# 02

## Forest under threat:

Plantation expansion could destroy Liberia's last remaining forest

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#### Acronyms used in this brief:

ARL Atlantic Resources Liberia

**EPA** Environmental Protection Agency

ESIA Environmental and Social Impact Assessment

**EU** European Union

FDA Forestry Development Authority

GVL Golden Veroleum Liberia

MoU Memorandum of Understanding

**PUP** Private Use Permit

**SDI** Sustainable Development Institute

**VPA** Voluntary Partnership Agreement

### Key points highlighted in this brief

- 1. The growth of the oil palm sector in Liberia is threatening Liberia's forest. The Liberian government and oil palm companies need to act swiftly and in a concerted manner to address this threat.
- 2. The government's plan to develop regulations to enable large-scale timber extraction in agricultural concession for export will further exacerbate the threats from the oil palm sector.
- 3. Golden Veroleum Lberia's zero-deforestation policy in practice is not protecting forest in Liberia. Unless the company improves implementation on the ground, its zero-deforestation pledge will become a tool for green washing its crude palm oil.
- **4.** The Government of Liberia has made several pledges to tackle deforestation but action on the ground conflicts with these pledges. Its plan to legalize forest destruction by introducing regulations to allow export of conversion timber should be abandoned.



Forested area targeted for clearing in Tarjuowon District, Sinoe County, November 2015. © SDI

#### Introduction

This brief is to alert authorities and the public to the possibility of accelerated deforestation as oil palm and rubber plantation companies seek to expand their plantations across Liberia. Specifically, allowing industrial logging in agriculture concessions will compound this situation. For example, it will create further justification for converting more forests to plantations as these areas are extensively logged and thus considered suitable for conversion.

The brief illustrates this threat by using the circumstances surrounding planned logging in Golden Veroleum Liberia's (GVL) concession and the company's planned plantation expansion in Tarjuowon District to highlight the likely implications for Liberia's remaining forests. The brief also contributes to the wider debate on timber extraction to make way for oil palm and rubber plantation expansion, mining and infrastructure projects, generally referred to as 'conversion timber'. The issues covered in this brief are not limited to GVL; the development in Tarjuowon is only used to illustrate the threat.

During the preparation of this brief, the Sustainable Development Institute (SDI) and GVL engaged in extensive dialogue regarding the company's "aim to achieve no deforestation<sup>1</sup>". As a result of these exchanges, it has become clear to SDI that GVL's implementation of its Forest Conservation Policy in Liberia will not protect forests and the cumulative impact of its plantation expansion on forest could be devastating. What is alarming is the real possibility that the company will destroy forest while promoting itself as a supplier of deforestation-free Crude Palm Oil.

#### footnote

1 GVL's Forest Conservation Policy, January 2014 (DRAFT). Available at: http://goldenveroleumliberia.com/images/pdf/20140206\_gvl\_fcp\_policy.pdf

**Acknowledgement** This brief has been developed using evidence gathered through SDI's pioneering smartphone TIMBY application used for monitoring resource extraction in Liberia. More details about the project is available at https://investigations.sdiliberia.org/





#### **Background**

On 30th October 2015 GVL applied to the Forestry Development Authority (FDA) for permission to allow the extraction of marketable timber species from its Concession Area, under the terms of its Concession Agreement with the Government of Liberia. According to GVL, the permit was being sought on behalf of the Tarjuowon District<sup>2</sup> in Sinoe County and the application came after exchanges with the FDA regarding the District's wish to extract marketable timber species from areas before they can be cleared and planted with oil palm. Atlantic Resources Limited (ARL) completed an assessment of the forest in the area and developed a proposal to conduct the logging operation on behalf of the District. ARL has a track record for engaging in illegal logging operations in Liberia. A presidential committee determined that the company was one of the main culprits involved in the Private Use Permit (PUP) illegal logging operations that scandalized the Liberian forestry sector in 2013.3

The GVL application came after an earlier attempt by the local authorities in Tarjuowon District and the logging company Forest Venture to conduct illegal logging operations in the area in June 2015. The SDI uncovered and reported the plan to the FDA. Following exchanges between SDI, FDA and GVL on the matter, the FDA Managing Director intervened and put a halt to the planned operation. Forest Venture, like ARL, has a track record for engaging in illegal logging operations in Liberia. The presidential committee investigating the PUP scandal found that ARL and Forest Venture were linked through various executives and senior managers.4

#### 1. Deforestation and forest conversion

Agriculture expansion and forest conversion in the context of overall weak governance in the forestry and agriculture sectors in Liberia poses the gravest threat yet to forests across the country.

