DISPATCHES FROM THE FRONT LINE: THE OIL PALM INDUSTRY IN LIBERIA

Falie is a fairly typical rural Liberian settlement, with a population of around 1,500, roughly 15 miles off the nearest covered road. The houses are rough and ready, using local timber, mud and corrugated iron. No running water, no sewerage, no electricity, no health clinic, no school, no shop. Not much, in effect, apart from a tightly-knit community spirit and intense loyalty to the Zodua Clan, made up of Falie itself, and two very similar settlements, Gohn to the South, and Karnga to the North. 4,760 people in all, and what seems like a very long way from the capital, Monrovia.

I’m there to meet around 20 community leaders, together with Simon Lord, Chief Sustainability Officer for Sime Darby, Malaysia’s largest palm oil company, and representatives of Sime Darby Plantation Liberia (SDPL). The Zodua Clan has ‘customary rights’ over around 15,000 hectares of surrounding forest, 4,000 of which have been designated as ‘suitable for oil palm development’ as part of the deal struck between Sime Darby and the Government of Liberia back in 2009, allocating Sime Darby a concession area of 220,000 hectares.

But a deal done in Monrovia is one thing; making it stick at the local level is something altogether different.

As we arrive, warm handshakes and salutations. They know each other pretty well. It took five years to negotiate the necessary Free Prior and Informed Consent agreement with two of the three settlements – Karnga’s has yet to be done. That agreement included compensatory payments to the communities for loss of farming land, preceded by detailed ‘participatory mapping’, which made it possible for SDPL to plant the first 250 hectares, with high hopes of completing the whole 4,000 hectares in short order.

Then came Ebola, a horror story for that region, which put everything on hold for 18 months. Then came the moratorium. And that’s where it gets personal for me.

In January 2014, Sime Darby was one of six signatories to the Sustainable Palm Oil Manifesto, in which they all committed to no further deforestation, no planting on peat, and no exploitation of workers and communities. I was present in Kuala Lumpur when the Manifesto was signed, and very actively involved subsequently in helping to determine exactly what is meant by ‘deforestation’, as
Co-Chair for 18 months of the High Carbon Stock Science Study. In September 2014, a moratorium was imposed on all new planting that would otherwise have proceeded at that point – including in Liberia. This was done as a stop-gap, temporary measure, but the debate about what is or isn’t ‘High Carbon Stock’ forest has been going on since then.

That well-intentioned moratorium suddenly begins to look very different here in Falie, surrounded by people whose lives have been very negatively impacted, not by deforestation, but by all new development being put on hold. And it’s still on hold.

The mood is friendly, but tense. There’s a lot of frustration, articulated by the Chairman of the Zodua Land Committee in his opening speech: ‘We didn’t want Sime Darby to leave our land before, and we don’t want you to leave it now. It’s our land, to do with as we want. You didn’t have to bribe us: we did a deal. And we still don’t understand why you’ve broken your promise to continue planting?’

The concerns start coming thick and fast. Before the deal with Sime Darby, people had to drink from the river, which was often contaminated, but Falie now has a number of shiny new hand pumps, provided by the company. Expectations are high. Since the end of the horrendous civil war in 2003, they’ve got used to the fact that neither the government in Monrovia nor the battalions of foreign aid workers in the country were ever going to be able to do anything much to help them. Armchair environmentalists in the USA and Europe might not like it, but SDPL is all that stands between them and near-permanent destitution.
‘If you go now, what do you think is the way forward for us? Who’s going to sort out that road? Who’s going to stop our children getting sick? Is anyone else going to provide any jobs?’

Simon and Rosli Taib (General Manager for SDPL) patiently seek to answer each and every point. Sime Darby’s total planted area at the moment is just over 10,000 hectares. Yields have been lower than hoped, a combination of longer dry seasons and the disruption caused by Ebola, which means the company still has to prioritise how best to invest in what are called the ‘Project Affected Communities’ and other areas. That annual commitment already runs to several hundred thousand dollars. As Rosli says: ‘The cake is small at the moment. But bear with us, be patient, and help us grow the size of the cake.’

