



## Land Grab or Responsible Development? Oil Palm Concessions in Liberia\*

In 2003, a 14-year bloody civil war in Liberia came to an end. Yet barely five years later, the World Bank Business Survey ranked Liberia among the “top 10” reforming countries in the world.<sup>1</sup> Much of the credit could be attributed to reforms implemented by President Ellen Johnson Sirleaf, who in January 2006 became Africa’s first female head of state and, in 2011, was awarded the Nobel Peace Prize for her work to bring peace, reconciliation, and stability to a fragile Liberia. One mark of Sirleaf’s success was significant foreign direct investment (FDI) in Liberia’s rich natural resources. As of 2011, Liberia had attracted a promised \$16 billion FDI in palm oil, iron ore, timber, rubber and other resources.<sup>2</sup> This was expected to generate an estimated \$2 billion in taxes and royalties.<sup>3</sup>

Natural resource concessions covered more than 45 percent of the country’s landmass. One of them was a 63-year contract signed in 2009 with Malaysia-based palm oil company Sime Darby, to develop 220,000 hectares of land across four counties.<sup>4</sup> The government-negotiated deal was intended to change the area dramatically, bringing jobs, income, schools, clinics and development to communities. One target area was Gbapolu County, a densely forested and remote agriculture and timber area three hours northwest of the capital, Monrovia. Under the concession agreement, the Sime Darby plantation would eventually cover 51 percent of Gbapolu County.

<sup>1</sup> World Bank Group, *Most Improved in Doing Business 2010*. The ranking was for 2008/9. See: <http://www.doingbusiness.org/reforms/top-reformers-2010>

<sup>2</sup> US State Department Bureau of Economic, Energy and Business Affairs, *2011 Investment Climate Statement - Liberia*, March 2011. See: <http://www.state.gov/e/eb/rls/ics/2011/157311.htm>

<sup>3</sup> International Monetary Fund (IMF), “Liberia: 2010 IV Consultation and Fifth Review Under the Three-Year Arrangement Under the Extended Credit Facility— Staff Report, December 2010; United States Department of State online site, “2011 Investment Climate Statement— Liberia,” March 2011. Note: all dollar amounts in this case refer to US dollars.

<sup>4</sup> See Appendix 1, Map 1.

\* This “teaching” case is intended to provide a basis for classroom discussion. It is not a comprehensive description of the situation. It neither endorses nor criticizes any person, entity or action taken in the case.

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In early 2012, while Gbapolu's residents anticipated the potential economic growth from Sime Darby's impending arrival, they also saw a cautionary tale in the experience of neighboring Grand Cape Mount County, the first area cleared by Sime Darby for palms. There, the plantation started in 2011 was blamed for rising levels of hunger and worsening health. Village leaders and community members in Grand Cape Mount County charged that they were not consulted before their land was taken, that they were not fairly compensated for their land and crops and that they were now unable to farm or fish. After the 2012 harvest, said one group, their community and families "would be finished."<sup>5</sup> They also said Sime Darby had failed to create promised jobs or hire local workers.

In Gbapolu, however, the terms of Sime Darby's enterprise were not yet finalized in 2012—specifically, which land it would develop. Local residents still had time to formulate a strategy. Local leaders welcomed socioeconomic development, but worried about the near-term hardships the palm plantation might create. Could Gbapolu learn from Grand Cape Mount's experience? If villagers leased their land to Sime Darby, would they go hungry? If land should be cleared for palms, which land? Gbapolu's leaders sought a formula that would bring economic and social development to the area without sacrificing land rights, livelihoods, food security or health.

### **Conflict and a Legacy of Poverty**

On January 16, 2006, Liberia inaugurated President Sirleaf as Africa's first female head of state. She inherited a war-torn country exhausted from 14 years of one of the world's most violent conflicts. The United Nations characterized Liberia as a "fragile, post-conflict socio-economic environment" and sent a 15,000-man UN peacekeeping force to maintain stability.<sup>6</sup> The war had killed over 270,000 people, created hundreds of thousands of refugees and displaced millions. As a World Bank put it, the war "destroyed basic institutions of governance as well as significant physical infrastructure and social capital. The economy collapsed, impoverishing much of the Liberian population."<sup>7</sup>

Even after the war, Liberia remained one of the world's poorest nations. As of 2011, some 95 percent of the country's 4 million citizens lived on less than \$2 a day. About one million lived in Monrovia; the rest were in small towns or rural areas. The country had an official unemployment rate of 85 percent, and 68 percent of workers were unskilled, partly due to limited access to education during the conflict.<sup>8</sup> Eight years after the conclusion of the war, the UN Mission in Liberia (UNMIL) continued to play a key role in maintaining a fragile peace. Liberia ranked 182

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<sup>5</sup> Authors' interviews with community members in Senii Town, Grand Cape Mount County, March 6-22, 2012.

<sup>6</sup> United Nations Mission in Liberia. Fact Sheet, Food Security and Nutrition in Liberia, Joint Programme of the United Nations and Government of Liberia. See: <http://www.unliberia.org/doc/FSNemail.pdf>

<sup>7</sup> World Bank and Government of Liberia. "Liberia Poverty Reduction Strategy," 2008. See: [http://siteresources.worldbank.org/INTPRS1/Resources/Liberia-PRSP\(Jul2008\).pdf](http://siteresources.worldbank.org/INTPRS1/Resources/Liberia-PRSP(Jul2008).pdf)

<sup>8</sup> Ibid.

out of 187 countries on the UN's Human Development Index.<sup>9</sup> Over 60 percent of citizens, most in rural areas, lacked access to basic health and education services.<sup>10</sup>

Although the majority of Liberians worked in agriculture, which constituted 77 percent of total GDP, Liberia was unable to feed itself—60 percent of food was imported.<sup>11</sup> While much of Liberia was fertile, most farming was at the subsistence level; President Sirleaf noted in an address that “Liberia is, after all, an agrarian nation, and much of our agriculture has been very preliminary; subsistence agriculture, basically.”<sup>12</sup>

Peasant farmers, usually cultivating under two hectares, grew rice, cassava and vegetables. The small farms did not provide significant income, but families could sell cash crops like vegetables and fruit in season, or hand-processed maize and cassava. Liberians in rural areas supplemented their farming with income-producing activities: rubber tapping, producing/selling palm oil, making charcoal, selling cooked foods, selling small products (e.g., matches, soap, candy), hunting, or working as contract laborers. With the income generated, families could pay for the food they could not grow themselves (such as imported rice during the June-September “hungry season” between crops) and non-food expenses such as healthcare, clothing, shelter, school fees and other necessities.

Low agricultural productivity, a high reliance on expensive food imports, persistent poverty, poor infrastructure and limited access to local markets (due to poor roads) contributed to a relentless state of household food insecurity and malnutrition. By 2011, Liberia was still far from meeting the Millennium Development Goal target of halving the proportion of hungry people by 2015.<sup>13</sup> According to the United Nations World Food Programme, 41 percent of Liberians consumed too little or insufficiently nutritious food.<sup>14</sup> Chronic malnourishment affected approximately 39 percent of children under five; another 7 percent suffered from acute malnourishment; and an additional 27 percent were underweight. Malnutrition killed 4,600

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<sup>9</sup> Liberia's score was 0.329, well below the regional sub-Saharan Africa average of 0.436. United Nations Development Programme. Human Development Report 2011. See: <http://hdr.undp.org/en/reports/global/hdr>

<sup>10</sup> Some 52 percent of Liberia's population was rural Liberia Poverty Reduction Strategy, World Bank & Government of Liberia, 2008. See: [http://siteresources.worldbank.org/INTPRS1/Resources/Liberia\\_PRSP\(Jul2008\).pdf](http://siteresources.worldbank.org/INTPRS1/Resources/Liberia_PRSP(Jul2008).pdf)

<sup>11</sup> The Famine Early Warning System Network (FEWSNET), WFP & USAID. “Livelihoods Zoning ‘Plus’ Activity in Liberia,” January 2011; also Republic of Liberia, “The State of Food Insecurity and Nutrition in Liberia: Comprehensive Foods Security and Nutrition Survey (CFSNS) 2010,” 2010.

