

Pleebo /Sodoken District
Pleebo, Maryland County
Republic of Liberia

Siobhan Toohill
Head of Sustainability
Westpac Banking

Via email: stoohill@westpac.com.au

June 8, 2018

Dear Siobhan Toohill:

We are a group of civil society organizations and people affected by the Maryland Oil Palm Plantation in Liberia (MOPP).

We are writing to you because Westpac is a lead arranger of a \$1.5 billion corporate loan to Wilmar International, one of the world's largest palm oil companies. The loan will be used to "refinance existing debt and to finance general corporate and working capital requirements of Wilmar and its subsidiaries," [according](#) to a Wilmar press release.

As a lead arranger of this loan, we urge you to examine the full range of environmental, social and reputational risks of this company and the wider palm oil industry. We have sent similar letters to banks that may be considering participating in the loan that you are arranging.

As noted, the \$1.5 billion loan can be used to finance Wilmar's subsidiaries. One of the company's fully owned subsidiaries, Nauvu, owns 27.06% of SIFCA, an Ivorian agribusiness company that is developing the 8,800-hectare Maryland Oil Palm Plantation in Liberia. In March of this year, Wilmar doubled down on that investment, [buying out](#) its joint venture partner in Nauvu for \$194 million. Wilmar is also expected to distribute much of the palm oil from the Liberia plantation throughout its global supply chain.

The MOPP/SIFCA concession agreement was signed without the free, prior and informed consent of the affected communities in Pleebo/Sodoken District, Maryland County, Liberia, thus undermining the economic, social and cultural rights of the citizens of Pleebo/Sodoken District. MOPP/SIFCA cleared, occupied and established its oil palm plantation on the customary and deeded land of indigenous Pleebo communities and peoples, even going beyond the land areas previously cleared by its predecessor, Decoris, without their consent. Cash and food crops as well as natural resources such as non-timber forest products (NTFPs) serving as sources of livelihood and a basis of the culture and tradition for community members were destroyed. Shrines and sacred places were desecrated in many of the affected communities, thus attacking the belief system of the community members. MOPP/SIFCA destroyed crops, farm lands, sources of drinking water, other natural resources, and burial grounds without inviting community members to participate in an environmental social impact assessment (ESIA) and participatory mapping of land targeted and planted with oil palm.

The affected communities have also complained that:

1. MOPP has introduced and heavily relied on the use of armed state security forces and government officials to wield undue influence over community members, silence community voices, suppress community advocacy and protests, harass and intimidate community members, restrict their movement, deprive them of access to their traditionally owned lands and use and control of community-based resources, and arrest and detain community members for unjustifiable reasons;
2. MOPP has deployed the country's elite armed police force, the Emergency Response Unit (ERU), across the plantation and the ERU is causing insecurity among residents, leading to intimidation, harassment, search and seizure, arrest and detention of residents in the affected communities. Women and children have also been harassed, intimidated, beaten and

detained on frivolous charges. According to community members, ERU patrols their communities with guns, some time firing in the air while chasing people they accuse of stealing oil palm from MOPP. They also added that, at times, the ERU beat on women carrying palm oil they have processed from the natural palm in nearby communities outside MOPP and extort money from these already poor and vulnerable women, mainly Sami Tukeh, for example. "The ERU arrested a child going to hunt with his dog and put a palm bunch on his head to show that he stole the palm from MOPP. The child was taken to jail", Community leader in Kaken;