The Government of Liberia endorsed the New York Declaration on Forests in 2014, committing itself to joining global efforts to halve deforestation by 2020.5 To further demonstrate this pledge, the government agreed a US\$150 million partnership with Norway to address weak governance in the forestry sector, i.e. strengthen law enforcement and improve rule of law, as well as expand Liberia's Protected Areas System.<sup>6</sup> Liberia is also a member of the Tropical Forest Alliance 20207 whose goal is "to reduce the tropical deforestation associated with the sourcing of commodities such as palm oil, soy, beef, and paper and pulp8". More recently, at the Paris climate summit in December 2015 Liberia pledged to restore 1 million hectares of degraded forestlands as part of the African Forest Landscape Restoration Initiative.9 Stakeholder consultation on how to address deforestation and efforts to develop a national strategy for reducing emissions from deforestation and forest degradation are gathering momentum. While the forestry authorities are the ones mostly driving these efforts, the most serious threat to forest seemingly now comes from the agriculture sector; the most significant threat being industrial oil palm and rubber plantation expansion.

Agriculture expansion is now acknowledged globally as the most significant cause of deforestation<sup>10</sup>; as more forest is being cleared for agriculture expansion in the global south, especially in Sub-Saharan Africa and South America. Forest conversion is also directly linked to illegal logging. According to Chatham House "as much as half of all tropical timber traded internationally now comes from forest conversion, of which nearly two-thirds is thought to be illegal". 11 Until recently, that is before the rapid expansion of oil palm plantations across Liberia, there was limited

- The SDI has not seen any communication such as minutes or a resolution from a citizen meeting to suggest that the request is from the community. GVL notes that the request specifically came from the 'Tarjuowon Special Envoy. SIIB Report on the Issuance of PUPs, 2012, p.26. Available from:http://www.cental.org/SIIB%20Report%20on%20PUPs.pdf
- The New York Declaration on Forest, 2014, Available from http://www.un.org/climatechange/summit/wp-content/uploads/sites/2/2014/07/New-York-Declaration-on-Forest-%E2%80%93-Action-Statement-and-Action-Plan.pdf Republic of Liberia and Norway, 2014, Letter of Intent between the Government of the
- Republic of Liberia and the Government of the Kingdom of Norway on "Cooperation or reducing greenhouse gas emissions from deforestation and forest degradation (REDD+) and developing Libéria's agriculture sector"

- www.regjeringen.no/contentassets/b8b93fa03bda4ac893d065d26d64075b/letterofintentliberi apdf. The SDI, in spite of concerns of other NGOs, publicly declared support for the partnership. See list of government partners at: http://www.tfa2020.org/about-tfa/partners/ See TFA 2020 official website: http://www.tfa2020.org/about-tfa/objectives/ World Resource Institute citing a release from the African Forest Landscape Restoration Initiative, December 6, 2015. Available from: http://www.wri.org/news/2015/12/release-african-countries-launch-afr100-restore-100-million-hectares-land
- Prorest Trends, 2013. Identifying Illegality in Timber from Conversion: A Review of Legality Definitions. Available from: http://www.forest-trends.org/documents/files/doc\_4150.pdf Chatham House, 2015. Tackling Illegal Logging and the Related Trade: What Progress and
  - Where Next? Available from: http://indicators.chathamhouse.org/sites/files/reports/Tackling%20lllegal%20Logging%20 and%20Related%20Trade\_0.pdf

Left: Civil society monitors trek through forested area targeted for clearance.

Right: Roads in most parts of rural Liberia are impassable for most the year. © SDI





understanding of the threat posed by plantation expansion to forests among Liberian stakeholders. As a result, much of the focus on impacts of plantations, to date, has been on the broad social and environmental impacts of the sector – with little or no attention to the direct role it plays in deforestation.

