



Protecting and defending victims of economic crimes

# Annual report 2010





**SHERPA**, a not-for-profit association governed by the law of 1901, was set up in 2001 to protect and to defend victims of economic crimes.

The association brings together legal experts and lawyers convinced that law has a key role to play in ensuring fair and sustainable development.

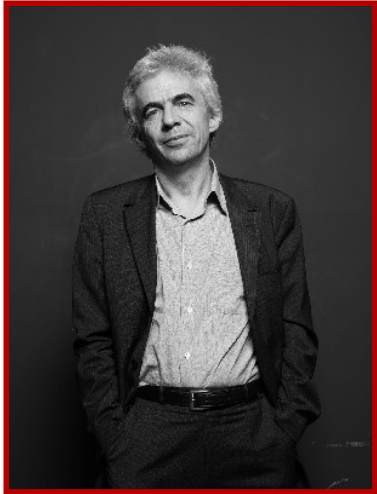


# Content

CONTENT .....	3
A WORD FROM OUR PRESIDENT .....	4
OVERVIEW OF OUR ACTIVITIES IN 2010 .....	5
ILLICIT FINANCIAL FLOWS AND DEVELOPMENT .....	6
❖ ILL GOTTEN GAINS CAMPAIGN.....	6
GLOBALIZATION AND HUMAN RIGHTS.....	9
❖ RESOURCES AND CONFLICT CAMPAIGN.....	9
❖ FAIRWASHING CAMPAIGN .....	10
❖ LEGAL ASSISTANCE .....	12
IN BRIEF .....	16
WE WERE THERE .....	16
EVENTS .....	17
OUR PUBLICATIONS.....	18
FINANCIAL REPORT.....	19
THE TEAM .....	24
ACKNOWLEDGEMENTS .....	25



## A word from our president



« After a rather difficult year 2009 which saw some of our most precious employees leave us, our team had reasons to fear the worst for 2010. The good news is: the worst didn't happen! Thanks to massive support from our subscribers, interns and volunteers, SHERPA managed to pursue its legal and judiciary battles with, at times, spectacular results.

A major event of 2010 has been the Supreme Court's decision in the now-famous "Biens Mal Acquis" case. After more than 3 years of procedure, the highest French jurisdiction eventually recognized the admissibility of SHERPA's legal action. Thanks to this milestone decision, a judicial investigation is now underway; this investigation, let's hope so, will allow to shed light on the French assets of the three targeted African heads of State.

Another important development: the launch of our Fair Washing Campaign. What is at stake here? There is no transnational corporation without a code of conduct or a green business section; sustainable development is in every mouth. But for what concrete results? Mostly cosmetic ones, words and images, as long as they only talk about what's working; all of this is truly only concealing sustainable cynicism...

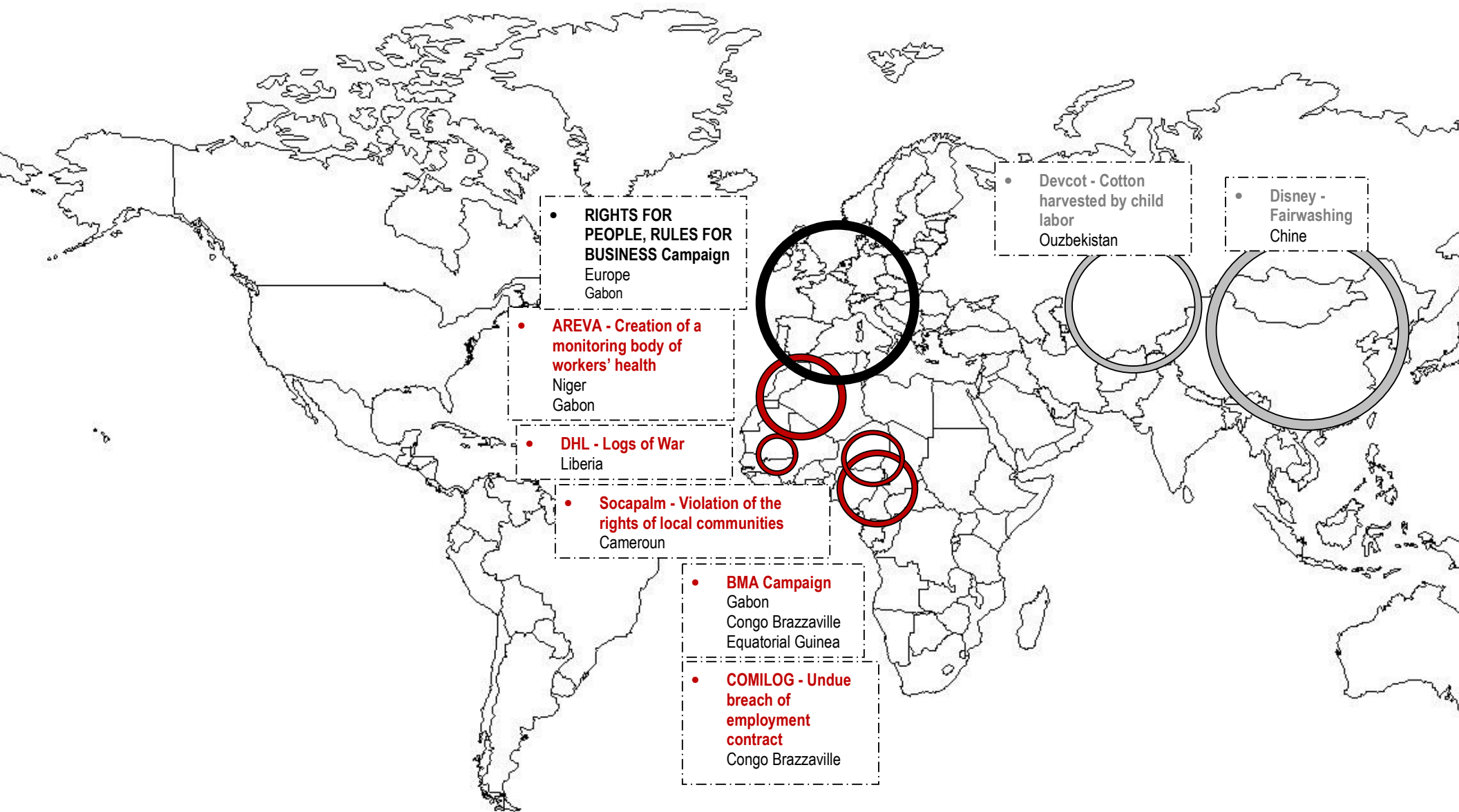
We also embarked on a European campaign aimed at raising public awareness on the need for a European framework capable of compelling multinational corporations to disclose information on the social and environmental harm they are causing in developing countries. The petition is still online and is aiming at 100.000 signatures before Autumn 2011, so feel free to commit and sign it.

