



Sustainable Development Institute Liberia (SDI)/
Friends of the Earth – Liberia
www.sdiliberia.org

Mr. Amzi Jaafar
Sime Darby Plantation (Liberia) Inc
Hotel Africa Road
Virginia, Monrovia

Dear Mr. Jaafar;

I have completed a report focusing on oil palm. The report examines the contract between the Government of Liberia and Sime Darby, investigates the operations of Sime Darby in Garwula District, Grand Cape Mount County and the planned activities in Bopolu, Gbarpolu County. Extensive literature review and interviews with a wide range of stakeholders including villagers and government officials informed the writing of the report.

I would like to check the key assertions we make in this report with you. I also would like to provide Sime Darby an opportunity to formally respond to some of the allegations made by people in the communities. Grateful if you could respond to these issues no later than 31st August 2012.

We look forward to your responses.

Sincerely yours,

Silas Kpanan' Ayoung Siakor
Author

The document is structured as follows: a summary of the assertion made in the report is presented first. This is followed by a question related to the assertion. Grateful if you could respond to each question and be as complete as you possibly can. Where documentary evidence is provided to support your counter-claim or assertion, the allegation will be removed from the report.

Issues related to operations in Garwula District, Grand Cape Mount County

1. **The report:** All of the locals in Garwula District interviewed for this report said no compensation was paid for land taken by the company.

Question: Did Sime Darby pay compensation for farmlands, separately from the compensation paid for crops? If yes, how much did the company pay for the land?

2. **The report:** Forest areas used for various cultural practices were destroyed and planted with oil palm. Sime Darby was aware of the existence of some of these sacred bushes or shrines including the ones listed in the Sime Darby HCV Assessment report.

Question: Did Sime Darby clear forest used for Sande?

3. **The report:** No compensation was paid to the communities for desecrating these areas, especially to the women who conducted their Sande in these areas.

Question: Did Sime Darby compensate the communities for desecrating these areas? If yes, to whom was the payment(s) made? What documentary evidence can you provide to substantiate your claim?

4. **The report:** The government and Sime Darby negotiated a contract that cannot be implemented without violating the rights of third parties, including the communities and private land owners.

Question: Do you agree that the contract needs to be renegotiated to include safeguards and protection for the rights of third parties?

5. **The report:** Even though there is widespread feeling that Sime Darby will address some of the concerns and livelihoods challenges facing the communities that filed the complaint, there is no evidence of a written or formal agreement clearly laying out what the company and the communities have agreed.

Question: Is there a written agreement between the communities and Sime Darby since the negotiations started early 2012?

6. **The report:** The Government of Liberia Task Force established to work with Sime Darby and affected communities in Garwula presented thirteen recommendations in its report of 2012. The Task Force amongst other things recommended that: (1) Sime Darby makes restitution and adequate compensation for shrines that were intentionally or unintentionally destroyed; (2) The government and Sime Darby jointly survey the land identified by Sime Darby for its plantation

development; and (3) Sime Darby and the government jointly audit the compensation that was paid for crops.

Question: Has Sime Darby made restitution or paid compensation for shrines that were intentionally or unintentionally destroyed when it cleared the areas around Baka/ Bacca and other towns that hosted these shrines/ scared bushes?

Question: Has there been a survey of the land identified by Sime Darby for its plantation development? If yes, when and where were these surveys conducted?

Question: Has the compensation that was paid for crops in Garwula been audited? If yes, can you provide a copy of the report?

7. **The report:** Residents of Baka/ Bacca and other villages straddling the Sime Darby Plantation in Garwula raised several concerns. The first concern was that Sime Darby did not properly consult them about the farmlands and crops on the land before it started clearing. They said that although the company did convene a meeting in their area, the meeting did not lead to an agreement about their land and crops. The company neither asked how much crop owners would accept nor negotiated prices for crops with villagers in the area. Those whose crops were later destroyed by the clearing were not told the prices the company would pay for their crops in advance.