The SDI has two inter-linked concerns about the possibility of forest conversion for oil palm plantation expansion and associated industrial logging in agriculture and mining concessions. First, allowing logging for export in agriculture concessions, and second clearing forested areas to make way for oil palm and/or rubber plantations; both will accelerate deforestation. This will be particularly evident in the regions hosting the two main blocks of forest in Liberia, because they also host the two largest oil palm concessions with land areas totalling 661,000 hectares of which up to 440,000 hectares is proposed for oil palm plantation development.12 Both of these concession agreements, according to a government commissioned audit, were allocated in violation of various Liberian laws.13

It should be noted that these concerns are not unique to Tarjuowon District in Sinoe County. In South Eastern Liberia, GVL already has several oil palm plantations or estates in Kpanyan Statutory District in Sinoe County and Trenbo District in Grand Kru County. These estates are within close proximity to, or surrounded by, forested areas. If GVL expands these estatesin a poorly planned and unregulated manner, forested areas will most likely be cleared to make way for the expansion despite GVL's Forest Conservation Policy. Although GVL is taking steps to enclave some forested areas during land preparation, they are clearing forest patches of less than 10 hectares and may also clear patches ranging in size from 10 hectares to 99 hectares (based on a range of factors<sup>14</sup>). Whilst small forest patches may seem insignificant in terms of their biodiversity and carbon value, they can provide important connectivity functions for various species. More research is therefore needed to understand this role in the context of Liberia's forest patches.

In the Western region, Sime Darby Plantation Liberia is struggling to get a foothold in Gbarpolu County. In 2011, the company sought and got permission from the Environmental Protection Agency (EPA) to develop its first oil palm plantation or estate covering 20,000 hectares in the county. The SDI, in collaboration with researchers from Reading University in the UK, investigated the extent of forest cover in the proposed 20,000 hectares estate. The findings revealed that the area contained significant areas of primary and secondary forests that would be destroyed if the project went ahead. Confronted with the findings, Sime Darby shelved the plan – but the Concession Agreement remains valid and the threat remains.

#### 2. The evolving situation in Tarjuowon District

Allowing industrial logging in agriculture concessions and clearing of forested areas to make way for oil palm plantations will severely undermine Liberia's efforts to manage its forest in a sustainable manner, threaten livelihoods of the populations in the affected communities, and render meaningless Norway and European Union investments in Liberia's forestry sector.

The sequence of events that has characterised the development in Tarjuowon District is presented in two sections. Thefirst section outlines a series of events that took place between February and May 2015 and involved Forest Venture, the Tarjuowon District Superintendent and the FDA. The second section focuses on GVL's application, the exchanges that followed the application, and the FDA's decision regarding the GVL application. This illustrates the evolving situation in Tarjuowon District, and the threat to forests and biodiversity in Liberia as forest lands are cleared and forest resources destroyed to make way for oil palm plantation expansion.

#### footnotes

- 12 GVL gross Concession Area covers 350,000 hectare and SDPL gross Concession Area covers 311,000 hectares. Both companies are allowed to cultivate up to 220,000 hectares for oil
- 311,000 hectares. Both companies are allowed to cultivate up to 220,000 hectares for oil palm plantation.

  13 LEITI Post Award Process Audit: Final Report, May 2013, p.5. Available from: www.leiti.org.lr/uploads/2/1/5/6/21569928/leiti\_post\_award\_process\_audit\_final\_report.pdf

  14 The HCS Approach Toolkit.The High Carbon Stock Approach: No deforestation in practice, 2015 (version 1.0, March 2015)





#### a. Forest Venture in Tarjuowon

On 13th February 2015 the Statutory District Superintendent of Tarjuowon, Hon. Paul J. Chea, requested a permit from the FDA to log in parts of the GVL concession area in the district, abandoning their previous application for a legal Community Forest Management Agreement. The FDA Deputy Managing Director, or acting Managing Director at the time, Hon. Kederick J. Johnson, responded on 13th March 2015 granting permission<sup>15</sup>, without specifying the legal permit under which the logging would occur. His permission was however conditional on the following requirements:

- The company that would conduct the logging being pre-qualified to conduct logging in Liberia;
- The company not conducting logging outside of the concession boundaries:
- The logs being enrolled into the Chain of Custody system; and
- The company paying stumpage and export duties on the logs.