Outside of those political and juridical successes, SHERPA also achieved substantial structural improvements: our board has been reorganized, incorporating new and different profiles so as to widen the spectrum of its propositions; our website was redesigned and improved, making it simpler to access ; social network pages were also created (Facebook, Twitter, ...), increasing our visibility. Our international network has also expended, with new partnerships in Asia and South America.

More than ever, SHERPA is exploring a third way between naïve do-gooding and fanaticism, doubtlessly the only possible way considering the extreme complexity of the challenges faced by us all. Indeed, a lot remains to be done, and the association still lacks the financial means to perform adequately and meet its ambitious goals; our faith in the future, however, remains strong. Economic actors genuinely willing to combine profitability and common interest exist: we've met them! »



## Overview of our activities in 2010



## Program

### Illicit financial flows and Development

#### ❖ Ill gotten gains campaign

Many officials particularly in developing countries put personal gain before the good of the country. Supported by banks and other financial intermediaries, these corrupt ruling elites pillage their country's resources and hide their ill-gotten gains in Northern economies. The name for this phenomenon is kleptocracy (from the Greek klepto, theft and kratos, power) and it constitutes a serious obstacle to development.

Article 51 of the United Nations Convention against Corruption (Merida Convention) establishes the restitution of illegal assets as a fundamental principle. While it is a laudable provision, the convention is State-centric: conceived by States for States. In other words, although the Merida Convention considerably strengthens the means to act to recover stolen assets, these means are only at the disposal of the legal entity of the victim State. What if the very ruling elites of this State are the very ones who responsible for the plunder of the country?

SHERPA intends to give victim populations, who are the first affected by this pillaging, the means to act. This is the rationale behind the launch of our "Ill-gotten gains" campaign.

#### →BMA - « Biens Mal Acquis » case

##### Facts summary

The case started in 2007, when CCFD-Terre Solidaire published a report titled "Biens mal acquis...profitent trop souvent - La fortune des dictateurs et les complaisances occidentales" which estimated the amount of stolen assets located in Western countries.

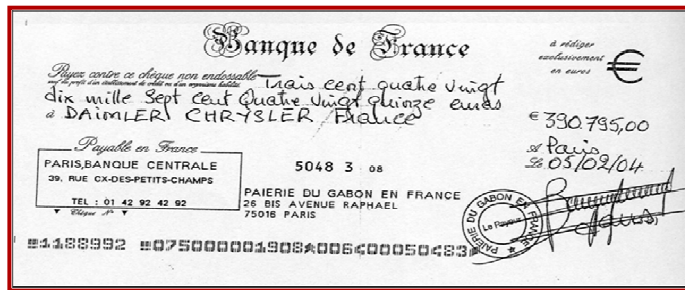
Following this publication, SHERPA conducted a study in order to explore the various legal means by which such assets could be recovered should they be located on French soil.

##### ▪ Preliminary complaint n°1

In March 2007, NGOs SHERPA, Survie and the Fédération des Congolais de la Diaspora lodged a complaint before the Public Prosecutor in Paris, France against the ruling families of Angola, Burkina Faso, Congo-Brazzaville, Equatorial Guinea and Gabon; according to the NGOs, those families owned considerable real estate on French soil, assets which could not have been acquired merely through their legitimate salaries and revenues. The complaint relied on the charges of receiving and concealing of embezzled funds as provided by articles 321-1 and 432-15 of the French Criminal Code. According to those texts, is punishable in France anyone who detains illegally-acquired assets on the French territory

### ▪ Preliminary Investigation

In June 2007 a police investigation was ordered. It confirmed most of the allegations and further uncovered tens of millions of Euros worth of luxury properties and cars and hundreds of bank accounts belonging to the Heads of State, their family members and close associates. The investigation also shed light on the extremely unusual nature of some financing methods: Edith Bongo, then spouse of the President of Gabon, allegedly acquired a Daimler Chrysler which was paid for by direct transfers from the Gabonese public treasury.



