

SRC's Investment Faces Hiccups

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Villagers representing 22 indigenous Liberian communities in a complaint filed against Salala Rubber Company on, 27 May 2019, alleged that the expansion has undermined their livelihoods and has been accompanied by violence against women and community leaders.

As IFC 'withholds' loans, dispatches investigative team to probe abuse claims

By Alloycious David (Contributor)

Salala Rubber Company (SRC's) investment in Liberia appears dogged by claims of human and environmental rights violations at its concession in Margibi County as this newspaper has reliably gathered that the International Finance Corporation (IFC) has tabled all SRC's loan application processes pending full scale investigation into a recent complaint filed against it by 22 indigenous Liberian communities.

SRC is a subsidiary of SOCFIN, a transnational corporation based in Luxembourg is a client of the IFC, which is a member of the World Bank Group. SOCFIN took over the Weala Rubber Company in 2007 after the end of Liberia's civil war.

In June 2009, IFC made new commitments worth approximately US\$13 million in Liberia. This includes a US\$10 million investment to SRC, a US\$1.1 million investment to AccessBank-Liberia and a US\$2 million Trade Finance line to Liberian Bank for Development and Investment (LBDI).

The US\$10 million investment loan was provided for SRC to expand and modernize its rubber plantation.

World Bank Money Used to carryout illegal land grabs, sexual violence and intimidation

But, villagers representing 22 indigenous Liberian communities in a complaint filed with the Compliance Advisor Ombudsman (CAO) at the IFC on 27 May 2019 alleged that the expansion has undermined their livelihoods and has been accompanied by violence against women and community leaders.

The office of the Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism for projects supported by the International Finance Corporation (IFC) and Multilateral

Investment Guarantee Agency (MIGA) — the private sector arms of the World Bank Group.

CAO was established in 1999 and reports directly to the President of the World Bank Group. It work to address concerns of individuals or communities affected by IFC/MIGA projects, enhance the social and environmental outcomes of IFC/MIGA projects and foster greater public accountability of IFC and MIGA.

According to locals in Margibi and Bong counties, the company has used the bank's US\$10 million to forcibly take over traditional territory and even lands for which locals hold formal title deeds for, without regard for land rights and without compensation pay to the owners.

Residents of 22 Liberian indigenous villages in a complaint to the IFC said SRC is using World Bank Money to expand and operate its Liberian plantations through illegal land grabs, sexual violence and intimidation of human rights defenders.

The villagers called on the IFC and World Bank to take special steps to protect community-based land, environmental and human rights defenders from harm and reprisals as a result of their complaints consistent with the IFC October 2018 position statement on retaliation against civil society and project stakeholders.

They also alleged that their water sources including creeks, rivers and streams have changed color, smell foul, and often cause rashes and diarrhea when imbibed soon after rounds of spraying.

According to them, their sacred sites, tombs, shrines, Sande and Poro bushes and areas of forest reserved for medicinal plants and religious activities have been destroyed and desecrated by SRC.

"Our ancestors resided upon these lands before the Republic of Liberia even existed. But now many villages are surrounded by plantation, our farmlands and forests cleared and engulfed by rubber trees," the citizens said in the complaint.

"Living near SRC's plantations brings other perils as well. The few women who find employment with the company are subject to harassment by the contractor heads who manage them; they often face demands for sex just to receive payment that is due to them," the villagers said.

"Women who walk through the plantations at night — often a necessity because villages are literally surrounded by rubber trees — fear running into plantation guards, who humiliate them and threaten them with rape," the citizens disclosed in the complaint.

"Activists and community leaders who voice their opposition to the company or seek redress for damages have been arrested and their legitimate grievances criminalized on spurious charges and put under continuous surveillance," says Paul Larry George, Chairman of the Alliance for Rural Democracy (ARD), a conglomeration of community based rights groups, which jointly filed the complaint.

The complaint was filed on behalf of the locals by Liberian lawyer Alfred L. Brownell, winner of this year's Goldman Award. Brownell is the Lead Campaigner of Liberia's environmental rights group, Green Advocates. Advocacy for the environment and his stance against the clearing of Liberia's tropical rain forest by Golden Veroleum Liberia (GVL) won him the Goldman Environmental Award.

Prior to going into exile, Brownell represented the legal interest of poor communities threatened by multi-national firms like Sime Darby and GVL. Investigative Report Findings Corroborated Citizens' Claim. Findings into an investigation commissioned at SRC by Swiss based organization 'Bread for All' corroborated citizens' claims of abuse and human rights violations.