Question: how do you respond to these claims?

8. The second concern was that the compensations for crops were not sufficient. The company paid low prices for crops that were destroyed. Instead of negotiating compensation with the farm owners, the company used a price list provided by the Liberia Ministry of Agriculture.

Question: How do you respond to these claims?

9. The third concern was that the counting of crops was also not done properly. The community was not involved in the survey of their farmlands and crops because they could not understand the technology being used and how the compensations were subsequently calculated.

Question: how do you respond to these claims?

10. According to those interviewed for this case study, following the complaints from the communities and the intervention of the government, the communities had meetings with Sime Darby. These meetings were aimed at resolving the broader complaint and also about the food shortages facing them. At one of the meetings in Motambo on May 8, the company promised that it would clear the swamps where it had already planted oil palms and provide seeds for the communities to plant. The company also promised that it would employ at least one person from each house within the community.

Question: Did the company make these promises to the communities? If yes, have they been fulfilled?

11. The fourth concern is that the promises of employment have not been fulfilled. The company promised to employ at least one person from each household in the village; Baka/ Bacca has about a dozen houses. The villagers also contend that in light of the loss of farmlands and the lack of alternative livelihoods, the one person per house would be insufficient.

Question: How do you respond to these claims?

12. Notwithstanding few casual labors or daily hires have come from the village. According to those interviewed, these casual labors working with the planting teams are paid US\$0.14 per hole to dig pits for planting the oil palm.

Question: How much does the company pay those that plant the oil palm – those digging pits and those planting?

13. The fifth concern is that in addition to failing to deliver on its promises of employment and support for food production, the company has been slow to respond to other needs of the community. According to those that were interviewed, when the company first arrived it initiated an ambulance service and circulated the phone numbers throughout the community. Residents could call the ambulance during emergencies and the ambulance would arrive and take the patient to the nearby health facility. But after the company cleared the land and started planting, the ambulance no longer caters to community members.

Question: Did the company initiate an ambulance service? Is the service still available to the locals?

14. Villagers in Garwula (Bacca and other affected villages) claimed that Sime Darby and the government agreed to survey the land planted with oil palm surrounding the villages. They claim that once the survey has been done, the boundaries established, and it is clear how much of their land the company encroached upon; they would then sit down and discuss the future of the palm that has already been planted.

Question: Did Sime Darby agree to do a survey of the land surrounding the affected villages in Garwula? If yes, has this survey been done? If the survey has not been done, when will it be carried out?

Issues related to the contract

15. The report: According to Sime Darby's contract with the government, it may also displace and resettle communities. The company is only required to show that if communities remain they would interfere with its operations.

Question: Does the company have a resettlement plan?

16. The report: The agreement requires Sime Darby, in collaboration with the Ministry of Agriculture and Ministry of Land, Mines and Energy to conduct a survey to identify an area of

land equal to 311,187 hectares of land in Gbarpolu, Bomi, Cape Mount and Bong Counties (the Gross Concession Area); within one year of July 23, 2009.

Question: Has the survey been carried out? If yes, when and which government agency was involved?

Question: Was a survey done before the company started land clearing in Garwula District? If yes, which government agencies were involved?

17. **The report:** The Gross Concession Area map, later appended to the agreement, distributed the Concession Areas as follows: 39,010 hectares in Grand Cape Mount County; 57,008 hectares in Bomi County; 55,342 hectares in Bong County and 159,187 hectares in Gbarpolu County.

Question: Is this still the distribution of the concession area? If not, can you provide documents to show that the distribution has changed?

Issues related to Gbarpolu County

18. **The report:** In Gbarpolu County, Bopolu District, the company is targeting 20,000 hectares of land for nursery and oil palm plantation. For the Gbarpolu project, it has submitted an ESIA, which is awaiting approval.

Question: Is this still the case? Has the EPA approved your ESIA for the 20,000 hectares in Bopolu, Gbarpolu County?