Despite those findings, the investigation was closed down in November 2007 after the Public Prosecutor ruled that the crimes were “insufficiently substantiated”.

### ▪ Preliminary complaint n°2

On July 9 2008, Transparency International France (TI), as well as Congolese and Gabonese citizens, lodged another preliminary complaint before the Public Prosecutor.

This second complaint covers the exact same facts as those denounced 16 months earlier by SHERPA; the complaint's only purpose was to comply with the new legal requirements provided for the admissibility of civil claims before criminal courts. Unsurprisingly, this complaint was also dismissed on September 3, 2008.

### ▪ Civil claim

On December 2, 2008, TI France and Gabonese citizen Gregory Ngbwa Mintsa, both defended by attorney William Bourdon from the Paris Bar and President of SHERPA, lodged a complaint with civil party petition before the Dean of the Investigating Judges of the Paris Trial Court in the hope of triggering a formal preliminary investigation.

Even before assessing the merits of the case, the Dean first had to rule on the admissibility of the plaintiffs: do TI France and Gregory Ngbwa Mintsa have a standing to sue in this corruption case?

On May 5 2009, the Dean of Investigating Judges ruled on the non-admissibility of the petition lodged by the Gabonese citizen, considering M. Ngbwa Mintsa had no standing to sue. TI's France petition, on the other hand, was deemed admissible, a decision which could and should have triggered a formal preliminary investigation had not the Public Prosecutor immediately appealed it...

On October 29 2009, the Paris Court of Appeal overruled the Dean's order. Following the recommendations of the Public Prosecutor, the judges considered that TI France had no standing to sue in that case.

## What's new in 2010?

An appeal to the French Supreme Court was filed. In a decision made on November 9, 2010, the Criminal Chamber of the Supreme Court overruled the appeal judges' decision and established the admissibility of the complaint filed by TI France on December 2, 2008.

The decision of the Supreme Court will allow the nomination on an investigating judge and the opening of a formal investigation. It will be this judge's task to assess how the targeted assets were acquired, and how the various bank accounts discovered by the police were fueled.

This investigation should also shed light over the role of several intermediaries who might have facilitated the litigious bank operations. One cannot help but wonder about the banking institutions identified by the preliminary investigation and about how much they enforced their own anti-laundering procedures.

This decision constitutes a major legal milestone whose implications far exceed the Bien Mal Acquis case: for the first time in France the complaint of an anti-corruption NGO is deemed admissible, in the name of the interests the organization has sworn to defend. This decision was widely reported by French and international medias.

## Case assessment



Beyond the media hype, the BMA case also caught the eye of numerous legal experts who have since then abundantly published:

- ✓ F. Rome, Cousu de fil blanc: Dalloz 2009 p. 1265;
- ✓ G. Roujou de Boubée, Compétence française pour des détournements de fonds publics commis au préjudice d'Etats africains: Dalloz 2009 n°22;
- ✓ Ch. Cutajar, L'affaire des «biens mal acquis» ou le droit pour la société civile de contribuer judiciairement à la lutte contre la corruption: JCP Edition Générale n° 22, 27 Mai 2009, act. 277 ;
- ✓ Ch. Cutajar, Affaire «des biens mal acquis», un arrêt qui ne clôt pas le débat: JCP Edition Générale n° 51, 14 Décembre 2009, p.563;
- ✓ C. Cutajar et M. Perdriel-Vaissière, Réforme de la procédure pénale: l'action citoyenne, nouvel outil de lutte contre la corruption transnationale?, Dalloz 2010 p.1295 ;
- ✓ F. Rome, Noirs délires..., Dalloz 2010 p. 2641;
- ✓ G. Roujou de Boubée, Affaire dite des «biens mal acquis» (suite), Dalloz 2010 p. 2760 ;



- ✓ S. Lavric, Affaire des «biens mal acquis»: recevabilité de la constitution de partie civile de l'association Transparence International France, Dalloz 2010, act. 2707;
- ✓ C. Cutajar, Affaire des biens mal acquis: la chambre criminelle ordonne le retour de la procédure au juge d'instruction, JCP Edition Générale n° 48, 29 Novembre 2010, p. 1174;
- ✓ M. Perdriel-Vaissière, La poursuite des faits de corruption à la lumière de l'affaire des Biens Mal Acquis, Dalloz 2011 p. 112.

It is worth noting that the Public Prosecution's attempts to prevent the case from being opened caused the question to be brought before the National Assembly by socialist André Vallini. On **May 12<sup>th</sup> 2009**, during a routine session of questions to the government, the representative formally asked Secretary of Justice Rachida Dati: "In this case, did you exert your influence over the Office of Public Prosecution in Paris? (Complete records of the May 12<sup>th</sup> session can be accessed at [http://www.assemblee-nationale.fr/13/cr/2008-2009/20090238.asp#P221\\_36264](http://www.assemblee-nationale.fr/13/cr/2008-2009/20090238.asp#P221_36264)). On 9 November 2010, the same deputy issues a press release to welcome the decision of the Supreme Court.