<sup>12</sup> Office of the President of Liberia, “Statement by H.E. President Ellen Johnson Sirleaf to Board of Executive Directors at the First Replenishment Meeting for ADF-133,” February 20, 2013. See: [http://www.emansion.gov.lr/doc/President\\_Sirleafs\\_Statement\\_ADB%20\\_Board\\_Executive\\_Director.pdf](http://www.emansion.gov.lr/doc/President_Sirleafs_Statement_ADB%20_Board_Executive_Director.pdf)

<sup>13</sup> Liberia placed 24.3 on the Global Hunger Index. International Food Policy Research Institute, *Global Hunger Index 2012*, 2012. See: <http://www.ifpri.org/publication/2011-global-hunger-index>

<sup>14</sup> Government of Liberia Ministry of Agriculture and World Food Programme, “The State of Food and Nutrition Insecurity in Liberia,” 2010.

children annually and was estimated to contribute significantly to the \$40 million a year in lost economic productivity among adults. (See Appendix 1: Map 2; Figures 1-3).<sup>15</sup>

## Path to Development

When President Sirleaf took office, she embarked on an ambitious reform program. She hoped that Liberia could capitalize on its rich natural resources to attract foreign direct investment, which would help the country's economy recover. Liberia had a long history of granting natural resource concessions to foreign companies, notably in the rubber, timber, and iron ore mining industries. Since 1926, for example, one-tenth of Liberia's arable land had been leased by Firestone, an international rubber company. In pre-war Liberia, iron ore companies were a main source of government revenue.<sup>16</sup>

Unfortunately, there had been many abuses—pittance wages, environmental violations, abuse of land rights, and government misuse of funds. In fact, some 63 percent of Liberians believed that the lack of concession-related development due to misuse of funds was the primary cause of the long civil war.<sup>17</sup> Through the concession contracts, a succession of Liberian governments had made available community agricultural land for natural resource development. The war, however, had disrupted all the concessions.

In 2008, President Sirleaf launched a national Poverty Reduction Strategy (PRS), which called for “rapid, inclusive and sustainable growth and development.”<sup>18</sup> The strategy document read in part: “Secretive, special deals of the past that benefitted a few to the detriment of the majority will be replaced by transparent agreements with fairer terms and stronger mechanisms to ensure the proper distribution and spending of funds.”<sup>19</sup> Concessions, the government hoped, would increase government revenue, pay for infrastructure, develop the private sector and create jobs.

President Sirleaf’s focus on foreign investment seemed to be working. In 2008, the World Bank and other international donors recognized Liberia as a promising place to invest. Just three years later, GDP growth reached 6.4 percent.<sup>20</sup> With this international credibility came pledges of \$16 billion in FDI, mostly in the lucrative palm oil, mineral and timber industries. The inflow would affect nearly every part of Liberia: the new concessions included some 45 percent of the

<sup>15</sup> The Government of Liberia, “Government Response to Global Price Increases,” 2008. See: [http://www.foodsecurityportal.org/sites/default/files/Government\\_Response\\_to\\_Global\\_Price\\_Increases.pdf](http://www.foodsecurityportal.org/sites/default/files/Government_Response_to_Global_Price_Increases.pdf)

<sup>16</sup> CICR, “Smell-No-Taste,” 2012; Koffia, Morris, Executive Director of the Liberia Environmental Watch, “A Call for Environmental Revolution,” The Liberian Dialogue, April 7, 2006; United States Department of State, “Background Note: Liberia,” July 1, 2011.

<sup>17</sup> ICG, “Liberia: How Sustainable is the Recovery?” August, 2011; CICR, “Smell No Taste,” 2012.

<sup>18</sup> World Bank and the Government of Liberia. “Liberia Poverty Reduction Strategy”, 2008. See: [http://siteresources.worldbank.org/INTPRS1/Resources/Liberia-PRSP\(Jul2008\).pdf](http://siteresources.worldbank.org/INTPRS1/Resources/Liberia-PRSP(Jul2008).pdf)

<sup>19</sup> Government of the Republic of Liberia, “Poverty Reduction Strategy,” April 2008, p.37.

<sup>20</sup> International Monetary Fund. “Liberia: Poverty Reduction Strategy Paper—Annual Progress Report,” 2012. See: <http://www.imf.org/external/pubs/ft/scr/2012/cr1245.pdf>

country's 10 million hectares, home to 40 percent of Liberia's people.<sup>21</sup> The government hailed the concession agreements as a benefit for the entire nation, not just the affected communities.

*The company.* As part of this program, the government on July 23, 2009 ratified a 63-year natural resource concession agreement with a Malaysian company, Sime Darby Group.<sup>22</sup> Sime Darby was a diversified multinational based in Malaysia.<sup>23</sup> In 2007, it had merged with Golden Hope Plantations Berhad and Kumpulan Guthrie Berhad, forming the agribusiness arm of the enterprise, Sime Darby Plantation, one of the world's largest producers of palm oil—2.4 million tonnes a year, or 6 percent of the world market.<sup>24</sup> As part of the merger, Sime Darby inherited a Guthrie Berhad rubber plantation in Liberia's Grand Cape Mount County.<sup>25</sup> The timing was good for the new concession; palm oil prices in 2008 spiked to over \$1,000 a tonne, nearly double the average price for the preceding two decades.<sup>26</sup>

*The contract.* Under the 2009 contract with Liberia, Sime Darby was granted 311,000 hectares (769,000 acres), of which it would develop 220,000 hectares (544,000 acres) for oil palm plantations across four counties: Grand Cape Mount, Gbarpolu, Bong and Bomi.<sup>27</sup> While the exact land to be planted was left to be determined, 39,010 hectares would be in Grand Cape Mount; 159,187 in Gbarpolu; 55,342 in Bong and 57,008 in Bomi.<sup>28</sup> Some 121,500 hectares of the concession were the former Guthrie rubber plantation, of which only 7,300 hectares was still planted with rubber. Within a year of the 2009 signing, Sime Darby was to conduct a survey to identify exactly which land would fall within the concession.

Sime Darby's investment over the life of the contract was projected at \$3.1 billion. The company would create more than 30,000 jobs, plus build schools, clinics, and infrastructure such as water and sanitation facilities.<sup>29</sup> The company also voluntarily undertook to establish within three years an area of 44,000 hectares for an "outgrower" program. Sime Darby would plant palm trees on the large plot; and local people could harvest the nuts, give them to Sime Darby for processing, and claim a portion of the profits. The government promised to help pay for the outgrower

<sup>21</sup> CICR. "Smell No Taste,"<sup>23</sup> 2012; also CICR Interviews with government officials in Monrovia.

<sup>22</sup> The agreement was signed in April 2009. For a copy of the contract, see [hard link <http://www.foei.org/en/media/resources-for-journalists/sime-darby-and-landgrabs-in-liberia/amended-and-restated-concession-agreement-between-the-republic-of-liberia-and-sime-darby-plantation-liberia-inc-april-30-2009/view>]

<sup>23</sup> Sime Darby, "Core Businesses," accessed August 2012. See: <http://www.simedarby.com/> and click on **Core Businesses**; also Oxfam, "Land and Power: The Growing Scandal Around New Investments in Land," September 2011. See: <http://www.oxfam.org/en/grow/policy/land-and-power>

<sup>24</sup> A metric tonne is a unit of mass equal to 1,000 kilograms

<sup>25</sup> The rubber plantation dated to 1954, but had been owned since 1981 by the Liberian government and managed by Guthrie.

<sup>26</sup> Kevin Brown, "Sime Darby Eyes Palm Oil Expansion in Africa," Financial Times, February 27, 2011. See: <http://www.ft.com/intl/cms/s/0/290c6a52-42ad-11e0-8b34-00144feabdc0.html#axzz2dCG3nLJ>

<sup>27</sup> For a pdf copy of the contract, see: <http://www.foei.org/en/media/resources-for-journalists/sime-darby-and-landgrabs-in-liberia/amended-and-restated-concession-agreement-between-the-republic-of-liberia-and-sime-darby-plantation-liberia-inc-april-30-2009/view>. Note: Liberia was divided administratively into 15 counties.

<sup>28</sup> *Uncertain Futures*, p.25.