Between 25th April and 3rd May 2015 a SDI team visiting Tarjuowon encountered a Forest Venture team in the district. According to locals, the company was in the area to conduct an inventory of marketable timber species prior to commencing logging. The SDI wrote to the FDA on 13th May 2015 to alert the authority to this report and seek further information and clarification on the matter.16 The FDA Managing Director, Hon. Harrison Karnwea responded:

We are not aware of any FV [Forest Venture] activities in the area you are referring to. We have not received any request from GVL to clear any area with marketable species of trees. Whenever such request is received, it has to be confirmed by the Ministry of Agriculture prior to moving any further. On the other hand GVL as a member of the RSPO and TFA 2020 cannot clear a high biodiversity valued forest to plant oil palm. That will be a complete contravention of the various protocols that they signed up to.17

The Managing Director copied on the email response his two principal deputies, including Hon. Kederick Johnson and other senior managers at the FDA, and GVL's then Vice President for Government Affairs, Mr. Henri O. Harmon.

On 18th May 2015 SDI met with GVL to raise concerns about the possibility that Forest Venture might be logging within the GVL Concession Area, and to also discuss broader concerns surrounding conversion timber. GVL indicated that it is not associated in any way with the plan to log in the area.

On 19th May 2015 GVL met with the FDA Managing Director at a meeting apparently set up by Conservation International<sup>18</sup>. According to email exchanges following the meeting the Managing Director confirmed that indeed his deputy had granted approval for Forest Venture to conduct logging in the area and that he would immediately rescind the permit. GVL indicated it would be writing to the FDA on the matter.

Following these exchanges on 19th May 2015, GVL wrote<sup>19</sup> to the FDA requesting clarification on permissions given to the Tarjuowon Statutory District authorities (FDA letter dated March 13, 2015) including a request to confirm the coordinates of the FDA-allowed area, as well as to request coordination of specific instructions to GVL, the community and potential loggers; information that GVL already had.

The 19th May 2015 letter noted that although GVL's MoU with the community makes no mention of the desire of the communities to log prior to land clearing in the area, GVL was ready to respect any agreements the community may have with the FDA to exploit lawfully any marketable timber that they may identify within the areas the communities and GVL have together demarcated for development. GVL claims it initiated the meeting with FDA as it was concerned that, if it were to submit an application in response to the community's desire to log, then such an application had to be in compliance with the relevant law.

#### footnotes

- 15 FDA's Deputy Managing Director's Letter to Hon. Paul J. Chea, Superintendent, Tarjuowon Statutory District dated March 13, 2015
   16 SDI's email of 13th May 2015 to the Managing Director of the FDA regarding Forest Venture activities in Tarjuowon District, Sinoe County
   17 FDA Managing Director's email of 13th May 2015 to SDI request for information and clarification
   18 FDA Managing Director during a stakeholder meeting on December 17, 2015.
   19 GVI. Letter to FDA dated 19th May 2015 reference "Possible logging activities in the Tarjuowon community area based on FDA Letter DMDA/003/011/-15

Left: local Guides trek through the forest with the assessment team, November 2015.

Right: XXX.



On 20th May 2015 the FDA Managing Director then wrote to the Statutory District Superintendent revoking the earlier letter from the FDA Deputy Managing Director expressing "no objection" to the District's request to log in the area. The FDA Managing Director wrote:

The decision of the Deputy Managing Director to grant you permission to negotiate with a prequalified logging company to extract marketable species of trees from Golden Veroleum's (GVL) concession prior to the company clearing the area for planting is not the policy of the FDA because it contravenes the various protocols signed by the Government of Liberia and GVL.20

This it seemed brought to a close the possibility of logging in Tarjuowon District.

#### b. GVL request for a logging permit

On 30th October 2015 GVL wroteto the FDA requesting a permit on behalf of 'communities' to log in its development area, but no proof of the communities request was attached to the letter. GVL wrote:

The Tarjuowon community has requested GVL to make arrangements to allow the community to extract marketable species from the areas, which will be developed for oil palm. GVL has noted that while it does not intend itself to seek a permit to extract marketable species, it supports the desire of communities to extract value from their land before it is developed. GVL accordingly was happy that the community might realise values from extracting marketable species from clearly identified development land if the appropriate permissions could be put in place.21

Following concerns from SDI and other NGOs, GVL explainedthat it wasonly acting on behalf of the communities in Tarjuowon District and that it has no financial interest in the plan to log the area. GVL insists that it will not benefit in any commercial or financial way from any arrangements that the local community. may legally put in place to extract marketable timber from the proposed development areas within its Concession Area.