Various directors also got interested in the case:

- ✓ Play: « Le procès des Biens Mal Acquis », adapted by Lionel Girard ;
- ✓ Documentary: « Biens mal acquis, l'enquête interdite », a documentary by Benoît Bertrand-Cadi broadcasted on Arte on October 19, 2010.

## Program

### Globalization and Human rights

#### ❖ Resources and conflict campaign

The link between natural resources and conflicts is two-fold. First, as a much-needed asset, natural resources are the source of many conflicts that aim at controlling mining regions - and are therefore a key factor in assessing the risk of civil war in a given country ("On economic causes of Civil War", Collier, P. and Hoeffler, 1998). Second, as a source of wealth, the financial gain from exploiting natural resources can fuel continued conflict (i.e. buying arms and munitions, paying soldiers).

The situation then often arises where corporations profiteer from these conflict situations.

#### →DLH - **Logs of war** in Liberia

##### Facts summary

On November 18, 2009, SHERPA, Global Witness, Greenpeace France, les Amis de la Terre and a Liberian citizen filed a complaint before the Public Prosecutor in Nantes, France, against DLH France and DLH Nordisk A/S, both subsidiary companies of Dalhoff Larsen and Horneman Group (DLH), thereby denouncing the group's purchase policy in Liberia during the civil war.



Between 2001 and 2003, timber from Liberian companies directly linked to Charles Taylor was purchased, imported in France and distributed throughout Europe by DLH. During those years, DLH was purchasing timber from companies specifically targeted by several UN reports for their responsibility in human rights violations, breaching of UN arms sanctions, environmental destruction and corruption.

By importing timber from those sources, it is the plaintiffs' opinion that DLH France and DLH Nordisk A/S are guilty of 'recel', i.e selling and/or handling of illegally acquired goods, an offense punishable under French Criminal Law. In the present case, 'recel' is characterized by DLH-purchased, imported and distributed timber's illegal origin: forest concessions which were acquired and operated in violation of Liberian Law.

### **What's new in 2010 ?**

A police investigation was launched in the course of 2010.

### **Case assessment**

Can companies whose purchasing policy finances violence and armed conflicts be held accountable? Should SHERPA's arguments be admitted in court, the consequences would be huge: the case would become a notable milestone.

## **❖ Fairwashing Campaign**

The late proliferation of voluntary norms in the field of Corporate Social Responsibility (codes of conduct, ethical charters, social certifications ...), albeit encouraging, did not lead to a drop in human rights violations.

It also appears that more and more multinational corporations profit unduly from these *soft law* instruments in order to turn into sales arguments the very ethical commitments they contain.

SHERPA considers that the fundamental ILO conventions, along with its tripartite Declaration, the Universal Declaration of Human Rights, the OECD Guidelines, or the UN Global Compact, on which rely most of the corporations' ethical commitments, should not be used as mere marketing ploys.

Furthermore, SHERPA also considers that *soft law* tools are not devoid of legal significance: multinational corporations that violate the commitments defined by those texts should be held accountable and legally responsible.

To address this, SHERPA decided to launch a specific campaign.

## → **Disney Case: deceitful code of conduct = misleading advertising?**



On November 8, 2010, SHERPA filed a petition before the French Advertising Standards Authority (ARPP) against Disney's "code of conduct for manufacturers", alleging a breach of the professional rules regarding advertising by purposefully using misleading information in what should be an "ethical" text.

In its "code of conduct for manufacturers" the Walt Disney Company guarantees "an ethical and responsible conduct in all [its] operations", "in every part of the world", and "the respect of the rights of individuals in every case."<sup>1</sup>

Disney assures us that "all manufacturers of Disney products" are bound to design and manufacture them while respecting the social norms made mandatory by the company. These norms include child labor, forced labor, coercion and harassment, non-discrimination, collective negotiations, health and safety, wages and the respect of local and international law.

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<sup>1</sup> Disney's code of conduct is available at the following address :  
[http://corporate.disney.go.com/media/corporate/compliance/languages/French\\_577\\_1\\_COC\\_w\\_En\\_template.pdf](http://corporate.disney.go.com/media/corporate/compliance/languages/French_577_1_COC_w_En_template.pdf)

However, various investigations lead in China in 2005 by SACOM and China Labor Watch and publicized in France by Peuples Solidaires consistently show a reality far different from what Disney pictures in its code of conduct: forced labor, excessive overtime, deplorable safety conditions, lack of social security... The work conditions of Disney's Chinese workers stand in complete contradiction with the corporation's code of conduct.

Despite all this, on December 3<sup>rd</sup>, 2010, the ARPP dismissed our request, stating that Disney's "code of conduct for manufacturers", created to express the company's wishes to its manufacturers, did not constitute advertising, and thus fell outside the competences of the Jury.

SHERPA categorically rejects this reasoning. It is obvious that more and more consumers consider the conditions in which the products they buy were manufactured to be increasingly important; the "ethical" communication and advertising of corporations is an obvious attempt at influencing their choices.

## ❖ Legal assistance

### • **AREVA - Miners' exposure to radiations**

In 2003, SHERPA and CRIIRAD (The Independent Research and Information Commission on Radiation) visited Niger to investigate the conditions under which AREVA was operating locally and in particular the impact of its uranium mining activities, at the invitation of Aghirin'Man, a Nigerien environmental NGO. Major problems were identified including lack of education of the workers about radiation issues and their insufficient or non-existent protective gear.