<sup>29</sup> Sime Darby, "Sime Darby 2010 Annual Report," 2010.

program. Finally, Sime Darby pledged to create three Social Development Funds (SDFs)—an Oil Palm Development Fund, a Rubber Development Fund, and a Community Development Contribution.<sup>30</sup>

Each fund would receive a stipulated portion of revenues that could be used by the community for small development projects. The Community Development Contribution, for example, would receive \$5 dollars per hectare of developed land per year, and the Rubber Development Fund would receive 1 percent of annual rubber sales.<sup>31</sup> County governments, rather than communities themselves, would manage the funds. These investments were intended to help the company build positive relationships with affected communities. When fully developed, Sime Darby's Liberian concession would be larger than its 2009 Indonesia plantings, even though Indonesia was more than 15 times the size of Liberia.<sup>32</sup>

### **Free, Prior, Informed**

Globally, the Sime Darby Group had taken a lead in addressing environmental and social concerns in the palm oil industry. It was a founding member of the Roundtable on Sustainable Palm Oil (RSPO), which pledged to "develop and implement global standards for sustainable palm oil."<sup>33</sup> The Roundtable grew out of global concern over the severe environmental and social impact of industrial palm cultivation. Its members included oil palm producers, processors and traders; consumer goods manufacturers; retailers, banks and investors; and environmental and development NGOs.

RSPO guidelines called for the "free, prior and informed consent" (FPIC) of indigenous communities whose land was included in a natural resource contract. That meant negotiations for land should be conducted in advance of signing, and local communities should have access to detailed and specific information on the anticipated impact of development. Criterion 7.5 was explicit: "No new plantings [will be] established on local peoples' land without their free, prior and informed consent." Criterion 2.3 said, in part:

Where lands are encumbered by legal or customary rights, the grower must demonstrate that these rights are understood and are not being threatened or reduced... Negotiated agreements should be non-coercive and entered into voluntarily, carried out prior to new investments or operations and based on an open sharing of all relevant information...<sup>34</sup>

<sup>30</sup> Sime Darby would nominate half of the 10 board members to oversee the Community Development Contribution.

<sup>31</sup> Government of Liberia, "An Act to Ratify the Amended and Restated Concession Agreement Between the Republic of Liberia and Sime Darby Plantation (Ltd)," July 2009; CICR, "Smell No Taste," 2012.

<sup>32</sup> Indonesia's land area is 737,815 sq miles while Liberia's is just 43,000 sq. miles. CICR, "Smell No Taste," 2012

<sup>33</sup> Roundtable of Sustainable Palm Oil, "Who is RSPO," accessed August 2012. See: [http://www.rspo.org/en/who\\_is\\_rspo](http://www.rspo.org/en/who_is_rspo)

<sup>34</sup> RSPO, "RSPO Principles and Criteria for Sustainable Palm Oil Production," October 2007. See: <http://www.rspo.org/sites/default/files/RSPO%20Principles%20&%20Criteria.pdf>.

Sime Darby prided itself on observing RSPO standards and practicing corporate social responsibility. Its own social policy required that development be socially beneficial and that managers identify benefits “through local consultations.” The guidelines called for the company to “ensure that any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities, and other stakeholders to express their views through their own representative institutions.”<sup>35</sup>

Numerous international instruments and human rights laws recognized the principle of FPIC.<sup>36</sup> Some laws accepted the concept of community land rights, and the right of peoples to self-determination. Liberian law also acknowledged FPIC. In fact, land disputes had been one of the key triggers for the civil war. Even after the war, so volatile were land issues that a 2009 land commission went so far as to recommend a moratorium on concessions—although its advice was not taken.<sup>37</sup>

*Liberian law.* But the domestic law was ambiguous. Under some interpretations, including the one endorsed by Sirleaf’s administration, the government owned all public land. Moreover, the government asserted that it had the right, and the responsibility, to allocate land to foreign investors in the service of economic development. Most rural villagers had lived on their land for generations, without the means to acquire legal deeds. While technically the land may have belonged to the government, the villagers considered it theirs.<sup>38</sup>

However, in the 2009 Sime Darby contract, the Liberian government undertook to deliver land “free from encumbrances at the date of handover of such lands.”<sup>39</sup> It also gave Sime Darby the authority to resettle communities if necessary. The government and the company would share responsibility for resettlement, including costs (Sime Darby would pay up to \$200 per hectare; the government would shoulder the rest). The government promised to inform and educate citizens about the contract, ensure that those affected would be duly compensated, and ensure Sime Darby easy access to land in the concession.

The project was just what the Poverty Reduction Strategy called for: development through investment. Although all of Liberia experienced high levels of poverty, food insecurity and malnutrition, the four counties encompassed by the Sime Darby plantation—Grand Cape Mount, Gbarpolu, Bomi and Bong—were among the poorest and most food insecure.<sup>40</sup> Sime Darby’s plantation offered economic development. The first county where Sime Darby intended to clear land and plant palm trees was Grand Cape Mount, surrounding the former Guthrie rubber plantation.

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<sup>35</sup> Sime Darby website: [http://www.simedarbyplantation.com/upload/Social\\_Policy2.pdf](http://www.simedarbyplantation.com/upload/Social_Policy2.pdf)

<sup>36</sup> For a list of the relevant agreements, see Appendix 1, Figure 4.

<sup>37</sup> “Smell-No-Taste,” p.73.

<sup>38</sup> For a description of land law evolution in Liberia, see Appendix 2.

<sup>39</sup> *Uncertain Futures*, p.22.

<sup>40</sup> See Appendix 1: Map 2, Figures 1-3. Source: The Republic of Liberia “The State of Food and Nutrition Security in Liberia,” 2010. See: [http://www lr.undp.org/Documents/PDF/CFSNS\\_2010\\_REPORT.pdf](http://www lr.undp.org/Documents/PDF/CFSNS_2010_REPORT.pdf)

## Troubled beginnings

In late 2009, Sime Darby commissioned Green Consultancy Inc. to prepare an Environmental and Social Impact Assessment (ESIA) report for 10,000 hectares in Bomi and Grand Cape Mount counties. It was completed in March 2010, and sent to the Environmental Protection Agency (EPA) for approval. Once approved on April 21, 2010, Sime Darby began operations, cultivating land for an oil palm nursery.

A year later, in May 2011, Sime Darby submitted a second ESIA to EPA, this time for an additional 15,000 hectares in Grand Cape Mount and 20,000 in Gbapolu. That same month, Sime Darby Chairman Tun Musa Hitam planted the first plantation tree in Garwula District, Grand Cape Mount. Hitam said at the planting ceremony: “We believe in Liberia and its people,” and expressed the hope that production would start by 2015. By December 2011, the company had cleared, cut and started to plant some 12,600 hectares of palm. The goal was to plant 120,000 hectares by 2020, and 220,000 by 2030.<sup>41</sup>

But local dissatisfaction emerged early. On August 12, 2010, before plantation development had begun, a former Bomi county lawmaker threatened to sue the company because of what he claimed were its “unacceptable” wages of \$2 an hour and a failure to employ locals.<sup>42</sup> Communication seemed to pose a challenge as well. The first that many Grand Cape Mount residents knew of the concession agreement was when company tractors showed up to start clearing the first 5,000 hectares of land. Sime Darby also infuriated residents by forbidding them to use traditional slash-and-burn agriculture in plantation areas because the fire that returned nutrients to the soil could jeopardize valuable palm trees (Box 1). But local farmers could not afford fertilizer, and without the ability to rotate their fields each season, the farmers’ crop yields would shrink. Furthermore, only small strips of land (50 meters wide at best) had been left surrounding villages for farming.

Many villagers turned for counsel to non-governmental organizations (NGOs). In July 2011, worried citizens from 15 Grand Cape Mount villages and towns attended a workshop organized by an environmental NGO, Green Advocates International. The resulting statement threatened resistance if the company continued its activities.<sup>43</sup> Concerned local leaders also consulted with the Sustainable Development Institute (SDI)—a Liberian NGO supporting natural resource governance and management, state and corporate social responsibility, and economic and

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<sup>41</sup> Sime Darby Press Release, “Sime Darby to Set Roots in Liberia,” May 2011. See: [http://www.simedarby.com/Sime\\_Darby\\_To\\_Set\\_Roots\\_In\\_Liberia.aspx](http://www.simedarby.com/Sime_Darby_To_Set_Roots_In_Liberia.aspx)

<sup>42</sup> Roland Perry, “Liberia: Lawsuit Hangs Over Sime Darby Plantation,” *The Informer*, August 12, 2010. See: <http://allafrica.com/stories/201008120977.html>. The company claimed to pay contract workers \$3 a day, and fulltime employees \$5.