Simon then does his best to explain the dynamics of the global oil palm industry. ‘To sell our oil in Europe and the USA, Sime Darby has to comply with all the rules of the Roundtable on Sustainable Palm Oil to get our certification – and of course to honour our commitment not to cut down forest areas with High Carbon Stock. If we go back on that, even in a poor country like Liberia, the international environmental NGOs like Greenpeace and the Rainforest Action Network will come down on us like a ton of bricks, undermining our hard-earned reputation and jeopardising our ability to sell to big companies like Nestlé and Unilever. And that wouldn’t help anybody, least of all people here in Liberia.’

This is not a world that the citizens of Falie can be expected to have any real understanding of. ‘What do we know about High Carbon Stock? My mother didn’t tell me anything about carbon. But we do know everything we need to know about our forests, about the trees. So how can you tell us now what we should be doing with our lives, with our forests?’

The Chairman’s words, expressed with characteristic passion, but no bitterness, are met with enthusiastic applause.
Jonathon Porritt with the Chairman of the Zodua Land Committee, Bai Sembeh

I can only sympathise with Simon and Rosli: there’s no reconciling these two worlds. On the one hand, it’s obviously crucially important to do everything we can to stop continuing deforestation around the world, and the oil palm industry has an important part to play in that process – even though its contribution to deforestation is actually much smaller than most ill-informed environmentalists in the West would have you believe.

On the other hand, the situation in Liberia is still so grim that it seems callous to be arguing the toss about the difference between cutting down young regenerating forest with roughly 35 tonnes of carbon per hectare (which is apparently OK as far as the NGOs are concerned) and young regenerating forest with around 70 tonnes of carbon per hectare (which is absolutely not OK as far as the NGOs are concerned). Very little of the forest with which we’re surrounded in Falie is primary or old growth forest – it’s almost all been logged, worked over or cleared for shifting cultivation or charcoal burning for decades. But a lot of it, according to the detailed mapping that has now been done, definitely has more than 70 tonnes of carbon.

But here’s the thing: the best way (and I would argue the only way) of protecting what’s left of the really valuable forest (with high biodiversity value and high carbon), is to ensure that the community itself acts as the forest’s guardians. And they can only do that when they have some reasonable prospect of economic security, of properly paid jobs, of education for their children, of basic healthcare and so on.

Sitting there in Falie, surrounded by dignified but increasingly desperate community leaders, this all seems so unanswerably obvious. But for people sitting around in comfortable hotels, many
thousands of miles away, in New York, London or even Kuala Lumpur and Jakarta, endlessly arguing in one committee or another about the finer details of one or another different approaches to High Carbon Stock, it’s a truth that has yet to be seized hold of.

Time to go. Even warmer handshakes and salutations. But I get the impression they’re just being polite at this stage. They’ve heard it all before so many times over the last two years, throughout the course of the moratorium. Is it going to be any different this time round – or will SDPL’s excellent local team be back in a couple of months to urge them all to stay patient?

Next stop is the Sime Darby Clinic that primarily serves the needs of the 2,750 employees that look after the first 10,000 planted hectares – and their immediate dependents.

*Some of the SDPL Clinic’s medical team*

It’s basic, by Western standards, but hugely impressive. It employs 46 full-time staff, and they’re already under huge pressure – last year, the clinic treated 30,000 people, and that isn’t because Sime Darby’s employees and dependents are a particularly unhealthy cohort (far from it, as they can afford far better food of most of those who don’t work on the plantation), but because the clinic is now serving the whole of the local community.

There are literally no alternatives. Bomi County (in which the plantation is located) has a population estimated at around 87,000. Beyond the clinic, there are just three doctors for the entire county, and one qualified surgeon, who we also happened to meet at the clinic. He seemed remarkably cheerful, given the circumstances.
At the end of the Civil War in 2003, the UN Mission in Liberia had its work cut out focussing primarily on security issues. This is something of an unsung success story 14 years on, with the Mission now in the process of pulling out of the country before the end of the year. The Government of Liberia, supported by a number of Western governments, focussed on the economy. And that’s been much tougher.