Following the publication of a report on the mission's findings, former AREVA mine workers in Gabon also approached SHERPA complaining of similar issues: many feared that their health had been affected by their work in the uranium mines. Campaigning organization Médecins du Monde, bringing its medical expertise, joined SHERPA and CRIIRAD in publishing a second report on the situation in Gabon and announced their intention to file a complaint against AREVA.

At this point AREVA indicated its desire to negotiate a settlement and SHERPA and its collaborators decided to pursue this option. On 19 June 2009, after a two-year negotiation, SHERPA and Médecins du Monde reached a settlement with AREVA, with 2 objectives: reparation of damage already caused to the mineworkers' health and prevention of further damage.

The agreement created a Local Health Monitoring Body on mining sites operated by AREVA (in Gabon, Niger, Kazakhstan and Canada). Each monitoring body will consist of a multi-stakeholder Executive Board and a Medical Committee (with representatives from NGOs, local communities and AREVA). These monitoring bodies will focus on the workers' health, both during and subsequent to their employment by AREVA. In this manner, any employee of AREVA or any of its subsidiaries or sub-contractors suffering from a work-related illness will be given medical care and compensated, either through his own social insurance or, should this prove impossible, directly by AREVA.

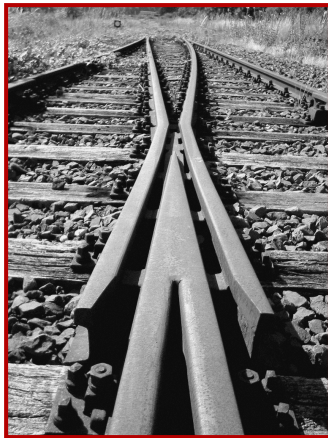
In addition, AREVA agreed to put in place a Preliminary Health Assessment procedure prior to beginning mining operations in order to assess fully any further impact of its mining operations on local health and environment. The first instance of this innovative mechanism will be implemented in Niger on the Imouraren Project.

Finally, the agreement creates a Monitoring Committee consisting of 6 scientists who are experts in radiation protection: 3 appointed by AREVA, 3 by SHERPA and Médecins du Monde. The Committee's objectives are to define the terms of reference (TOR) and operation for the Health Monitoring Bodies and to harmonize their methods and procedures; to define the TOR and rules of operation for implementation of the Preliminary Health Assessments in AREVA's new zones of operation; and to collect and analyze the data from the local health monitoring bodies.

Without being overly optimistic, it is hard to deny that this agreement has substantially improved the employees' work conditions. It is, however, only a step in the right direction, and the agreement's effectiveness will depend on its actual implementation.

In 2010, SHERPA celebrated the 1<sup>st</sup> anniversary of the agreement.

- **COMILOG - Breach of employment contract**



The company COMILOG (Ogooué Mining Company) was incorporated in 1953 to exploit a large manganese deposit located in the West African state of Gabon near the city of Moanda. Because of the vast distance between the mine location and the Gabonese coast, a road was built between Moanda and Mbinda, in neighbouring Republic of Congo (RoC), and railway tracks were laid from Mbinda to the port

of Pointe Noire, RoC.

COMILOG started operating in RoC in 1959 and employed more than 1,000 workers, mostly Congolese, to transport the manganese ore to Pointe Noire prior to its export.

In 1988, the company laid off a first batch of workers. In 1991, an accident occurred involving a COMILOG-operated train in Mvougouti, near Pointe Noire, with hundreds of casualties. Following this terrible accident, and although it was unrelated to COMILOG's core activities, COMILOG's executives decided to obey an injunction from the Gabonese authorities to suspend the transport of manganese ore on the Gabonese railways. As a consequence the remaining workforce employed in Congo was summarily fired.

The company refused to compensate the laid-off workers in any way, even denying them an "end-of-employment" certificate, a document without which the workers would be unable to claim their retirement pensions.

In 2006, William Bourdon, President of SHERPA, met Alain Leopold Moukoyou, President of the COMILOG Workers' Association. SHERPA was mandated to help enforce the workers' rights and obtain from COMILOG the payment of just compensation. 868 individual cases were eventually documented and filed by SHERPA on 9 November 2007 before the Paris Industrial Tribunal (the Conseil Prudhommal). The total compensation demanded, including for damages to all former employees, amounts to around €60 million.



- **SOCAPALM - Violation of rights of local communities**



On 7 December 2010, SHERPA and its local partners filed a complaint before the national OECD contact points in France, Belgium and Luxemburg against the following companies: Bolloré, Financière du Champ de Mars,

SOCFINAL and Intercultures - all of them are shareholders of the SOCAPALM, the biggest palm oil producer in Cameroon.

Prior to the arrival of SOCAPALM as a state company in 1968, the region of production was covered with a Guinea-Congolese rainforest of an exceptionally rich biodiversity. The region was home to hunter-farmer Bantus and hunter-gatherer Bagyeli (“Pygmies”) communities both dependent to various degrees on the forest resources for their food, medicine and spiritual needs.