<sup>43</sup> Liberia: ‘Halt Sime Darby Plantation Expansion,’ *The Analyst*, July 14, 2011. See: <http://allafrica.com/stories/201107141082.html>

social justice for rural populations.<sup>44</sup> SDI worked with villages throughout the Sime Darby plantation area holding focus groups, interviewing, and documenting observations.

*EPA appeal.* At the end of August 2011, not long after Chairman Hitam had planted the ceremonial palm, nine Grand Cape Mount chiefs and other citizens petitioned the EPA to reject Sime Darby's request for a second permit (for more land in Grand Cape Mount and 20,000 hectares in Gbapolu). In a letter to EPA Executive Director Anyaa Vohiri, the villagers wrote:

"Resettlement or relocation or rejection from the lands of our ancestors (in Grand Cape Mount County) has never been, and is still not, an option or alternative."<sup>45</sup> They wrote that if Sime Darby took their land, they could not feed themselves. They had asked the government to consult with them before signing an agreement, but "no consultations have yet been held with anyone, not even Sime Darby." Separately, Green Advocates called on the EPA to revoke Sime Darby's existing ESIA permit, due to expire on April 20, 2012.<sup>46</sup>

In early October 2011, the EPA did in fact fine the company US\$50,000. EPA found that Sime Darby had failed to protect some "riparian zones" that created a protective barrier between land and water. Instead, it had drained swamps and planted them with palms.<sup>47</sup> Community advocates noted, however, that the \$50,000 fine could not replace the food sources eliminated when Sime Darby filled the swampland that villagers had used for fishing and growing rice.

## Land grab?

Meanwhile, a new term was entering the international development lexicon: land grab. In May 2011, the International Land Coalition (ILC), a group of 116 organizations that included community groups, Oxfam and the World Bank, defined land grabs as acquisitions or concessions that were:

- "(i) In violation of human rights, particularly the equal rights of women; and/or
- (ii) Not based on free, prior, and informed consent (FPIC) of the affected land users; and/or
- (iii) Not based on a thorough assessment, or are in disregard of, social, economic and environmental impacts, including the way they are gendered; and/or
- (iv) Not based on transparent contracts that specify clear and binding commitments about activities, employment, and benefits-sharing; and/or

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<sup>44</sup> Friends of the Earth International, "Liberia, The Sustainable Development Institute," March 2013. SDI was also known as Friends of the Earth-Liberia. See: <http://www.foei.org/en/who-we-are/member-directory/groups-by-region/africa/liberia>

<sup>45</sup> "Citizens reject Sime Darby's request for another 15,000 hectares," *Daily Observer*, August 26, 2011. See: <http://farmlandgrab.org/post/view/19156>

<sup>46</sup> "Green Advocates Campaigns Against Sime Darby Permit," In Profile Daily, August 29, 2011. See: [http://www.inprofiledaily.com/index.php?option=com\\_content&view=article&id=4485:green-advocates-campaigns-against-sime-darby-permit&catid=1:headlines&Itemid=56](http://www.inprofiledaily.com/index.php?option=com_content&view=article&id=4485:green-advocates-campaigns-against-sime-darby-permit&catid=1:headlines&Itemid=56)

<sup>47</sup> "Liberia: Sime Darby Company Fined US\$50,000," *Heritage*, October 7, 2011. See: <http://allafrica.com/stories/201110071277.html>

(v) Not based on effective democratic planning, independent oversight, and meaningful participation.”<sup>48</sup>

As public awareness grew of the developments in Grand Cape Mount, some NGOs started to question whether Liberia’s contract with Sime Darby amounted to a land grab. Many Grand Cape Mount residents concluded it did. On October 4, 2011, village leaders in Grand Cape Mount, together with aggrieved counterparts from Bomi County, lodged a formal complaint with the Roundtable on Sustainable Development against Sime Darby. The complaint listed multiple offenses: destroyed shrines, graves and crops; dammed creeks and filled swamps; polluted water sources and displaced farm families. The authors pointed out that Sime Darby itself—in its Environmental and Social Impact Assessment—termed the county land “tribal,” “family,” and “community”: in other words, “owned by us.” Sime Darby, they claimed, “has forcefully engaged into the grabbing of our tribal land without our free prior informed consent, [with] little or no compensation.” They [asked RSPO to halt Sime Darby’s land acquisition and development until matters could be resolved.](#)

In response, Sime Darby proposed a negotiated settlement, and the communities agreed to direct talks with the company. They set a date of December 17, 2011, for a bilateral discussion. The company also approached President Sirleaf to intervene.<sup>49</sup> But President Sirleaf, who was in Oslo to receive the Nobel Peace Prize, asked the minister of state to handle the situation in Grand Cape Mount.<sup>50</sup> On December 8, the minister appealed to his colleagues in Justice and Internal Affairs: “We cannot allow communities to engage foreign entities directly in resolving national issues,” he wrote to them.<sup>51</sup>

To investigate and mediate the situation, the ministers created an interagency task force, adding representatives from the ministries of Agriculture, Labor, and Lands, Mines and Energy. To represent the affected communities, they invited the chair of the National Traditional Council (a national assembly of chiefs and elders) and a village chief from Grand Cape Mount. The task force was to meet with the communities, hear their grievances and help find solutions. It was also to review the concession agreement for any major problems.

The task force decided that, instead of community representatives, its own members would attend the scheduled December 17, 2011, meeting with Sime Darby. It requested that community members refrain from direct meetings with the company, and let the task force present any complaints. The task force also asked Sime Darby to halt operations pending the outcome of its investigation.

<sup>48</sup> International Land Coalition (ILC), “Tirana Declaration: Securing land access for the poor in times of intensified natural resources competition,” 2011, cited in Oxfam, “Land and Power: The Growing Scandal Around New Investments in Land,” September 2011.

<sup>49</sup> Report by Inter-ministerial committee on Sime Darby Company in Grand Cape Mount and Bomi Counties, chaired by EPA, January 23, 2012, p.1. Attribution from *Uncertain Futures*, p.60.

<sup>50</sup> President Sirleaf shared the Nobel with two other individuals, fellow Liberian Leymah Gbowee and Tawakkul Karman, a Yemeni journalist and a leading figure in anti-government protests, “for their non-violent struggle for the safety of women and for women’s rights to full participation in peace-building work.”

<sup>51</sup> *Uncertain Futures*, p.26.

## Riots in Senii Town

But before the parties could meet, violence broke out. Over the weekend of December 10, local citizens near Senii Town in Grand Cape Mount rioted over reports that Sime Darby would clear-cut their farmland. They overpowered the bulldozer operators hired to clear the land for Sime Darby, confiscated their keys and seized the bulldozers and other equipment. From the villagers' viewpoint, the tractors had showed up unannounced and started to clear what villagers considered private property. There had been a radio report that Sime Darby was coming, that farmers would be relocated, and villages merged, but "there was no prior consultation, especially with those that were going to be affected," said one community leader.<sup>52</sup>

The same had been true in Nimba Point in Grand Cape Mount County, says Chief Kerkulah Zawolo. Neither the government nor the company had consulted villagers before Sime Darby representatives showed up to pay compensation for crops, and to clear the land. Moreover, the crop payment had been insufficient because it did not include future crops—those to be planted in other seasons or coming years. Villagers, says Zawolo, felt obliged to accept whatever payment SDI offered. "Our families were scared," he observes.

