

# Review finds palm oil firm Golden Veroleum cleared carbon-rich Liberian forests

by [Ashoka Mukpo](#) on 3 March 2021



- *The largest investor in Golden Veroleum is Singapore-based Golden Agri-Resources, itself a branch of the Indonesian conglomerate Sinar Mas.*
- *In 2018, a Liberian civil society group joined with the U.S. and Netherlands chapters of Friends of the Earth in submitting a complaint to the High Carbon Stock Approach alleging that Golden Veroleum cleared high carbon stock forests in Liberia.*
- *The investigation was the first of its kind by the High Carbon Stock Approach, and found that Golden Veroleum cleared more than 1,000 hectares (2,500 acres) of carbon-rich forests in Liberia's remote southeast.*

In another blow to the Liberia-based palm oil company Golden Veroleum, an investigation by an independent grievance panel [has found](#) that it bulldozed rainforests and ignored community rights as it cleared land for its plantation operations. The investigation is the first of its kind by the High Carbon Stock Approach (HCSA), set up in late 2016 to assess the compliance of palm oil companies with their “no deforestation” commitments.

Golden Veroleum signed an agreement with the Liberian government in 2010 to develop a 220,000-hectare (543,600-acre) concession in the remote, densely forested western counties of Liberia. Since the early days of its operations it has faced a [stream of criticism](#) by environmental advocates and [community representatives](#) for ignoring customary land rights and destroying ecosystems, so far only managing to clear 18,000 hectares (44,500 acres) of its concession.

While saying its findings were “indicative only,” the panel found that Golden Veroleum had cleared more than 1,000 hectares (2,500 acres) of high carbon stock (HCS) forest and that it was “likely” that additional high conservation value (HCV) forests had been destroyed, including areas habituated by chimpanzees and pygmy hippopotami. (HCS and HCV are [complementary approaches](#) to the demarcation of forests inside palm oil concessions.)

The HCSA findings are not the first time an international body has censured the company. In 2018, the Roundtable on Sustainable Palm Oil (RSPO) told it to [stop clearing land](#) in some parts of its concession until it resolved a series of complaints submitted to the RSPO about its operations beginning in 2012. The HCSA panel said there was an “ongoing, clear, and egregious breach” of its rules on community grievance mechanisms and that little progress had been made in addressing the RSPO’s 2018 findings.

Golden Veroleum’s [majority investor](#) is Golden Agri-Resources (GAR), the world’s second-largest palm oil producer and itself a branch of the Indonesian conglomerate Sinar Mas. In a statement posted to its website, GAR [acknowledged the panel’s findings](#), saying “there was no attempt to hide or deny the clearance” and that Golden Veroleum would not clear any additional land until it develops a sustainability plan for review by the HCSA.

“GAR is committed to ensure that GVL is fully compliant with the responsible palm oil commitments in the GAR Social and Environmental Policy (GSEP),” the statement said.

GAR committed to making all its plantations HCS-compliant in 2017, and has been a member of the HCSA’s steering committee since then.

Golden Veroleum has been embroiled in conflicts with [communities](#) and [workers](#) in southeastern Liberia since the early days of its operations, with accusations that it was pressuring rural villagers into signing away their land [largely confirmed](#) by the RSPO’s 2018 findings.

That same year, the Sustainable Development Institute, a Liberian environmental and community rights NGO, joined with the Netherlands and U.S. chapters of Friends of the Earth in filing a complaint against GAR with the newly-established HCSA

secretariat. The groups pointed to [evidence they'd gathered](#) of Golden Veroleum flattening species-rich rainforests.

“These forests are back to back with Sapo National Park,” said James Otto, a campaigner with the Sustainable Development Institute. “When you start clearing habitats for chimpanzees and other endangered species, what you do is create corridors for ordinary citizens and other people to move towards the park, which makes those species vulnerable.” (Sapo National Park is a [protected area in Liberia](#) and one of West Africa’s last remaining primary rainforests.)