SOCAPALM’s creation led to thousands of hectares of forests being cleared and turned into palm tree monocultures, thus reducing the wooded areas that were used by local communities for their hunting and gathering activities. Access to thousands of hectares of arable land was restricted to local communities while numerous fishing zones became inaccessible because they fell within the plantation’s limits.

The authorities stated that the communities located near SOCAPALM were to be compensated by new public services as well as job and business opportunities offered by the new agro-industrial complex. However, due to insufficient profitability, the state company never managed to effectively implement these public service provisions.

The privatization of SOCAPALM was carried out under the auspices of the IMF and World Bank as part of a structural adjustment program and was supposed to inject new life into the agro-industrial company. This scenario never materialized: far from assuaging the tensions between the company and the local communities, privatization only worsened the communities’ situation. The new profit-oriented logic of the privatized company was a poor fit with the needs and aspirations of the local communities. Among the latter, the following phrase is often repeated: “For SOCAPALM, a palm tree is worth a lot more than a hundred men”. The local communities do not benefit from the employment and business opportunities offered by the plantation and, in addition, the company’s activities are altering the quality of their environment and causing serious health risks. Neighbouring communities also live under the constant threat of patrols conducted by agents of SOCAPALM’s security company. Plantation employees work and live in deplorable conditions.

Through this action, SHERPA wishes to denounce the social and environmental damage caused by SOCAPALM to the local communities, as well as the living and working conditions of the plantation’s employees.

- **Uzbekistan - Cotton harvested with child forced labor**



On October 25<sup>th</sup>, 2010, SHERPA filed an OECD complaint against the company Devot SA, a cotton trader, on the basis of alleged violations of the OECD Guidelines perpetrated by purchasing Uzbek cotton harvested by children.

Uzbekistan is the world's fifth largest cotton producer and the second

largest exporter, for a total income of half a billion dollar a year (USD 500.000.000). All studies performed in Uzbekistan show that children aged 10 or more are regularly sent to work on the harvest. Estimates regarding child forced labor in the Uzbek cotton industry range from 1 to 2.7 million school-age children.

Cotton harvesting is physically exhausting. Children pick up cotton by hand and have to carry heavy loads over long distances. They don't have access to sanitary installations nor clean water, and their food is mediocre at best. The use of forced child labor in the Uzbek cotton industry has been recognized as a major issue by the international community for several years.

SHERPA believes that European companies who trade with Uzbekistan should be held responsible for the use of forced child labor.

## In brief

- « Rights for all, Rules for Business! »



Coordinated by the European Coalition for Corporate Social and Environmental Responsibility ECCJ, this campaign aims at raising the awareness of leaders

and the public opinion on the need for a European legal framework capable of forcing multinational corporations to disclose the social rights violations and environmental damage they cause in developing countries.

- **UNESCO-Obiang Prize**

The international UNESCO-Obiang Nguema Mbasogo Prize for Research in the Life Sciences was established in 2008 when the Executive Council of the United Nations Organization for Education, Science and Culture (UNESCO) accepted a \$3 million donation from Equatorial Guinea's President Teodoro Obiang Nguema Mbasogo destined the fund the prize bearing his name.

In order to get this prize canceled – since it is obviously contrary to the UNESCO's mission -, SHERPA campaigned along with defenders of human rights and organizations throughout the globe so as to publicize the terrible results of Obiang's rule in terms of corruption and violation of basic human rights.

Thanks to oil revenues, Equatorial Guinea has the highest GDP-per-capita figure in sub-Saharan Africa; despite this, in terms of health and development, the countries' performance is on par with the poorest nations in the world.

Following endless pressures for more than a year, the UNESCO finally decided to postpone indefinitely the attribution of the Obiang Prize on October 19<sup>th</sup>, 2010. This is victory as much for the campaigning organizations as for the Equatoguinean population.

- **Congratulations Grégory!**



Congratulations to our friend and partner Gregory Ngbwa Mintsa who was awarded the 2009-2010 Prize for Integrity by Transparency International on November 12<sup>th</sup>, 2010, for his courage and determination in the context of the *Biens Mal Acquis* case.

## We were there:

March 12th: 8<sup>ème</sup> Festival International Du Film des Droits de l'homme (Paris) ;

March 18th: Colloque International sur la Responsabilité Sociale de l'Entreprise (Paris), co-organisé par l'Université de Paris Descartes et l'Université de Montréal ;

March 20th: Les enjeux d'une régulation des multinationales européennes qui exploitent les ressources extractives (Paris), Une seule planète ;

June 18-20th: Etats généraux du renouveau (Grenoble) ;

June 22nd: Dignité, droits humains et pauvreté - Industries extractives et violations des droits humains : quelles réalités ? (Paris), Table ronde organisée par Amnesty International ;

July 1st: Forum mondial des droits de l'Homme (Nantes) ;

July 7-10th: Université d'Eté de la solidarité internationale (Bordeaux) ;

July 8th: Comment piloter la transition vers une économie responsable ? (Paris), Campus du C3D ;

July 8-14th: Forum Chine- Europe (Honk-Kong) ;



September 27-28th: Conference on Legal Remedies for Human Rights abuse involving corporations (Genève), Commission internationale des juristes;

October 8-10th: 10<sup>th</sup> International Conference of National Human Rights Institutions (Ecosse);

October 27-30th: Sommet international sur le crime international (Genève), Crans Montana ;