They thought if they did not accept the company money, they would get nothing. They were not informed of their rights. Even if the crops were not counted well and even though they used old market prices [from 2009], families took the money. But \$50 to \$400 to feed their families for 63 years? With no land? It's not possible. I refused to sign Sime Darby's receipts but the tractors came and cleared our land.<sup>53</sup>

In addition, most villagers were paid for crops only, not for the use of their land, because they held no title to the land, even though many had lived on it for generations and considered it theirs. One older woman, Fatu Kamara, had been given \$200, about \$3 for every year Sime Darby would use her land.<sup>54</sup> A traditional leader from Senje said: "I led the move to stop Sime Darby operations in Grand Cape Mount County because they suddenly came and cleared our Poro bushes, graveyards and farmlands in 18 villages. There was no consultation, and we were misled by our leaders."<sup>55</sup> Chief Sando of Konja said he had farmed cocoa on his land for 30 years, but "now it's all gone."<sup>56</sup> Nearby mangrove marshes were filled with dirt, leaving nowhere to fish or plant rice.

In parts of Grand Cape Mount, families were burning stumps of trees into charcoal to sell so they could afford market rice to get them through the three-month "hungry season." Local chiefs reported that this would be their last season of cassava and rice; there would be nowhere to

<sup>52</sup> EWER Working Group, p.14.

<sup>53</sup> Authors' interviews with Chief Kerkulah Zawolo between March 6-22, 2012. All further quotes from Zawolo, unless otherwise attributed, are from these interviews.

<sup>54</sup> Ford, *Guardian*.

<sup>55</sup> Ibid.

<sup>56</sup> Tamasin Ford, "Liberia land deals with foreign firms 'could sow seeds of conflict,'" *Guardian*, February 29, 2012.

plant next year's crop. Some families in Senii Town, deep within the plantation zone down a dirt road, had already cut back family meals from three half cups of rice and one of vegetable soup per child to just one scoop of rice, only sometimes with the nutrient-bearing soup. Parents often skipped meals to feed their children, and went to bed hungry. Some poorer families were reduced to one meal a day.

There were other disappointments. Sime Darby had promised schools and clinics, but as of the end of 2011, those had largely failed to materialize. As for medical and education services, these were indeed free to full-time employees, but very few local people were full-time employees, and the fees kept services largely inaccessible to other residents.<sup>57</sup> The three social development funds—the Oil Palm Development Fund, the Rubber Development Fund, and the Community Development Contribution—had received no contributions from the company, nor were management boards in place.<sup>58</sup> The would-be largest of the three, the Oil Palm Development Fund, would not be funded until after the palm trees became productive; that would take three to five

#### **Box 1: Farming Practices and Land in Grand Cape Mount and Gbarpolu Counties**

Liberians practiced the *rotational bush fallow system* of agriculture. Farmers “slashed” or cut down forested areas and “burned” the remainder to remove roots and return nutrients to the soil before planting, moving on to a new area of forest during the next planting season. Slash-and-burn was a sustainable option for families, 95 percent of whom lived on less than \$2 a day, because many could neither afford nor access fertilizer.

Liberian households shared small fields (most under 2 hectares) located outside of villages to grow cassava, maize, palm and larger fruit trees and vegetables. Families had small side gardens on degraded land beside their homes and foraged in the bush for supplemental food such as fruit. Women used swampland and streams for rice cultivation and fishing, a primary source of protein in the Liberian diet. Productivity was low due to variable rains, high levels of pests and disease, lack of tools, poor irrigation, limited agro-processing capabilities, poor roads/transportation, lack of market access and limited land rights.



Former Farmland, Senii Town, Grand Cape Mount County



Traditional Slash and Burn Farmland, Gendema, Gbarpolu County

<sup>57</sup> Government clinics (which charged informal fees although they were by national policy free) remained a cheaper option, though they often lay beyond walking distance.

<sup>58</sup> CICR, “Smell-No-Taste,” 2012.

years.<sup>59</sup>

Grand Cape Mount leaders were also dissatisfied with the employment opportunities Sime Darby provided. Although the company employed some 3,500 Liberians by the end of 2011, 1,000 had already been working on the Guthrie rubber plantation; these were not new jobs. Moreover, most of the workers were day laborers or contractors, not permanent employees. “We hoped Sime Darby would hire more of its promised 30,000 workers from our villages,” says Chief Zawolo of Nimba Point.

*Support.* Not everyone opposed the Sime Darby project. The Sime Darby Workers Union representative in Nimba Point, for example, feels that villagers’ worries about food were misplaced.<sup>60</sup> He points to the planned 44,000-hectare “outgrower program” as an example of Sime Darby benefits. The union representative also believes that the community expected too much too soon: jobs, schools and clinics, the outgrower program, the social development funds, would all come in time. “Where would we be,” the representative asks, “without Sime Darby here? The government has not provided these things for us since before the war. But President Sirleaf has brought Sime Darby to bring us jobs, development—better lives.”

### Sirleaf Visit

In response to the riot, Sime Darby fired 700 local contract workers whom it accused of being troublemakers. The community in turn drew up a list of 14 demands for the government. One was for the immediate reinstatement of those fired. Another was that the government recognize “the right to say yes or no to any exploitation of our land.”<sup>61</sup>

The situation demanded high-level attention. On Thursday, December 15, President Sirleaf arrived to meet with locals in Kuon Town, Grand Cape Mount.<sup>62</sup> The president was in a strong position politically. She had just collected the peace prize, and had been reelected by an overwhelming majority on November 10, 2011; her second inauguration was scheduled for January 16, 2012.<sup>63</sup> Liberians in general admired her: she was popularly known as Ma Ellen.

President Sirleaf urged the villagers to set aside their objections for the sake of all Liberia. She admitted that her government had provided insufficient information and opportunity for consultation with the local communities—a collective “mistake” by the executive and legislature. “Now, something could have been done better when it comes to Sime Darby,” she conceded, and

<sup>59</sup> Ibid.

<sup>60</sup> Authors’ interview with Sime Darby Workers Union representative in Grand Cape Mount, March 2012. The union representative declined to have his name used.

<sup>61</sup> Sophie Chapelle, *Live or Drive*, Friends of the Earth-France and Basta!, 2012, p.31. See: [http://www.bastamag.net/IMG/pdf/Rap\\_LiberiaEN.pdf](http://www.bastamag.net/IMG/pdf/Rap_LiberiaEN.pdf)

<sup>62</sup> *Uncertain Futures*, p.13.

<sup>63</sup> The election’s integrity was compromised when the main opposition figure boycotted at the last moment, alleging fraud.

promised to "correct the mistakes."<sup>64</sup> She vowed that the legislature would hold public hearings to hear from county residents: "I've come to start the process."<sup>65</sup>

But, she warned, Liberia would not develop if its citizens were hostile to investors. What's more, citizens had no right to undermine development projects. "When your government and the representatives sign any paper with a foreign country, the communities can't change it. With that, the Constitution gives the government the authority to do so. Therefore, if the government makes a mistake, let us come back and talk [about] it."<sup>66</sup> As for the complaint to RSPO, she cautioned that "you are trying to undermine your own government."

You can't do that. If you do so, all the foreign investors coming to Liberia will close their business and leave, then Liberia will go back to the old days.

Despite a warm reception for President Sirleaf, when the government's task force members showed up for the long-scheduled meeting with Sime Darby on December 17, Grand Cape Mount community leaders turned away the government representatives. Instead, the chiefs met directly with Sime Darby officials.

### **Task Force Report**

But the task force was undeterred. Over the next month, it met with a variety of stakeholders. On January 18, 2012, it called a public meeting to respond to individual concerns and report verbally on its findings. According to the minutes, the government acknowledged that FPIC was important, but that "giving communities the right to consent or refuse endeavors that could benefit the entire country should not be encouraged."<sup>67</sup> The minutes also stated: "It was recognized by both the government and community that the State is the custodian of all land. There is no need to go back into history regarding the issue of land ownership because this would be like opening a Pandora Box."<sup>68</sup> Finally, the political figures made clear their view that relocation was acceptable "if the government can determine that the land will be used for the general good of all through developmental purposes."<sup>69</sup>

But Sime Darby, too, was frustrated. In 2009, the government had assured it that access to the concession land would be trouble-free. As Sime Darby management told a Liberian inquiry in 2012: "We believe government failed to free the land for us, [yet] it expects us to work with the

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<sup>64</sup> "Ellen Ends Deadlock in Grand Cape Mount County," *Liberian Daily Observer*, January 14, 2012. See: [http://theinquirer.com.lr/content1.php?main=news&news\\_id=156](http://theinquirer.com.lr/content1.php?main=news&news_id=156)

<sup>65</sup> "Liberia: land grab or development opportunity?" *IRIN*, February 17, 2012.