20 FDA Managing Director Letter dated May 20, 2015 ref MD/56/2015-4 and addressed to Hon. Paul J. Chea, Superintendent, Tarjuowon Statutory District.
 21 GVL Letter to FDA dated 30th October 2015 ref: Application for permit to extract marketable species from certain parts of the oil palm development area in Tarjuowon.
 22 Email from Andrew Klüth (GVL) dated 6th November 2015.

On the other hand, NGOs argue that notwithstanding its reasons for allowing the district leadership to remove the timber, i.e. to generate some income, the company is likely to benefit from the district leadership's support for forest clearance in other parts of the district – so long as they are able to remove the timber and generate some income. This is likely to create a situation where local leaders benefit financially from forest destruction, effectively removing any potential criticism of the company. GVL is also likely to benefit in public relations terms through stronger support from the local leadership.

On 6th November 2015 GVL shared its request with SDI via email<sup>22</sup>. GVL wrote:

We have made it clear to the community from the outset that, while we will be as cooperative as we can, we will not delay scheduled land clearance activities indefinitely. They recognise this. They have indicated in conversation with me that they will not try to remove marketable timber from their areas of interest via pit sawing or other similar means. We are aware that there is a risk that any logging company that might be contracted to do this work, should a permit be granted, may well use this as an opportunity to exploit other areas illegally.

On 13th November 2015 SDI wrote to GVL seeking clarification and sharing its reaction to the GVL request for a permit on behalf of Tarjuowon District. The main points highlighted in the letter included:

GVL has permission to log in its concession area and to use the timber in its operation. This in my view is different from GVL requesting to harvest timber exclusively for commercial purposes, never mind the timber is being donated to the community. Can you provide more details on GVL's interpretation of its concession agreement?

The FDA has tabled a draft manual to regulate timber harvesting in agriculture concessions. This implies that there is no procedure in place to allow for commercial timber extraction within agriculture concessions. Therefore requesting permission from the FDA when there is no procedure in place means GVL will be relying on the Managing Director's discretion. Have you considered this?





The Voluntary Partnership Agreement (VPA) with the EU has in place a Legality Definition (LD). All logging operations must comply with the LD to be considered legal. At the moment, the LD does not address timber from agriculture concessions therefore timber harvested from GVL concession area may not qualify as legal timber. By engaging in a logging operation that may not be legal under the VPA, GVL will likely be engaging in illegal logging. Have you considered this?

GVL acknowledged receipt of the letter and promised to respond, but the company has not provided a formal response to the questions raised therein. On 30th November 2015, GVL responding to a Global Witness inquiry about its zero-deforestation commitments explained:

In line with our Forest Conservation Policy, we will not develop land or plant oil palm on a designated forest area or any land that has been confirmed as High Carbon Stock (HCS) or High Conservation Value (HCV) or that has not been agreed with the local community in accordance with established FPIC process.

GVL has been very consistent and clear with all parties that it does not support or endorse logging in adjacent areas that are categorised as either HCV or HCS.

In subsequent exchanges and meetings with GVL, the company notes that the 35 tonnes per hectare carbon threshold that applies to GAR's operations in Southeast Asia does not apply to its operation in Liberia. The company explained that it could clear a forest patch of up to 10 hectares and still be in compliance with its zero-deforestation commitments, and forests of patchsize ranging from 11 hectares to 99 hectares could be clear depending on a range of factors.23

This explanation, against the backdrop of the company's plan to expand its plantation in Tarjuowon, is concerning. Specifically, the environmental and social impact assessment conducted by a local consultancy in the area, on behalf of GVL, notes that "some of the large mammals found in the concession block were African giant Buffalo (Lowland/young-bush), African Bongo (Riparian/wetland ecosystem) with fresh dungs and foot-prints. Most frequent occurring mammal species were the duikers (Maxwell, Jentink's, and Bay)"24. It is also important to point out that the Jentink's duiker is listed as Endangered on the IUCN Red List of Threatened Species.<sup>25</sup> The surviving population is estimated to be around 2,000 but is reported to be in decline as a result of habitat loss and hunting.