November 10-12th: 14<sup>ème</sup> International Anti-corruption conférence (Bangkok) ;

November 18th: Forum International pour le Développement Durable (Genève), Les Ateliers de la Terre ;

November 19th: Forum européen sur le pro bono (Paris), PILI ;

November 22nd: Recherches et prospectives en développement durable (Paris), AEDD ;

November 26th: World Forum 2010 - L'entreprise responsable (Lille) ;

November 29-30th: Forum multistakeholder sur la RSE (Bruxelles) ;

December 7th: 2<sup>èmes</sup> Etats Généraux de la responsabilité sociétale (Paris) ;

December 16th: Forum sur l'Investissement socialement responsable (Paris) ;

## Events

January 15th, 2010 - **La responsabilité sociale, environnementale et fiscale des entreprises (RSEFE)**

→ Workshop organized by SHERPA in partnership with Friends of the Earth, the CCFD and the Forum Citoyen pour la RSE (FCRSE) at the French Parliament.

February 18th 2010 - **La responsabilité fiscale des multinationales: Quelle justice fiscale pour les économies du Sud ?**

→ Seminar organized by SHERPA in partnership with Avocats Sans Frontières (Belgium) at the Paris Maison du Barreau.

June 7th 2010 - **Restitution des avoirs détournés : Comment venir en aide aux populations en cas de défaillance des Etats ?**

→ Round table organized by SHERPA in partnership with Transparence International France

June 29th 2010 - **Les principes directeurs de l'OCDE**

→ Awareness workshop organized by SHERPA in partnership with Dutch NGO SOMO (Centre for Research on Multinational Corporations)



## Our publications

### January 2010 - Transnational Corporations and their social responsibility



→ By analyzing the major aspects of the relations between law and Corporate Social Responsibility, this pedagogical tool sheds new light on the issue in a documented and accessible manner. The reader will find, through 8 thematic articles, a legal perspective on the fundamental issues on this field: the development of codes of conduct, international mechanisms (OECD Guidelines, ILO Tripartite Convention, etc.), the

mandatory transparency on social and environmental impacts, the notion of sphere of influence, the notion of corporate group, the particular problems of supply chains, the risks aspects of criminal and civil responsibility for transnational corporations, etc.

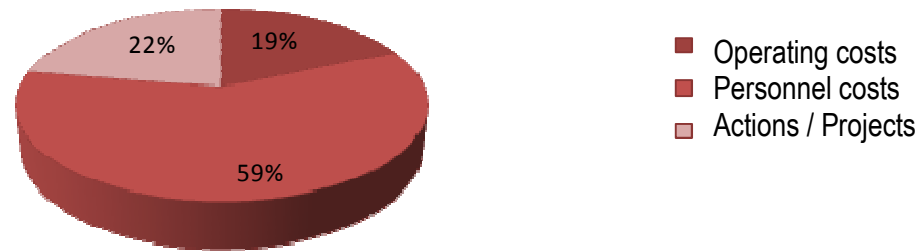
### November 2010 – Stolen Asset Recovery: a 2009-2010 chronicle of a stalled commitment (Study conducted with the CCFD)

→ A brief overview of the most important events since the publication by CCFD-Terre Solidaire of its “*Biens Mal Acquis: a qui profite le crime*” report in June 2009.

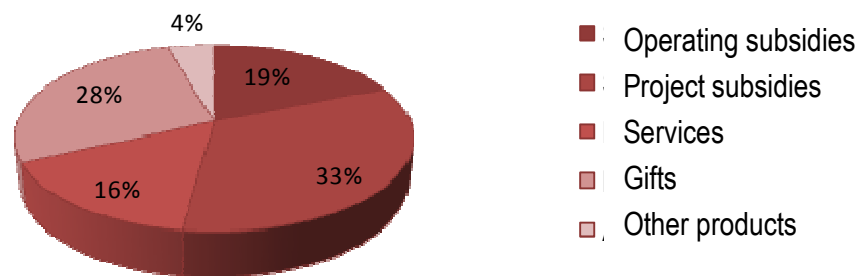


## Financial Report

### Expenses 2010



### Income 2010



## Balance sheet - 12/31/2010

Accounting year 01/01/2010 - 12/31/2010				
ASSETS				
			Year 2010	Year 2009
Fixed assets		gross      depreciation	net	net
Tangible assets		18 165,00      13 721,00	4 444,00	6 773,00
Others			15,00	15,00
Deposits			1 013,00	1 013,00
Total I			5 472,00	7 801,00
Current assets				
Receivables	Clients		14 385,00	
	Others		63 298,00	13 832,00
Cash and cash equivalent			6 132,00	47 618,00
Petty cash			20,00	176,00
Prepaid expenses			0,00	206,00
Total II			83 835,00	61 832,00
TOTAL ASSETS			89 307,00	69 633,00

LIABILITIES		
	Year 2010	Year 2009
Association funds	net	net
Balance brought forward	-153 221,00	-150 321,00
Net result	-2 273,00	-2 899,00
Other association funds		
Recoverable transferred assets	134 881,00	134 881,00
<b>Total I</b>	<b>-20 613,00</b>	<b>-18 339,00</b>
Provisions		
Provision for liabilities and contingencies	0,00	0,00
<b>Total II</b>	<b>0,00</b>	<b>0,00</b>
Debt		
Debt to credit institutions	5 322,00	3,00
Suppliers and attached accounts	3 383,00	2 007,00
Social and fiscal debt	24 858,00	9 583,00
Other debts	76 357,00	76 379,00
<b>Total III</b>	<b>109 920,00</b>	<b>87 972,00</b>
<b>TOTAL LIABILITIES</b>	<b>89 307,00</b>	<b>69 633,00</b>