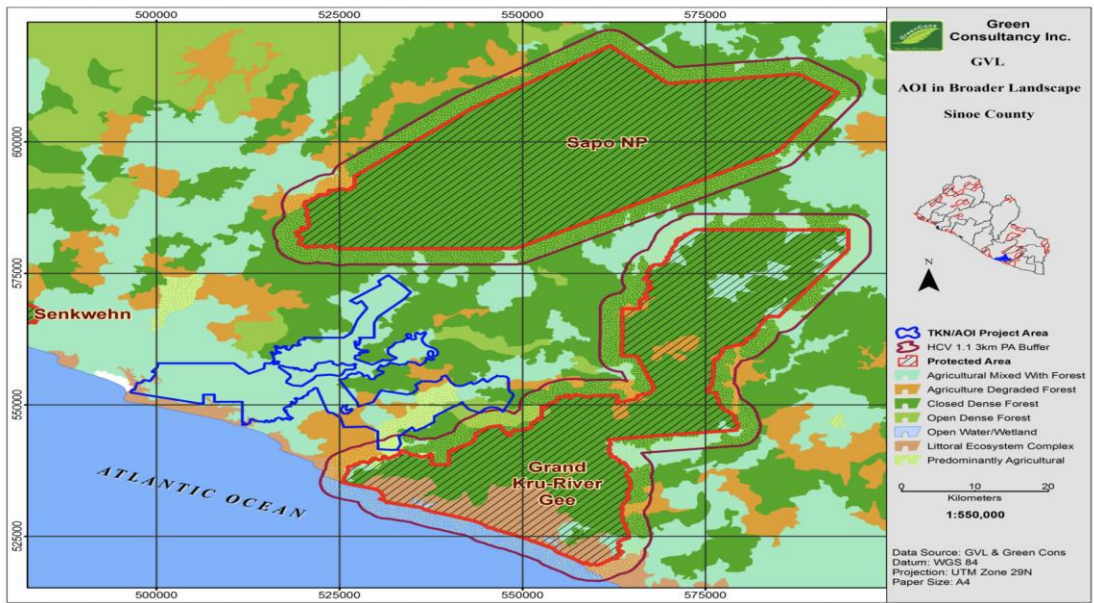


Figure 3: HCV 1.1 Map

A map of one of the development areas assessed by the HCSA in Sinoe, Liberia, from Golden Veroleum RSPO submission.