Therefore, if this area does not qualify under GVL's Forest Conservation Policy, it is difficult to see how implementation of this policy will protect forests within GVL's concession. GVL, on the other hand, argues that based on High Carbon Stock Approach assessments conducted in the area, the patches of forest in the area were approved for clearing. The company specifically notes that TFT and Greenpeace, both co developers of the methodology, were involved in these assessments.

## c. SDI field investigation and preliminary findings

The SDI fielded a mission from 29th November to 2nd December 2015 to collect data and to assess the extent of forest cover in the area that would be cleared to make way for the oil palm plantation. The preliminary findings from the mission are:

- · The area marked for clearing contains a mix of primary<sup>26</sup> and secondary forest. The extent of the forest cover is being investigated further.
- The area contains significant stands of marketable timber species. ARL estimates that it may be able to extract up to 5,000 m3 of timber from the area.27
- Anecdotal accounts and evidence observed by the team suggest there are wildlife populations in the area. This corresponds with GVL's environmental and social impact assessment, which confirms the existence of Liberia's endangered Jentink's duiker.
- Land development in the area will lead to habitat loss of protected and unprotected wildlife species including the Jentink's duiker.
- Forest clearance in the region will lead to destruction of valuable forest resources such as a variety of nontimber forest products that are used for construction, medicine and food.

It should be emphasized that these are findings based on observations on the ground. Further expert analysis is needed to determine the extent and types of forest in the area.

#### footnotes

- Meeting with Andrew Kluth, Senior Vice President for Sustainability at GVL, March, 2016.
   Tarjuowon Oil Palm Development Project 15,400 Hectares, Tarjuowon District, Sinoe County, Liberia. Prepared on behalf of Golden Veroleum Liberia, October 2013, p.88.

- Species information available from:http://www.iucnredlist.org/details/4140/0
   Primary forest refers to 'naturally regenerated forest of native species, where there are no clearly visible indications of human activities and the ecological processes are not significantly disturbed.' SEE FAO Glossary at http://www.fao.org/docrep/017/ap862e/0.p862e00.pdf
   Atlantic Resources Limited, Tarjuowon Community Salvaging of Timber on GVL proposed palm plantation project proposal. September 22, 2015.

Left: A member of the SDI assessment team moves off in another direction collecting GPS coordinates. November 2015.

Right: Tracks made through the forest months earlier. November 2015.



#### 3. Government action to date

The FDA convened at least two meetings in 2015 to discuss conversion timber. During a meeting on 23rd November 2015 between SDI and the FDA, involving the Managing Director and several departmental heads and managers, to discuss conversion timber, four concerns emerged:

- GVL has cleared areas in Tarjuowon District with valuable timber species and planted oil palm. Valuable timber species in those areas were left to rot while illegal chainsaw operators salvaged some.
- GVL has permission to clear another forested area in Tarjuowon District that contains valuable timber species. If the timber is not extracted, valuable resources will be wasted when the area is cleared and planted with oil palm.
- The timber in the planned expansion area cannot be extracted and exported legally, because Liberia's current legal framework does not provide for industrial logging in agriculture concessions.
- · Opening the door for commercial logging in agriculture concessions is likely to accelerate the rate of deforestation. However, the situation regarding the request for logging in Tarjuowon District needs to be handled with urgency to avoid destroying forest resources.

A follow up meeting was convened on 17th December 2015, this time involving the Liberia Revenue Authority, the Governance Commission, Bureau of Concessions, VPA Support Unit, Société Générale de Surveillance S.A. or SGS Liberia Inc., Green Advocates and the SDI. The concerns and reflections that emerged from the 23rd November 2015 meeting were mostly reiterated during the 17th December 2015 meeting. These included:

- The FDA has a mandate to manage Liberia's forest in a sustainable manner. The FDA should ensure that its mandate is carried out.
- The FDA should communicate to GVL that it [i.e. FDA] cannot at this point allow logging for export in GVL's concession given the lack of a regulation or law to govern such activity.



- The FDA should in the meantime reach out to the EPA to establish the EPA permit conditions and ascertain why forested areas have been approved for clearing.
- GVL has committed itself to zero-deforestation in its oil palm plantation development in line with GAR's Forest Conservation Policy.<sup>28</sup> The company should therefore fulfil this commitment.