## Consolidated income - 12/31/2010

Accounting year 01/01/2010 - 31/12/2010			
		Year n	Year n-1
		12/31/2010	12/31/2009
<b>Operating income</b>			
Operating subsidies			
	THE SIGRID RAUSING TRUST	38 575,99	0,00
Project subsidies			
	STIFTUNG OPEN SOCIETY	25 875,94	12 700,00
	FPH EXPLOITATION	12 000,00	30 000,00
	FPH EXPLOITATION	0,00	0,00
	OIF	2 800,00	11 200,00
	FONDATION CHINA EUROPA	0,00	4 974,00
	TIDES	16 713,51	6 017,30
	FONDATION DROITS DE L'HOMME	6 000,00	
	MISEREOR	5 000,00	
Activities	Other products	9196,62	9 409,02
	Services	32860,36	38 444,84
	Gifts and liberalities	56 383,42	43 337,53
<b>Total I</b>		<b>205 405,84</b>	<b>156 082,69</b>
<b>Operating expenses</b>			
<b>Purchases</b>			
606100	Non-stocked supplies	0,00	0,00
606300	Maintenance supplies and petty equipment	1 012,54	13,69
606400	Administrative supplies	1 688,93	1 629,31
<b>Other external expenses</b>			
611000	Subcontracting	17 498,65	18 981,22
613200	Real-estate rent	7 117,88	2 426,06
615000	Maintenance and repairs	114,82	358,80
616000	Insurance	293,84	234,10
618100	General documentation	1 270,16	252,45
618500	Seminar and conference expenses	1 240,51	1 165,00
622600	Fees	2 990,00	13 400,00
622700	Legal and litigation expenses	283,20	346,79
623600	Printing	4 960,84	2 539,69
625100	Travel expenses	16 941,34	10 672,22
625600	Mission expenses	7 022,53	12 933,50

625700	Reception expenses	2 272,99	741,16
626000	Mail fees	795,69	444,87
626100	Phone fees	2 429,96	7 328,55
626200	Internet fees	807,31	1 615,44
627100	Banking services	487,59	346,85
628100	Various contributions	1 303,00	2 166,00
631200	Formation tax	553,85	
631300	Professional tax	535,76	1 214,74
641000	Salaries	83 101,06	119 598,48
641400	Advantages and indemnities	6 534,68	10 743,64
645000	Social contribution	32 437,70	45 925,86
657000	Granted subsidies	10 257,35	0,00
658000	Various management contributions	29,50	28,55
681100	Depreciation amortization contributions	2 328,60	3 101,06
	<b>Total II</b>	<b>206 310,28</b>	<b>258 208,03</b>
<b>I- OPERATING PROFIT</b>	<b>(I-II)</b>	<b>-904,44</b>	<b>-102 125,34</b>
	<b>Interest expenses</b>	-595,59	-316,47
	<b>Financial products</b>	32,46	319,44
	<b>Total III</b>	<b>-563,13</b>	<b>2,97</b>
<b>II- FINANCIAL RESULT</b>	<b>(III)</b>	<b>-563,13</b>	<b>2,97</b>
	<b>Exceptionnal expenses</b>		
671200	Penalties	0,00	-18,62
671300	Liberalities	-1 914,00	-750,00
671800	Other exceptionnal expenses	-371,00	-6 313,79
	<b>Exceptionnal products</b>		
771310	Exceptionnal contributions	0,00	102 000,00
771800	Other exceptionnal products	1 479,56	4 305,47
	<b>Total IV</b>	<b>-805,44</b>	<b>99 223,06</b>
<b>III – EXCEPTIONNAL RESULT</b>	<b>(IV)</b>	<b>-805,44</b>	<b>99 223,06</b>
	<b>Net profit / loss</b>	<b>-2 273,01</b>	<b>-2 899,31</b>
	<b>Evaluation of voluntary contributions in kind</b>		
871000	Product :gratuitous providable office space		2026
861000	Contribution : gratuitous providable office space		-2026
870000	Product : volunteer work	28800	
864000	Contribution : volunteer work	-28800	



### **Board of Directors**

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Maud Perdriel-Vaissière  
Sandra Cossart  
Claire Lucchini  
Céline Etre

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Marie-Caroline Caillet  
Léa Forestier  
Eric Moutet  
Yann Queinnec

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## Acknowledgements

SHERPA wishes to thank all its individual contributors, big and small, as well as the following institutions:



SIGRID RAUSING TRUST



SHERPA also wishes to thank the members of the Board, the pro bono lawyers, as well as all the interns and volunteers for their precious support in 2010.

### **Association SHERPA**

22, rue de Milan - 75009 Paris

France

Phone : 33-1 42 21 33 25

[contact@asso-SHERPA.org](mailto:contact@asso-SHERPA.org)

[www.asso-SHERPA.org](http://www.asso-SHERPA.org)