The impact of oil palm plantations on conservation in Liberia

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Liberia Context

- Contains largest intact block of Upper Guinean Forest (40%)
- Ranked 174 on Human Development Index
- Recent Review on Investments in Liberia (RRI, 2013)
  - 5.1m ha of Government Land Concessions Identified
  - Transnational corporations have budgeted at least US$19 billion for future investment in Liberia, and have invested at least US$1.3 billion in Liberian operations and capital assets.
  - multi-lateral development organizations have committed the bulk of their dedicated Liberian funds to improving infrastructure
Four Oil Palm Truths?

• Demand for oil palm will continue to increase in response to a growing and increasingly affluent global population;
• Oil palm is one of the most profitable land uses in the humid tropics;
• Oil palm plantations store more carbon than alternative agricultural land uses;
• Native biodiversity within oil palm plantations is far lower than the natural forests they often replace.

(Sayer, Ghazoul, Nelson, & Klintuni Boedhihartono, 2012)
Oil Palm Context

- Land area under production has more than quadrupled since 1961
- Global land area of planting increased from 3.5 Mha in 1975 to 13.1 Mha in 2005 (Wicke, Sikkema, Dornburg, & Faaij, 2011)
- Palm oil consumption in the United States tripled from 324,000 tons in 2005 to 1 million tons in 2009
Global oil palm land area under harvested cultivation, yield per unit area, and producer price of palm oil (in US Dollars per tonne produced) (Turner et al, 2011).
Oil Palm Development in Liberia (1st Phase)

- c. 60,000 ha state & privately owned plantations founded in 1970s
- Hybrid Tenera variety seeds imported from Ghana and Ivory Coast
- The full extent of this proposed development was never realized due to the onset of civil war in the late 1980s
- Remain as hubs for independent smallholders
- Three of the sites have been included in recent concession agreements with Equatorial Palm Oil (LIBINC and Butaw) and Maryland Oil Palm Company (Decorys)
Concession Agreements

• Currently there are four international companies with interests in Liberian palm oil:
  – Sime Darby
  – Golden Veroleum (Liberia)
  – Equatorial Palm Oil
  – Maryland Oil Palm Company

• Combined they have access to over 622,000 ha and an average market capitalization of US$8.2 billion (RRI, 2013)

• Sime Darby and GVL’s concession agreements require them to be in accordance with the principles of the Roundtable on Sustainable Palm Oil (RSPO).
Land Cover & Use
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Map showing land cover and use with various sectors and landcover classes.
Land Cover & Use

[Map of land cover and use with various landcover classes and sectors indicated]
Land Cover & Use
Social Impacts

- Green Advocates, & FPP. (2013). “We who live here own the land”: Customary Land Tenure in Grand Cape Mount, and Community Recommendations for Reform of Liberia’s Land Policy & Law
- SDI. (2012a). GVL: What does the contract say?
Environmental Impacts

• Environmental change from oil palm concessions will be driven by multiple factors e.g.
  – **Primary Conversion**: concession development - conversion of critical ecosystems and corridors to oil palm by concessionaire
  – **Resettlement**: concession development - resettlement/relocation of populations living on land to be planted with oil palm into critical ecosystems - deforestation / degradation of critical ecosystems to meet local agricultural demand
  – **Forest Products Demand**: concession development - increases in incomes (in local area including and surrounding the concession) - increased demand for forest products - deforestation, degradation and loss of ecological complexity of critical ecosystems to meet demand
  – **Extensification**: concession development - increased support for smallholder oil palm or rubber outside concession area - conversion of critical ecosystems to oil palm by smallholders.
Environmental Impacts

• Concession Agreements
  – Under the EPA Act all concessions must undertake an EIA
  – All initial EIAs accessed (n=5) have been conducted by Green Consultancy Inc.
  – 4 of the 5 included an HCV component
  – Rigour of SD & GVL ESIAs has been questioned (e.g. (FFI, 2011, Lomax, Kenrick, & Brownell, 2012 & TFT, 2013)
  – Sime Darby, Equatorial Palm Oil and Golden Veroleum (Liberia) have commissioned international consultancies for additional ESIA and HCV assessments (including TFT, and Coastal & Environmental Services)
Environmental Impacts

• On the ground
  – Sime Darby had planted 1,190 hectares of its 220 thousand hectare concession by January 2012
  – Following complaint lodged with RSPO GVL paused Butaw plantation operations in January 2013
  – Equatorial Palm Oil – currently operational within 1st Phase plantations
Issues & Options

• Responsibility & the RSPO
• Plausibility of additional measures?
  – High Carbon Stock
  – Mitigation Hierarchy & Offsets
  – REDD+
  – Land Use Advocacy
  – Enhanced Regulation & Enforcement
• Draft Land Rights Policy
• Commercial Agriculture & a reconfiguration of conservation spaces?
• Squaring the circle between social & environmental concerns?
References

Lomax, T., Kenrick, J., & Brownell, A. (2012). *Sime Darby oil palm and rubber plantation in Grand Cape Mount county* (pp. 1–33).