And this, of course, is where it gets really uncomfortable for most of the people reading this article. The dependence on large, paternalistic companies is embedded deep in Liberia’s relatively short history, going right back to its foundation in 1847. Which means the local communities’ expectations of Sime Darby (as well as Golden Veroleum Liberia and Equatorial Palm Oil, the two other large oil palm companies in Liberia) are understandably but still massively inflated.

Sime Darby has been on the ground in Liberia since 2010, during which time it’s been able to plant just 10,000 hectares, less than 5% of the total concession area granted to them by the Government of Liberia. At that level, the operation is still completely unviable. It’s bleeding cash at the moment, not least because it’s kept the majority of its employees on its books, not just through the Ebola crisis (where it worked particularly hard to help protect people), but through the moratorium, even though that makes no straightforward economic sense whatsoever. It’s hard to imagine they can go on doing this much longer.

With 20,000 hectares planted, the plantation would be just about economically viable, this being the point at which Sime Darby’s incredibly bold investment in a new mill (costing roughly $18m) starts to pay off. But nothing really works until the planted area can be pushed on up to a minimum of 35,000/40,000 hectares.
SDPL’s new palm oil mill

The socio-economic implications of this are dramatic. At 35,000 hectares planted, SDPL has indicated that it would be prepared to start discussions with the Government of Liberia to build a hospital for the area. Without that, there will be no hospital in this part of Liberia for a very long time – if ever.

I honestly don’t think people in the UK or the US understand how these things work in a country like Liberia. I sort-of did before this visit, theoretically, as in having read a lot about it, but not really.

And it’s the same with education. Sime Darby has already taken on responsibility for 7 schools, employing 122 full-time teachers and 17 contract teachers, providing education for 4,714 students. These incredibly precious jobs make life infinitely more bearable for thousands of ‘dependents’: 2,446 male dependents and 1,947 female dependents – 4,363 in all. I only offer you these detailed numbers because there’s a smiling face and a well-fed, more-or-less healthy family behind each and every one of them.
The cost of this to Sime Darby is mind-boggling. In 2016, the cost of the teachers’ salaries and all materials in the schools was $52,000. On top of that were the running costs of the school bus service – the ‘catchment areas’, to use our jargon, are huge – at a further $18,700. Around $70,000 in total, every year, even before you take into account all the indirect costs involved in such a logistical nightmare. Over ten years, with initial construction costs included, that’s now pushing up to more than $750,000 direct investment into the lives of some of the poorest people on this planet. With only 10,000 hectares earning Sime Darby any money at all.

Wake up, folks, and smell the palm oil!

I try and put such thoughts out of my mind as we head off to the next community meeting, in a different part of the concession area called Senjeh. As we get back onto the main road, we can’t help but notice the number of trucks stacked high with sacks of charcoal. We’ve just been told in Falie that one of the Zodua Clan’s biggest concerns was the number of charcoal burners coming into the forest (their forest) from outside the clan area. And it’s not just the small stuff the charcoal-burners are using; equipped with powerful chainsaws, the trees they’re now cutting down are getting larger and larger.
But this isn’t an easy issue. Charcoal is a critically important part of Liberia’s energy economy, providing a large number of people with decent livelihoods. But there’s obviously no regulation, and as the population continues to grow, the pressure on Liberia’s forests will become more and more intense. That’s the real threat to forests in these countries: not so much clear-felling for timber or plantation agriculture, but remorseless encroachment of one kind or another.

And it’s the same sort of story we hear in Senjeh, in the settlement of Beajah. Representatives of the Senjeh Land Committee are all equally eloquent, and I’m even more astonished this time round by the oratorical passion of these people as I begin to pick up the rhythms of their speech. Our translator manages to match that passion, both in English and in Gola, the local dialect. There’s an even more devout feel to the meeting in Senjeh than there was in Zodua, with a Muslim prayer of
welcome at the start and a Christian prayer at the end to wrap things up. A heart-warming ecumenical inclusivity that seems to be just second nature.