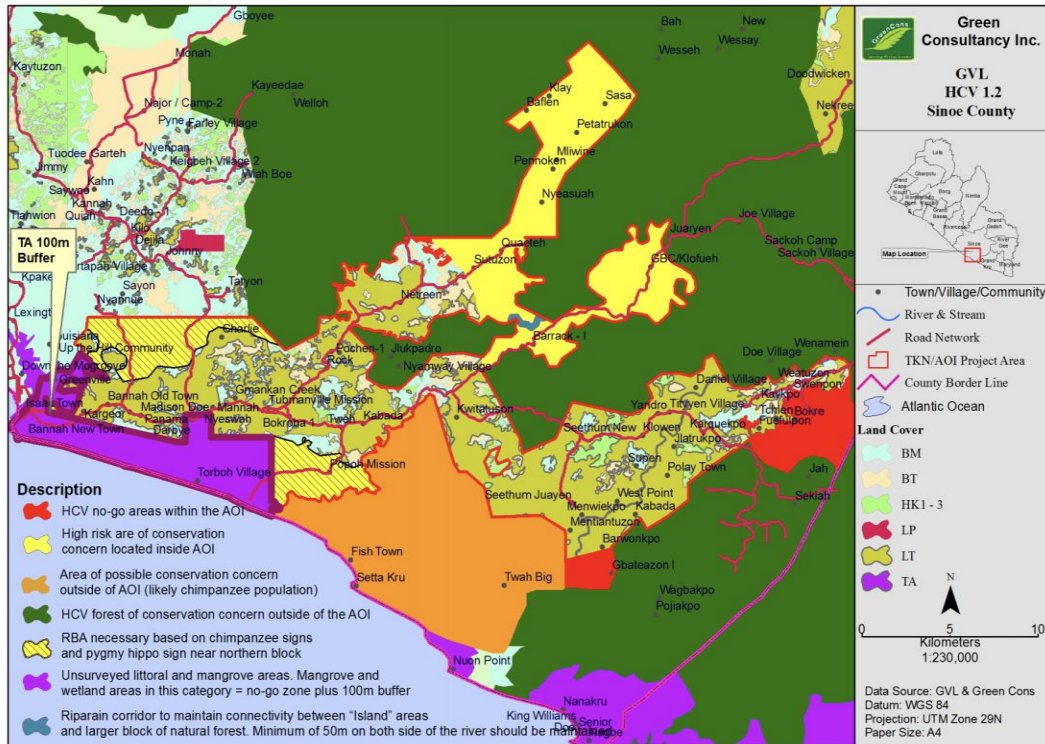


Figure 4: HCV 1.2 Map

Note that in addition to the riparian corridor colored blue in the map, the large green “island” area in the center of the AOI will be connected to the northern block of forest by HCS forests (Map 14). The actual riparian corridor width will be determined by species that the area is being managed for –initially identified for high

Forest classification map of the area where Golden Veroleum was found to have carried out deforestation, from RSPO submission.

In its initial response to the evidence presented by the groups, Golden Veroleum defended its land acquisition practices and said their report included “[inaccurate information](#).”

The HCSA secretariat appointed the independent grievance panel to investigate the allegations.

In its February 4 findings it recommended that Golden Veroleum freeze any further development of plantation land and work with communities in its concession zone to resolve outstanding disputes and carry out a detailed assessment of the forests there.

Jeff Conant, senior international forests program director at Friends of the Earth, says that it’s likely that more of western Liberia’s rainforests were cleared by Golden Veroleum than what was covered by the review. So far, the company has allocated 11,482 hectares (28,373 acres) as HCV forests inside its designated planting area, but none as HCS.

“The ask is for the HCSA group to go back and monitor the entire concession or for GVL to provide maps of the HCSA clearance of its entire concession, because I think we can reasonably assume that if we found several hundred hectares of deforestation in the sample area, if you look at the entire concession you’re probably going to find a lot more,” he said.

The HCSA standards were agreed on by major palm oil producers and environmental NGOs in [late 2016](#) and are meant to measure compliance with “no deforestation” pledges. Under the HCSA, land slated for palm oil cultivation is placed into one of [six categories](#) depending on how much carbon it sequesters, with the first four being off-limits for development.

“The HCSA group [came about](#) initially because there was a sense among civil society groups that the RSPO principles and criteria had gaps in regards to what was meant by deforestation,” said Conant. “And so the high carbon stock group came together to create a technical definition of what constitutes deforestation based on carbon content.”

GAR has said it will press Golden Veroleum to comply with the panel’s recommendations, but the HCSA’s findings are another in a series of woes for Liberia’s palm oil industry. Touted as a cornerstone of the country’s agricultural development strategy in the early 2000s, investors have instead found themselves [mired in land conflicts](#) and restricted by deforestation commitments made in response to pressure by environmental groups, consumers and banks.

In early 2021, after sustaining years of losses, Malaysia-based Sime Darby abandoned its concession in western Liberia, [selling its plantation](#) to a local company. Conant said he would be surprised if GAR hasn’t contemplated doing the same with Golden Veroleum’s concession.

“I think this concession is now what you might call a toxic asset,” he said. “I don’t know who is going to want to take it over. I’d speculate that they probably want to sell it off, but they’re probably going to have a very hard time finding a buyer.”

Banner image: Liberian tropical forest, via USAID.