<sup>66</sup> "Ellen Ends Deadlock in Grand Cape Mount County."

<sup>67</sup> *Uncertain Futures*, p.13.

<sup>68</sup> Ibid, p.28.

<sup>69</sup> Ibid, p.29.

people. We were not given information on the profile of the communities and some of their concerns.”<sup>70</sup>

The company’s sapling palms were ready for transplant, but were stuck in nurseries, growing too tall. “We are spending a lot of our time doing what the government is supposed to do... The approach from the government side has been chaotic. We are confused, dazed and amazed,” a manager said. Meanwhile, the company said it had employed 3,500 Liberians, was building 340 houses and had rehabilitated and opened 17 schools. As of early 2012, Sime Darby had already spent \$70 million on the project—\$500,000 a month on Liberian staff salaries alone. The senior vice president of the agribusiness division, Helmy Basha, said the firm was determined to move forward. “For the next 15 years, we’re scheduled to invest in infrastructure like roads, bridges, electricity and piped water,” he said.<sup>71</sup>

On January 23, 2012, the government task force submitted a formal report, which concluded that many parties, including government agencies and local communities, did not understand the concession agreement. It also noted that both the government and Sime Darby had ignored several clauses in the agreement. The task force made 13 recommendations, including restitution for the destruction of shrines; a joint government-company land survey; and a joint government-company audit of compensation for crops.<sup>72</sup> It also suggested the citizens withdraw their RSPO complaint, and that government use the Grand Cape Mount experience to address similar problems around the country.

## Assessing the Options

The task force investigation seemed to yield results. Admittedly, the communities did not withdraw their complaint. But Sime Darby was making efforts to find an approach acceptable to all parties, especially in Gbapolu—location of the next intended palm plantation. Sime Darby had first held a public meeting in the county in 2010 to describe its development plan and the jobs it would create. But the meeting was not widely publicized, and the company gave no specifics about its plans.

On January 6, 2012, however, as the government task force conducted its investigation, Sime Darby sent a representative to Gbapolu’s capital, Bopolu. Mohd Zulkifli Isa, the company’s chief of development for the county, hosted the meeting.<sup>73</sup> He told a packed room that the company “always practices free prior informed consent... Without your people’s consent, we will not come.” He told a reporter that the company had already spent \$1 million on school repairs, and denied that villagers had not been consulted. He added:

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<sup>70</sup> Early Warning Early Response (EWER) Working Group, “Agricultural Land Concessions and Conflict in Liberia,” June 15, 2012. EWER comprises government agencies, UN agencies, civil society organizations and international partners; it is coordinated by the Liberia Peacebuilding Office. See: <http://www.lern.usahadi.com/media/uploads/page/3/EWERPolicyBriefLiberia>

<sup>71</sup> “Liberia: land grab or development opportunity?” *IRIN*, February 17, 2012.

<sup>72</sup> *Uncertain Futures*, p.26.

<sup>73</sup> Ford, *Guardian*. All the following quotes come from this article.

How can you go into a community and take their land without approval?

A single tree has not been cut in Gbapolu, Bong or Bomi counties. We will not do anything there until we have the communities' approval.

At the same time, Isa conceded that Sime Darby had made mistakes in Grand Cape Mount. "We will make sure the mistakes don't happen elsewhere," he emphasized. We are talking with the government and the communities to try and fix what happened in Grand Cape Mount." On January 20, as the task force report was readied, Sime Darby again sent a team of managers to meet with district leaders in Gbapolu.

Willie Belleh, chief of Gendema village in Gbapolu County, recalls that when local village leaders first heard about the project, there was a mixed reaction. Unlike Grand Cape Mount, many residents of Gbapolu had had no experience with large land concessions, and they were cautiously optimistic. One of Chief Willie's neighbors told him, "If the company does right, Sime Darby will help us improve our lives. It brings work and money. I hope to work for them, but if I do not I will sell some small, small things to the workers and bring money to my children."<sup>74</sup>

Other Gbapolu residents, however, were more skeptical. They had heard the stories about Sime Darby's activities in Grand Cape Mount—and were worried. No locals had seen the contract with Sime Darby. Even the District Land Commission in Bopolu had not received a copy from the Ministry of Lands, Mines and Energy.<sup>75</sup>

Grand Cape Mount and Gbapolu had much in common—most residents of the two counties had fled to Monrovia during the war. Remaining families lived in extreme poverty, growing cassava in the bush, harvesting rice from the swamplands, and fishing in the small rivers outside village land. But Grand Cape Mount was less remote than the densely forested Gbapolu (Boxes 2 and 3). It also enjoyed highway access to Monrovia, which made it easier to get goods to market or obtain necessary items.

As they considered what Sime Darby told them, Gbapolu chiefs wondered what to make of it. What would become of the farming that fed county families much of the year? Benefits from the new plantation were at least several years off; until the palms matured in three to five years, there would be no crop to tax. During that period, Sime Darby would hire only a limited number of workers. The company was unlikely to provide clinics, schools, and fund SDFs until it began generating profit from the plantation. In the interim, villagers would be unable either to cultivate food or take advantage of the livelihood and development promise of the plantation.

Encouragingly, the government did seem prepared to take remedial action. For one, it placed a temporary moratorium on Sime Darby's plantation expansion and committed to host a meeting in February 2012 to consider stakeholder concerns before Sime Darby could develop Gbapolu. The county might still be able to negotiate how and which land would be developed.

<sup>74</sup> Authors' interviews with Chief Willie Belleh, in Gbapolu, Liberia, between March 6-22, 2012. All further quotes from Belleh, unless otherwise attributed, are from these interviews.

<sup>75</sup> CICR, "Smell No Taste," 2012.

The rule of Free and Prior Informed Consent would likely be followed, the chiefs reasoned. Furthermore, since some families in Gbarpolu held deeds, they might have protection under Liberian land right laws which could allow them, among other options, to refuse to surrender their property for development.

Still, as local chiefs struggled to form a unified front in their dealings with Sime Darby, many details remained unclear. Could plantation land be spread across the county, or did it have to be contiguous? Would the government support communities that did not want Sime Darby to develop their land? Might communities retain the most fertile land for their own farming? What about a compromise: allow the company to clear some land, but retain substantial acreage for village agriculture? Would Sime Darby be willing to increase compensation? What should local leaders request from the government, Sime Darby, and the NGOs, and what would the tradeoffs be for Gbarpolu's families?

## Box 2: Grand Cape Mount County

Located in northwest Liberia, bordering Sierra Leone, Grand Cape Mount suffered one of the highest rates of human displacement during the war, with many residents returning only in 2005. Grand Cape Mount's communities benefited from a paved highway that ran from the capital, Monrovia, through the center of the county and into Sierra Leone, creating market linkages for communities, and from longstanding natural resource concessions such as the Guthrie rubber plantation, now the first phase of Sime Darby's oil palm plantation.

Grand Cape Mount's residents traditionally grew rice, cassava and vegetables. Vegetables, unlike in other counties, constituted more than a third of cultivation. In Grand Cape Mount only every second household reported access to land in 2005, and of these only 41 percent cultivated it due to lack of land rights, competition with more attractive sources of casual employment (such as rubber tapping or burning charcoal), poor agricultural education, and a shortage of inputs. Households that did farm profited from selling a percentage of their rice harvest and as much as half of their cassava harvests. Some households found contract or casual work on plantations or derived part of their income from fishing and the sale of palm oil.

A majority of Grand Cape Mount's 129,055 inhabitants (2006) were literate: Total school enrollment was 65 percent. In Kuon Town, Nimba Point and Senii, lack of money for fees or distance of schools accounted for those children not enrolled.