On March 4, 2016 the FDA responded to GVL's request:

Management regrets to inform you of its inability to issue the requested permit to have a "Third Party/ logging company" to extract timber from GVL concession area on behalf of the Tarjuowon Community. This is due to the non-existence of any legal instrument permitting this, thus no legal basis for said operation, which makes it impossible to put the resulting timber through the Chain of Custody System (COC).

While the first segment of the FDA's response is unambiguous that there exists no legal framework for logging in agricultural and mining concessions, the agency goes on to suggest that the company may find a way to log the area in question; even though it would violate the law. The FDA states:

The Authority encourages you to assist the affected communities in all legal ways possible, including small-scale extracting and milling activities, that may assist them access and use the timber resources from the operation area(s) referenced in your communication.

This contradiction lays bare the inconsistencies in Liberia's forest policy: the government making various commitments to sustainable forest management at different international forums while at the same time actively exploring ways to destroy the same forest through illegal logging and conversion at home.

#### footnote

#### **Conclusions and recommendations**

Liberia signed up to the New York Declaration on Forests in 2014 and entered into a partnership with Norway to strengthen forest governance and expand its Protected Area System. Many welcomed these agreements, seen as complementing the VPA with the EU, which came into force in late 2013, albeit with scepticism in some quarters. Despite these commitments, concrete measures to curb illegal logging, for example more robust law enforcement on the ground, are limited. Institutional capacity remains weak, inter-agency coordination poor, and government-wide commitment to these international agreements seems to be wavering. Add into this mix the possibility of legalising forest conversion and a very gloomy picture of the future of Liberia's forest emerges.

Forest conversion for agriculture and other land uses is a major source of illegal timber in the global timber supply chain and a key driver of deforestation; two critical issues the government has committed to fighting. A major challenge however is that the government in 2010 allocated agriculture concessions covering more than 600,000 hectares. The land allocated to GVL and Sime Darby is located in the two most significant forest regions in the country. For Liberia to avoid defaulting on these international commitments, it might have to take some authoritative action with GVL and Sime Darby. This should not be a challenge, as GVL and other oil palm plantation companies operating in Liberia have made zero deforestation commitments to address consumers' concerns about their products. Unless significant changes are made to GVL's Concession Agreement and the implementation of its zerodeforestation commitments; it will likely become one of the major drivers of deforestation in Liberia; if not the most significant driver of deforestation.

A series of actions will be required to address the threat of forest conversion, beginning with the existing situation in Tarjuowon District. In addition to investing time and resources into exploring other development options for communities that do not involve deforestation, the government and the oil palm companies should act on the recommendations below.

- 1. The government and the oil palm companies need to mutually support each other to fulfil their individual pledges it is unlikely that any of them will be able to fulfil their commitments through unilateral actions. For example, the government and the oil palm companies need to revisit the Concession Agreements and significantly reduce the amount of land that may be cultivated for oil palm, as well as mainstream their individual commitments to reduce deforestation into the Concession Agreements in order to make them legally binding under Liberian law.
- 2. Inter-agency coordination within the government needs to be strengthened to ensure that the forestry authorities, the Agriculture Ministry and the EPA are working towards the government's commitment to curb deforestation and illegal logging.
- 3. The forestry authorities need to show resolve by taking a firm and clear position that there will be no industrial logging in agriculture concessions. This will ensure that stakeholder consultations about salvaging timber from severely degraded forest areas are limited to timber extraction for domestic uses.
- 4. The oil palm companies need to publish the full details of land identified for planting oil palm at least three months prior to land clearance. This should give sufficient time for civil society organizations to conduct independent or third party assessments of the targeted areas prior to clearance.



The Sustainable Development Institute (SDI) works to transform decision-making processes in relation to natural resources and to promote equity in the sharing of benefits derived from natural resource management in Liberia. The organization's vision is a Liberia in which natural resource management is guided by the principles of sustainability and good governance and benefits all Liberians. Its activities cover a range of crosscutting issues including governance and management, the environment, state and corporate social responsibility, economic and social justice for rural populations, and the democratic participation of ordinary people in government management of natural resources. The organization received the Goldman Environmental Prize (the world's largest prize honouring grassroots environmentalists for outstanding environmental achievements) in 2006.

www.sdiliberia.org