As with two out of the three communities in Zodua, things are all ‘ready to go’ in Senjeh. The Free Prior and Informed Consent process has been done; the participatory mapping has been done; the crop compensation (of around $250,000, covering just 1,825 hectares of land) has been paid; ten contract workers have been employed to monitor any encroachment in the area; a formal Memorandum of Agreement has been signed, which means that SDPL has already installed a number of pumps and latrines, and is currently paying for the cost of road repairs. It’s committed to fund the refurbishment of a school in one of the communities, and to support the clinic in Beafinie.

All this before a single hectare has been planted!

Things settle quickly into the same sort of rhythm. ‘Sime Darby has already helped us wipe away the tears, and our children are excited at the idea of a new school. We pray to Allah every day to work his influence on our Sime Darby friends to get the bulldozers in, and get the bridge built. But so many times we’ve seen the Sime Darby cars drive up, and then drive away again with nothing changed. Meanwhile, the logging companies are here all the time, wanting to get access to our land. We don’t want them on our land, but they’re offering us a lot of money.’

There’s a directness about the comments here, as each member of the Land Committee adds a new dimension, with the women focussing eloquently on health (‘without a proper clinic, our children are dying’), food and education. And there’s a nice touch of the profane in there too, to balance the sacred: ‘Sime Darby is flirting with us all the time, fondling us, but never quite consummating the relationship.’ Gales of laughter relieve some of the tension that was building up. But not for long. ‘We hear rumours that Sime Darby might be about to leave. We cannot believe this. This cannot be.’

The 1,825 hectares that have already been demarcated (in the Lower Senjeh area, as it’s called) are all on land formerly planted for rubber – by one of the companies (Guthrie) that eventually made up part of the new Sime Darby conglomerate when it was incorporated in 2007. But all work on the plantation ceased at the start of the civil war, allowing the forest to regenerate. There really shouldn’t be any problem clearing this land, as a former rubber plantation, but Sime Darby has strictly observed the moratorium on further new planting even here.
Of equal interest to Sime Darby is the possibility of expanding the plantation onto another 5,000 hectares (Upper Senjeh), once the High Carbon Stock assessment has been completed. But how much of that will be ruled off limits, with too much High Carbon Stock in it? And because the delay has been dragging on over several years, the company will now also have to re-do its audit of High Conservation Values across the whole area – another part of the extensive regulatory system set up through the Roundtable on Sustainable Palm Oil’s New Planting Procedures to help minimise environmental damage and direct development into those areas that will be least impacted both from a biodiversity and a high carbon point of view.

All the NGOs operating in Liberia are very well aware of these dilemmas on the ground, including both SDI, the local chapter of Friends of the Earth International, and Green Advocates, both of which have been consistently and virulently critical of the oil palm industry, especially in the early days, when a lot of bad mistakes were being made.

We met with SDI before we left Monrovia. As a former Director of Friends of the Earth in the UK, I warmed to SDI’s story of doing its best to help protect Liberia’s natural resources, and its forests in particular. For that, inevitably, they need a lot of international support, and that comes most easily if they keep putting the boot into the palm oil companies. They know this isn’t necessarily ‘fair’, but it keeps bringing in the money.

But for me, it was infinitely more valuable meeting with the three CSOs (Civil Society Organisations) that work on the ground with communities in Zoduia and Senjeh, as well as with the 17 so-called ‘Project Affected Communities’ in the first areas that were planted up before Ebola and the moratorium.
By any standards, these CSOs are impressive. Their entire existence is geared to helping the communities themselves: the Foundation to Protect People’s Dignity working with the Senjeh Land Committee; the Whistleblowers’ Union with the 17 Project Affected Communities; and Communities Organised Against Hunger working with the Zodua Clan. Their leaders are outspoken but always constructive, telling it to the SDPL team just as they see it, and always seeking solutions and more CSR support for their communities. (They themselves receive no money from SDPL.) But, above all, they want to see the development resume: they fervently believe that that’s the only way to secure real economic uplift for their people, at the same time as protecting the forests.