### *Grand Cape Mount County Statistics, Pre-Sime Darby*

Livelihood profiles	Petty traders (18%), contract laborers (1%), and palm oil producers/sellers (14%)
Main crops cultivated	Rice (53%), cassava (50%), vegetables (3%)
Main agricultural constraints	Lack of tools (73%), lack of seeds (66%) and lack of cash (60%)
Food consumption, access and security profiles	Food consumption: Poor (4%), borderline (16%), fairly good (37%), good (43%) Food access: very weak (6%), weak (15%), medium (66%), good (13%) Food security profile: food insecure (2%), highly vulnerable (16%), moderately vulnerable (57%), food secure (26%)
Access to improved drinking water and sanitation	Improved water: rainy season (42%), dry season (43%), sanitation (21%)
Child morbidity during the past 2 weeks	Fever (74%), cough (68%), diarrhea (28%)
Child malnutrition	Stunting (32.4%), wasting (5.5%), underweight (21.%)

Source: Republic of Liberia, "Comprehensive Food Security and Nutrition Survey (CFSNS)," March 2006.

### *Nimba Point, March 2012*



### Box 3: Gbarpolu County

Gbarpolu County, in northwest Liberia, was known for its abundant mineral resources such as gold and diamonds, and dense forest. The county had a high rate of human displacement during the wars, with most people returning in 2005. Poorly graded dirt roads left parts of the county inaccessible for months, especially in the rainy season.

Gbarpolu's 83,758 residents (2006) were hunters and farmers growing mainly rice, cassava and vegetables. Some produced palm oil; others performed contract or casual labor. Some 67 percent of households had access to land; of these, almost half cultivated it, but most agriculture was at the subsistence level, supplemented by river fishing and foods found in the bush, such as fruit. Household diets were highly reliant on rice (83% of cultivation) that was grown in forest swampland outside of the village. Families kept produce for themselves rather than selling it, therefore remaining net buyers of food.

At 56 percent, the county had one of the lowest school enrollment rates in Liberia. Eighty-five percent of adults had never gone to school. Children were kept home because their families could not afford school fees, or because there were no schools located within walking distance.

#### *Gbarpolu County Statistics, Pre-Sime Darby*

Livelihood profiles	Hunters (17%), palm oil producers/sellers (15%) and contract laborers (13%)
Main crops cultivated	Rice (83%), cassava (33%), vegetables (6%)
Main agricultural constraints	Lack of seeds (62%), lack of tools (52%) and lack of cash (41%)
Food consumption, access and security profiles	Food consumption: Poor (14%), borderline (46%), fairly good (27%), good (13%) Food access: very weak (26%), weak (28%), medium (40%), good (6%) Food security profile: food insecure (18%), highly vulnerable, moderately vulnerable (34%), food secure (7%)
Access to improved drinking water and sanitation	Improved water: rainy season (16%), dry season (15%), sanitation (16%)
Child morbidity during the past 2 weeks	Measles (7%), cough (33%), diarrhea (12%)
Child malnutrition	Stunting (29%), wasting (2.9%), underweight (21.5%)

Source: Republic of Liberia, "Comprehensive Food Security and Nutrition Survey (CFSNS)," March 2006.

*Gendema, March 2012*

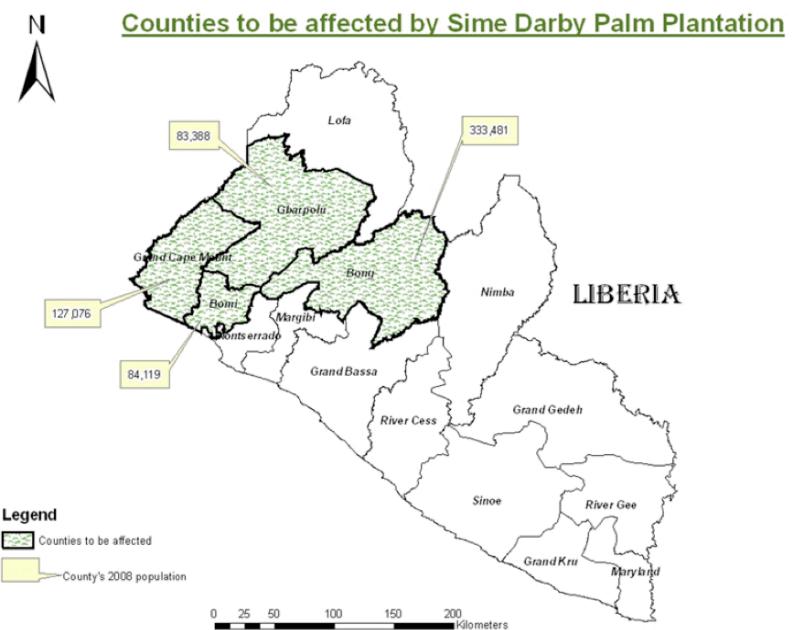


## ACRONYMS

CTA	The Liberian Center for Transparency and Accountability
EPA	Environmental Protection Agency
ESIA	Environmental and Social Impact Assessment
FDI	Foreign Direct Investment
FPIC	Free and Prior Informed Consent
ICESCR	International Covenant on Economic, Social, and Cultural Rights
LEITI	Liberian Extractive Industries Initiative
MDA	Mineral Development Agreement
MLME	Ministry of Land, Mines, and Energy
MoA	Ministry of Agriculture
NIC	National Investment Commission
NBC	National Bureau of Concessions
PAC	Project Affected Community
PPCA	The Public Procurement and Concessions Act of 2010
PPCC	Public Procurement and Concessions Commission
PRS	Poverty Reduction Strategy
RSPO	Roundtable on Sustainable Palm Oil
SDI	The Sustainable Development Institute
UNDROP	UN Declaration on the Rights of Indigenous People
UNMIL	United Nations Mission in Liberia

## APPENDIX 1

**Map 1: Geographic Area of Sime Darby Palm Plantation in Liberia**

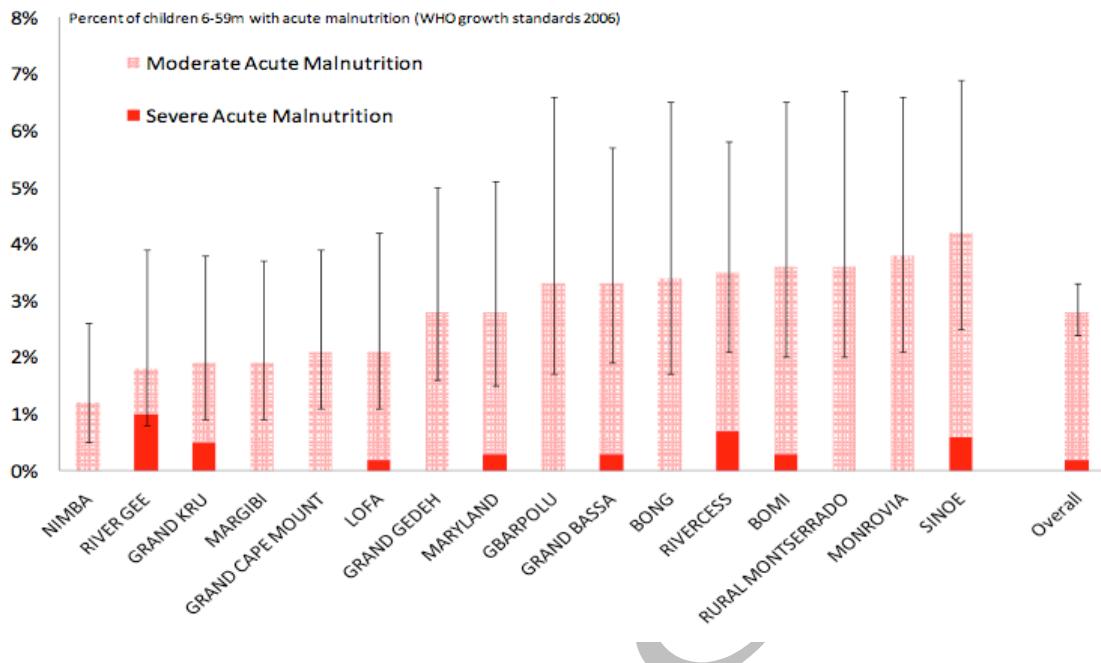
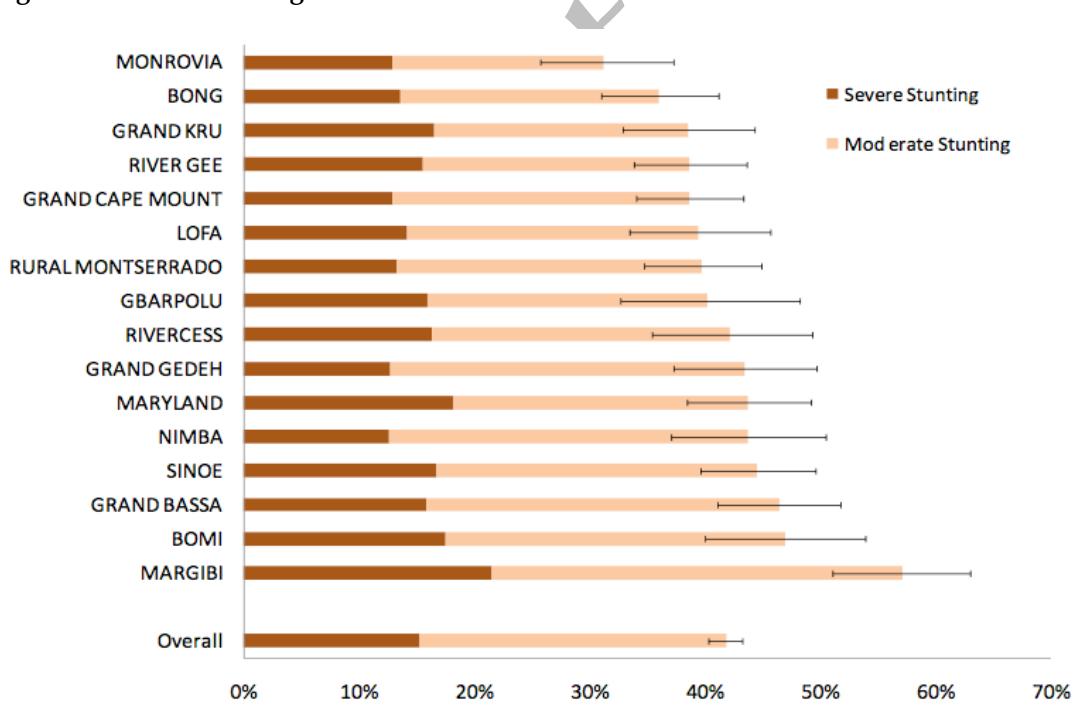