The Swiss-based human rights group, in its investigative report jointly conducted by Green Advocates, Alliance for Rural Democracy (ARD) and Natural Resource Women Platform cataloged various forms of human rights violations at SRC and Liberia Agricultural Company (LAC), which is also owned by SOCFIN.

Titled 'Struggle for Life and Land', the report released simultaneously in Monrovia and Switzerland on Thursday, February 21, 2019, shows that the affected communities in the three counties have continued to suffer from the loss of their customary and deeded lands due to forceful eviction and destruction of their towns and villages, pollution of water sources, desecration of shrines and sacred places, harassment, intimidation, arrest and detention of human rights defenders.

The report established that people in many of the communities covered by the report were not sufficiently consulted about the plantation expansions, did not give their consent and were forcefully evicted from their customary lands. Some of the communities adversely impacted by SRC and LAC operations, according to the report are Ansa; Deedee; Daokai; FahnWhalee; Garjay; Gorbob; Jorkporlorsue; Kuwah; Lanco; SiafaMolley and Tarte;e;

For LAC: Floejoe; Gboecleon; Moncray; Zoewee; Ceezon; Wonwru; Gbarfein; Issac Gaye; Nahn; Saw Mill; Trodi and Come Back Hill. The report also captured threats to food security, which has deteriorated and access to potable water has become difficult for many residents of villages around the plantations.

"This situation violates the rights of local communities as enshrined in applicable Liberian laws and international instruments to which Liberia is a party as well as standards that the companies are obligated to adhere to," a civil society actor said about the report. The issue of sexual assault was also highlighted.

According to the findings, women are being subjected to sexual violence by subcontractors and, in some cases, by plantation security guards.

SRC is yet to respond to allegations contained in the report, but some workers and a group of people claiming to be from communities near the plantation have dismissed claims of sexual violence by subcontractors and security guards. They have also threatened to institute lawsuit against Green Advocates and her partners, including ARD and Natural Resource Women Platform.

Citizens' Complaint Meets Eligibility Criteria. However, Compliance Advisor Ombudsman (CAO) on June 13, 2019 responded to such queries and told citizens of the 22 indigenous Liberian

communities that their complaint meets its three eligibility criteria.

CAO said in accordance to its operational guidelines, it will begin an assessment of the complaint, but told the citizens through their lawyer, Alfred Brownell that the "assessment period is limited to a maximum of 120 working days, but may be completed sooner."



Gina Lea Barbieri, Principal Ombudsman, Dispute Resolution, manages the team that will be conducting the assessment of this complaint, the CAO informed Brownell. Another person, Nokukhanya "Nox" Ntuli, according to CAO will lead the assessment process and will be in touch with Brownell regarding the next steps.

"The purpose of the assessment is to work with you and other relevant stakeholders to clarify the issues raised, to gather information on how the situation is perceived, and to help you determine which function of CAO you would like to pursue," Brownell was informed through a letter dated June 13, 2019.

Protests Against SRC's Parent Company Prior to the CAO decision to dispatch a team to Liberia to look into the citizens claims, a group of protesters representing two civil society groups on May, 28, 2019, staged a protest in Freiburg, where Socfin has offices. Some of the civil society groups included, Bread for All, FIAN, Attac, Multiwatch and Solifonds.

The protesters hung a big banner in front of the building hosting Freiburg Rubber Trading Company (SOGESCOL) with inscription "Socfin-we are watching you." One protester said the sign is to clearly tell Socfin that its operations in Africa are being closely monitored and abuses there would be reported by civil society organizations Virtually all Socfins rubber from Liberia is traded through the Freiburg-based subsidiary Sogescol.

According to the protesters, Sogescol exercises de-facto economic control over the two Liberian plantations, but has failed to carry out a due diligence audit or take measures to prevent human rights violations. Similar protest action was also staged at Socfin General Assembly in Luxembourg, where several rights defenders displayed placards- and called on the company to halt land grabs and other form of violations in Liberia.

Also, on Monday, May 27, 2019 a coalition of ten international NGOs, including 'Bread for All' led by Sherpa organization filed a lawsuit against the French Bollore Group, which owns almost 40 percent of Socfin's shares.

The case, according to information gathered concerns the OECD complaint filed in a land theft case, and other serious human rights violations on a palm oil plantation belonging to Socfin subsidiary Socapalm in Cameroon.

Following the complaint to the French OECD Contact Point, Bolloré Group conceded to implement an action plan agreed with the affected communities in 2013, but never did so. With the complaint before a French court, the NGOs now want to force the conglomerate to fulfill its obligations.

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