As well as meeting with representatives of both the Zodua Clan and Senjeh, we also had an exceptional session with leaders of the 17 Project Affected Communities. And quickly discovered that there are still plenty of spiky issues that have to be resolved here, the most controversial of which relates to an ongoing dispute about the amount of compensation paid to the Project Affected Communities when Sime Darby first arrived in the country – and were much less attuned to the sensitivities of dealing with local communities than they are today.

Their case is passionately advocated by Oscar Dolo, head of the Whistleblowers’ Union, who wants to see justice done for more than 1,400 subsistence farmers (all of whom claim to have been paid less than they should have been) on a case-by-case basis. A huge inquiry is under way, with the full and active support of SDPL.
The original concession agreement between the Government of Liberia and Sime Darby promised the company ‘unencumbered access’ as far as its 220,000 hectares were concerned. Nothing could have been further from the reality that awaited them on the ground, where each and every community within the concession has historical ‘customary rights’ over different areas, often overlapping and, more often than not, undocumented. A lot of those early problems can be traced back to this major misunderstanding, though it is of course true that Sime Darby should have been much more diligent in their contract negotiations before believing everything that Liberian Government Ministers were telling them!

Listening to these articulate, fired-up CSOs, I began to appreciate in a rather different way just how critical all the different (and often overlapping) processes developed through the Roundtable on Sustainable Palm Oil and other initiatives really are: Free Prior and Informed Consent; participatory mapping; Environmental and Social Impact Assessments; High Conservation Value assessments; High Carbon Stock analysis, and so on.

It’s hard to imagine any other commodity crop having to go through an equivalently rigorous process before being able to get its boots on the ground.

And Liberia urgently needs those boots on the ground. There’s little if any Foreign Direct Investment coming into the country at the moment. According to the World Bank, around 70% of Liberia’s citizens still live below the poverty line of $1.90 a day, with very high levels of male unemployment (between 70% and 80%). The population is around 4.5 million, but growing fast, with an average fertility rate of 4.6 children per woman. Only 60% of those children complete their primary education, with a very low 37% going on to secondary education.

But all that counts for little when your primary concern (if not your exclusive concern) is stopping trees being cut down, even if those trees are growing on land that has been intensively farmed (for rubber, in the case of Senjeh) at some stage in the recent past.
I asked Boima Sando (the guiding light behind the Foundation to Protect People’s Dignity, working with the Zodua Clan, and also the Chairman of Civil Society in the wider county area) what message he would want to send to the international NGOs.

‘It’s difficult. This HCS thing is pretty strange for us. So just tell them what’s going on here. And tell them too that there’s going to be an uprising if we can’t find a solution to this moratorium. Do they really want people here to go on living without any prospect of proper jobs or decent living conditions?’

Strong stuff, but definitely not meant in any inflammatory way. After 500 hectares of oil palm were burnt to the ground in April last year, everybody’s top priority is to resolve things as amicably as possible. This year, not one oil palm has been lost.

Same message, same entreaties. And I have to say that this seems to me to be the polar opposite of ‘land-grabbing’ – a charge that is still regularly laid against the oil palm companies working in Liberia. ‘Land-gifting’ perhaps? Whatever it is, this is as close as you’re ever likely to get to it.

I’m leaving Liberia feeling pretty wretched. When I was last here, two years ago, as part of the work that we were doing on the High Carbon Stock Study, I spent the best part of three days meeting politicians and key stakeholders in Monrovia. It seemed obvious at that time that a deal could be
done, quickly, to strike the right balance between promoting sustainable economic development and protecting Liberia’s forests.

