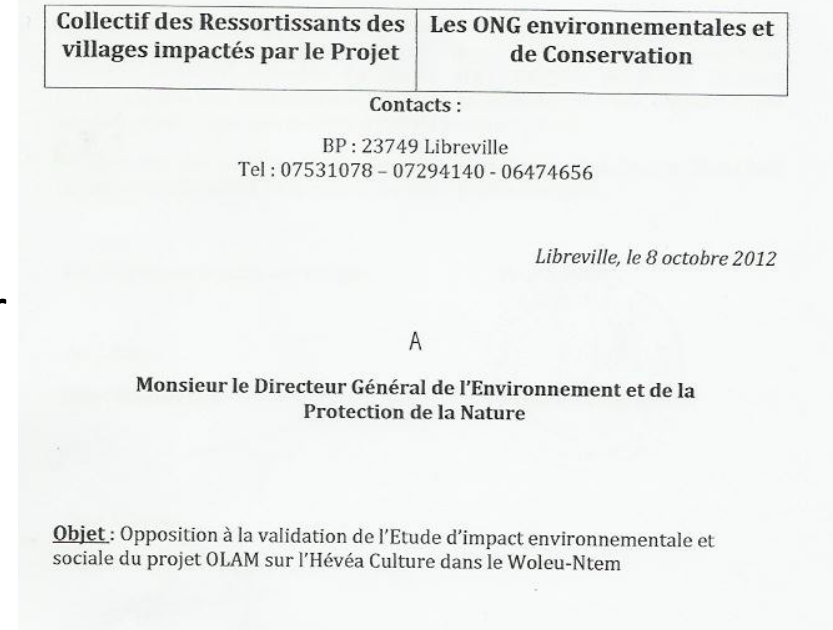
Results 3: unanticipated social and environmental effects

Immigration flows : 4-10 times the number of employees of the plantation

- ⇒ provision of resources and services associated with urban agglomerations: food, sanitation, roads, health?
- ⇒ Provision of lands for family farming activities?
- ⇒ Control of illegal hunting activities in the Minkebe park?

Compensations = a temporary solution.

- ⇒ Conflicts are emerging.
- ⇒ Compensations are moving towards private demands (ex: clearing plots)
- ⇒ demands by local authorities to Olam refer more and more to sovereign States functions (security, health...)



Conclusions

- The effectiveness of tropical agribusinesses SSCG systems cannot be addressed solely within the plantations.
- Rethinking SSCG systems in a broader context of public-private intervention **on a territory**
- strengthening the horizontal dimension of SSCG Systems by introducing a “**territorial governance**” dimension