3. In several communities, people had proven title to the land on which MOPP/SIFCA cultivated oil palm. These affected property owners have notified MOPP claiming and showing proof of ownership of the lands and crops but MOPP is yet to recognize their rights in keeping with law and applicable standards;
 - MOPP has refused and/or failed to compensate members of affected communities for their damaged crops, the occupation and use of their lands and desecration of their sacred places. Crops were not only counted on some farms but several farms were also destroyed while the farmers were in court responding to charges brought against them by MOPP for resisting the cultivation of oil palm on their ancestral land without their consent. In several accounts of the affected communities, MOPP destroyed crops and farms during night hours. Several farmers have not received crop compensation, including 110 farmers whose crops were not counted but destroyed in their absence;
4. MOPP/SIFCA polluted several water sources of the affected communities through the company's use of agro-chemicals and land clearing. Several wetlands were dammed and oil palm planted in them. While MOPP drilled hand pumps in some of the affected villages, they have not been enough and they are not maintained to meet the growing demands of the affected population sustainably. Many are easily broken due to their poor quality while existing ones often run dry during the dry season due to their shallow depth. This situation compels residents to return to polluted creeks running through the plantation. "Last December, a group of school children came to our town, Gbololu. They were very thirsty. The only drinking water we had was from the creek. The children drank some of the water and all of them started complaining of stomach pain and running stomach or diarrhea", Youth Leader, Gbololu Town said;
5. There is a lack of investment in local content, leaving MOPP/SIFCA to purchase at higher cost the traditional or African baskets used for harvesting its oil palm from outside the communities. The traditional basket used for harvesting oil palm at MOPP can also be locally produced in Liberia, more conveniently by the affected communities. The local materials for the production of the basket can be easily sourced in the adjoining communities, sustainably and cost effectively, but MOPP has voted to contract people outside Liberia, in Cote d'Ivoire, to produce them about twice the cost of producing them in Liberia. Many residents are not happy. "It has been disheartening for us community members when we see MOPP/SIFCA trucking traditional baskets from Cote d'Ivoire even though they can be produced at a cheaper rate here in the community", Thomas Kuwait Nyemah, President, 29 Towns, Youth, said; and
6. MOPP did not sign Memorandum of Understanding (MOU) with the affected communities that addresses expectations of the communities and documents the social responsibility and other commitments of the company to the communities and by which MOPP can be held accountable. The affected land-owning communities did not sign an MoU with MOPP as a mark of their consent for MOPP to use their land for the concession and to expand beyond where Decoris had stopped. They also did not sign any MoU with Decoris who established the plantation on the land in the 1980s.

Pleebo/Sodoken District in the past, had three large plantations—Cavalla Rubber Plantation formed in 1926, Liberia Sugar Company (LIBSUCO) established in 1973 and Decoris Oil Palm Plantation, established in 1980. These three large concessions took almost the entire farmland of the citizens of the District. During the establishment of these concessions, there were no genuine agreements between the citizens, the investor and the government to guarantee economic benefit to the

indigenous inhabitants of the land. Since the formation of these three concessions, the citizens whose traditional lands were taken have not benefited from any of the operations of the concessions.

During the Liberian civil war, the Liberia Sugar Palm Plantation Company collapsed and was damaged completely, leaving only Decoris Oil Palm Plantation and Cavalla Rubber Plantation in a functional state. In 2007, the Government of Liberia awarded Cavalla Rubber Plantation to SIFCA and in 2010 Decoris Oil Palm Plantation/Maryland Oil Palm Company (MOPP) was also awarded to SIFCA.

The environmental, social and reputational risks of financing Wilmar are not limited to Liberia:

- In January 2017, the Roundtable on Sustainable Palm Oil (RSPO) [found](#) that Wilmar had illegally appropriated land from indigenous people in West Sumatra, Indonesia, without securing their free, prior and informed consent, in a rare finding of culpability against a major palm oil producer.
- In March 2017, Nestle publicly [expressed](#) alarm over [evidence](#) that Wilmar was illegally clearing protected forestland in Sumatra, Indonesia.
- In 2015, a Wilmar subsidiary was sued for land grabs in [Uganda](#). Wilmar was also accused that year of land grabs in [Nigeria](#).
- Wilmar has ESG scores of 33.65 out of 100 by Sustainalytics and 41 out of 100 by RebecoSAM. Bloomberg rates the company worse than its peers in both environmental and governance performance. *Newsweek's* 2012 Green Rankings [index](#) rated Wilmar the world's worst company out of 500 in terms of environmental practices.