Two years on, and as you’ll have seen, next to no progress has been made. The ‘collective leadership deficit’ is staggering if you just step back for a moment and take stock of the last decade when discussions first started between the Government of Liberia and the three big oil palm companies: Sime Darby, Golden Veroleum Liberia (part of Golden Agri Resources) and EPO (part of KLK). The ‘big picture’ was crystal clear even then: if the three companies, through their own plantations, plus supported outgrowers’ schemes, plus ‘community palm oil’ initiatives of different kinds, could get oil palms in the ground on around 120,000 hectares, that would be enough to justify investment not just in more mills, but in a refinery.

SDPL’s Grand Cape Mount Estate

That may not sound much to people who know little about either Liberia or the oil palm industry, but a refinery represents the single most important value-adding opportunity for Liberia’s economy for the foreseeable future, allowing high-value refined products (not just the raw oil) to be exported to Europe, creating tens of thousands of jobs, and securing significant and sustainable prosperity for the next few decades.

Just 120,000 hectares! The total area in Liberia under forest cover is around four million hectares, most of which are very much at risk precisely because people have no choice but to carry on with their customary ‘slash and burn’ farming or charcoal burning.
Sure enough, that’s still quite a lot of young regenerating forest that would have to be felled on those 120,000 hectares. Which would inevitably entail some damage to Liberia’s biodiversity. And quite a lot of CO₂ in the atmosphere. Moreover, minimising that damage these days would mean having to put more trust in the companies, which is really difficult for NGOs, as those companies didn’t exactly cover themselves in glory in those early days, with some incredibly clumsy interventions on what they’d assumed was ‘unencumbered land’. Trust is now worryingly elusive.

But look at things now. The Government of Liberia still desperately wants this kind of international development. All the communities most closely involved want it. The three companies obviously want it – but, critically, want to do it in the right kind of way. Supportive governments (like Norway) want it, even if the Tropical Forest Alliance (that Norway helped set up) has proved itself to be something of a thumb-sucking waste of time. Potential funders like IDH (backed by the Dutch Government) theoretically want it, just so long as they can avoid any of the risks involved. And some international NGOs (including Conservation International, Forest People’s Programme and the RSPB) are now in there making serious efforts to get stuff moving.

But what of the rest of the international NGO community? Well, you may be interested to know that the High Carbon Stock Approach Steering Group has just produced a new (and actually rather impressive) Toolkit 2.0 – ‘a global methodology for putting No Deforestation into practice’ – and still has a special Working Group trying to come up with some ideas about what to do about very poor, densely-forested countries, such as Liberia. Expect more meetings, more guidance, more politically correct ‘consensus’ – from which the communities of Falie and Senjeh will of course be completely excluded.

As a representative of the ‘Western NGO community’, I’m deeply ashamed – for myself and for my colleagues. As I board my plane back to the UK, I leave behind tens of thousands of Liberian citizens in the communities we visited, whose representatives I’ve had the privilege of spending at least some time with. Their testimony has moved me, deeply; the visual impact of the conditions that they’re living in has moved me, deeply. The rage I feel at our collective failure has still not gone away.
So what could we, dear NGO colleagues, have done better? Well, we could have acknowledged that getting things right in very poor, densely-forested countries is always going to be complicated and messy, and that the perfect is always the enemy of the good. We could have got ourselves out to Liberia much earlier on, perhaps as soon as the moratorium on further development had been announced, putting on the ‘Yes to Development’ t-shirts worn so hopefully by the citizens of Falie in the Zodua Clan, and we could have worked together with the Government of Liberia, with the companies, and with the communities themselves, with the blessing of the Norwegian and Dutch Governments, to identify the 120,000 hectares that could be developed with the least possible damage to Liberia’s forest.

In other words, we could have helped in a small but significant way to get them on that path to a new palm oil refinery.

But did we heck! We did not. We sat and we talked. True enough, we did some really good stuff to stop the oil palm companies riding roughshod over people’s human rights and valuable forest. But then we talked some more, even as children went uneducated, and children died. And just as much of Liberia’s forest has been damaged or destroyed during that time anyway, primarily because we’ve given none of those communities a compelling reason to help protect them.

It’s not too late. But I suspect we’re still too stuck in our arrogant ways to make that possible.