Source: Silas Kpanana'Ayoung Siakor, "Uncertain Futures: The Impacts of Sime Darby on Communities in Liberia," Sustainable Development Institute. August 2012.

**Map 2: Food Security in Liberian Counties**



Source: The State of Food and Nutrition Security in Liberia. The Republic of Liberia, 2010.

**Figure 1: Liberia Malnutrition****Figure 2: Liberia Stunting**

Source: The State of Food and Nutrition Security in Liberia. The Republic of Liberia, 2010.  
[http://www.lr.undp.org/Documents/PDF/CFSNS\\_2010\\_REPORT.pdf](http://www.lr.undp.org/Documents/PDF/CFSNS_2010_REPORT.pdf).

**Figure 3: Liberia Undernourishment**

**Proportion and number of undernourished<sup>1</sup>**

	Food consumption (%)			Population (no.)	
	Poor	Borderline	Acceptable	Poor	Borderline
<b>Greater Monrovia</b>	1.2	6.6	92.2	11,650	64,074
<b>Lofa</b>	3.0	33.5	63.5	8,306	92,749
<b>Gbarpolu</b>	4.2	32.2	63.6	502	26,851
<b>Grand Bassa</b>	6.6	27.4	66.0	14,632	60,744
<b>Margibi</b>	7.2	30.1	62.7	15,114	63,187
<b>Nimba</b>	9.2	23.2	67.6	42,506	107,190
<b>Grand Gedeh</b>	10.8	31.2	58.0	13,528	39,080
<b>Sinoe</b>	12.0	33.1	54.9	12,287	33,981
<b>Cape Mount</b>	13.1	41.0	45.9	16,647	51,974
<b>Rivercess</b>	15.8	38.7	45.5	11,298	27,674
<b>Bong</b>	16.3	37.3	46.4	54,357	124,722
<b>Rural Montserrado</b>	23.4	51.4	25.2	34,496	75,772
<b>River gee</b>	28.1	54.4	17.5	18,768	36,333
<b>Grand Kru</b>	33.6	44.6	21.8	19,459	25,829
<b>Bomi</b>	38.8	34.8	26.4	32,638	29,273
<b>Maryland</b>	43.3	29.3	27.4	58,861	39,694
<b>Liberia</b>	<b>13.0</b>	<b>27.9</b>	<b>59.1</b>	<b>368,000</b>	<b>899,000</b>

Source: *The State of Food and Nutrition Security in Liberia. The Republic of Liberia, 2010.*

**Figure 4: International Protection of Land and Food Rights**

Declaration	Lead Organization
<b>Universal Declaration on Human Rights</b>	UN
<b>International Covenant on Social, Economic &amp; Cultural Rights (ICESCR)</b>	UN
<b>International Covenant on Civil and Political Rights (ICCPR)</b>	UN
<b>ILO Convention 169, Indigenous and Tribal Peoples Convention</b>	ILO
<b>FAO Right to Food Guidelines</b>	FAO
<b>Final Declaration on Agrarian Reform and Rural Development</b>	FAO
<b>Liberian Extractive Industries Initiative (LEITI)</b>	Liberian Government
<b>UN Declaration on the Rights of Indigenous Peoples (UNDRIP)</b>	UN
<b>Principles For Responsible Agriculture Investment That Respects Rights, Livelihoods, and Resources (RAI)</b>	World Bank, FAO, IFAD, UNCTAD & G8 countries
<b>Maastricht Principles on Extraterritorial Obligations in the Area of Economic, Social, and Cultural Rights</b>	169 global lawyers
<b>Roundtable on Sustainable Palm Oil (RSPO)</b>	Private Sector, Sime Darby
<b>Tirana Declaration on Land Grabs</b>	Global stakeholder Consortium

<b>OECD Guidelines for Multinational Enterprises</b>	<b>OECD</b>
<b>FAO Guidelines on Responsible Governance of Land, Fisheries, and Forests</b>	<b>FAO</b>
<b>Global Strategic Framework for Food Security &amp; Nutrition</b>	<b>FAO</b>

*Source: Oxfam, "Land and Power: The Growing Scandal Around New Investments in Land," September 2011.*

## APPENDIX 2

### Liberian Land Rights Law—brief summary

**The Hinterland Act (1949) (also known as An Act Approving the Revised Laws and Administrative Regulations Governing the Hinterland)** The act stated that chiefdoms legally owned their tribal lands and allowed them to apply for official deeds to formally document this ownership. Importantly, it also explicitly stated that tribal lands, even if chiefs did not apply for deeds from government, were legally owned by Liberia's indigenous peoples. This ownership implied rights beyond just simple right to use and benefit, such as compensation for sale of the land. Thirteen chiefdoms representing 930,798 hectares (2.3 million acres) received deeds under the Hinterlands Act.

**The Aborigines Land Law (1956) (Title 1: Aborigines Law, Liberian Code of Laws)** This law reversed the Hinterland Act and stated that all land was the property of the state of Liberia. Indigenous peoples without deeds became "holders" or "users" of state land. The law noted that each tribe was entitled to "use as much of the public land in the area inhabited by it as is required for farming and other enterprises essential to tribal necessities." It authorized the president to determine and map the area necessary for "farming and other enterprises" when, in the event of land conflict, chiefdoms applied to the government to protect their right to use state land. However, the original 13 chiefdoms that had acquired deeds under the Hinterlands Act retained ownership of their indigenous lands.

**The Public Lands Act (1972-1973) (Title 34 of the Liberian Code of Laws)** In the mid-1970s the Liberian government reworked the Codes of law, omitting the Aborigines Land Law but adding the Public Lands Act. The Public Lands Act tacitly endorsed the state as owner of "public lands," which were not defined in the act. Communities could apply to the government to purchase their lands for 50 cents an acre. An additional six chiefdoms purchased deeds covering an additional 0.2 million acres through these public land sales, totalling 1 million hectares (2.5 million acres) protected under state-recognized deeds. Since 1988, no community had applied to purchase public lands through the Public Lands Act process.

*Source: Silas Kpanana'Ayoung Siakor, "Uncertain Futures: The Impacts of Sime Darby on Communities in Liberia," Sustainable Development Institute. August 2012.*