As members of communities affected by Wilmar's investment in Liberia and concerned civil society organizations, we urge all banks committed to respecting human rights and the environment to not participate in this syndicated loan unless Wilmar commits to the following:

1. Given the loss of farmlands, reviewing and amending the MOPP concession agreement in order to allocate portion of the planted areas to the affected communities to serve as sources of livelihood for community members. We demand that a reasonable amount of acres of land (i.e. 25 acres) is set aside for each affected community as reserved land, already planted with oil palm for and/or MOPP should empower each affected community with technical and extensions and logistics to develop reasonable amount of acres of land with palm from part of the community lands within the plantation for the exclusive benefit of the community;
2. MOPP should immediately withdraw the Emergency Response Unit (ERU) deployed across the plantation as a way of removing the current insecurity for residents and ensuring that:
 - a.) There is free movement of residents and goods across the plantation especially as the plantation has an enclave with some communities and/or disconnected some villages and communities from their adjoining or neighbouring communities and some instances, closed trails, footpaths and/or roads traditionally used by some villages / communities;
 - b.) Security patrols of company security personnel does not extend beyond the MOPP Concession;
 - c.) Community members like women and children caught or accused by MOPP of alleged wrongful act in the plantation should first be taken to the Town Chief of the person(s) accused where the grievance process shall begin;
 - d.) MOPP should ensure independent investigation of all community complaints regarding harassment, intimidation, arrest, detention and discharge of firearm by its security force, including the ERU; and

- e.) Appropriate redress and remedy is provided to communities and community members wrongfully harassed, intimidated, arrested, detained, beaten, terrorized through the indiscriminate discharge of firearm, homes burglarized, property damaged, or for money and other items seized, taken or extorted.
3. MOPP should identify, recognize and compensate all community members who have proven title to the land on which MOPP/SIFCA cultivated oil palm. These affected property owners have notified MOPP claiming ownership of the lands and crops but MOPP is yet to recognize their rights in keeping with law;
 4. MOPP should compensate members of the affected communities for their damaged crops, the occupation and use of their lands and desecration of their sacred places without their consent and in non-compliance with applicable national and international standards and safeguards. This includes ensuring a review of past compensation schemes initiated by MOPP in order to ensure adequate compensation for people resettled or relocated by MOPP -- many people resettled by MOPP are now worse off than they were before.
 5. Recondition all broken hand-pumps built in the affected communities and discuss and address sustainable water access to and supply of safe drinking water for community members. This includes facilitating independent assessment or testing of water of affected communities to determine their safety including adequacy, for drinking, washing and cooking. MOPP should also facilitate treatment of residents affected with water borne diseases;
 6. Targeted technical and vocational education and training is provided to members of the affected communities to qualify them for full time, professional, supervisory and managerial positions / jobs;
 7. Timely and adequate on-the-job training is provided to members of the affected communities to empower them to rise to higher levels of positions and/or careers within the company;
 8. Money or financial contributions the company makes to the Tubman University and other such institutions for tertiary or university education prioritizes qualified students from the affected communities by setting aside a reasonable quota to specifically benefit children / students from the affected communities;
 9. MOPP should empower the affected communities by investing in local content or contracting the affected communities to supply the traditional or African baskets used for harvesting its oil palm and the provision of such other services; and
 10. Sign a Memorandum of Understanding (MOU) between the affected communities and MOPP/SIFCA that addresses expectations and commitments to address said expectations, including clear timeline for implementation of said MoU;
 11. Implementing all provisions of the MOPP concession contract, with emphasis on ensuring that citizens of Maryland County are able to take over managerial roles as agreed in concession contract;
 12. Completely removing MOPP's jurisdiction over the Affected Communities Development Fund and ensuring that the Fund is managed exclusively by community members and that community members are allowed to independently determine beneficiaries of community development. This includes not only the withdrawal of MOPP's signature from the Fund but that community members are assisted to establish an independent scholarship committee account without signatories of the management;
 13. Improving community benefit retention from its operations, particularly for affected communities that have not received benefits at all; and

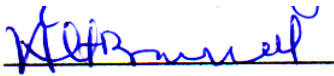
14. Paying damages incurred for the years of illegal occupation of the ancestral land of the people of Pleebo /Sodoken District outside their Free, Prior and Informed Consent as well as the pollution of their water and the desecration of shrines and sacred places.

Sincerely,

On behalf of District Leaders and MOPP Affected Communities, whose signatures are attached.



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