

Golden Veroleum (Liberia) Inc.  
R.Fole Sherman Law Building  
17th Street & Cheeseman Avenue  
Sinkor, Monrovia  
Liberia

13 February 2018

Attn: Mr. Alwi Hafiz

Dear Sir,

## **Complaints Panel's decision on the Golden Veroleum Liberia's (GVL) Complaints**

We refer to the RSPO Verification Mission to GVL, Liberia from 2 – 13 April 2017, by an independent team of experts.

The Complaints Panel acknowledges the continuing cooperation of GVL in sharing the required information and providing regular updates.

The following is the decision of the Complaints Panel on the basis of the review of the independent verification report and the responses from all Parties to the Complaint:

### **1. Butaw (Sinoe County)**

The following are identified:

#### **1.1 Non - compliance to Free, Prior and Informed Consent (FPIC) principles with regards to the signing of the MOU with the Butaw Community (P&C 2.3)**

The allegation is determined to be well-founded as GVL is found not to have complied with the following elements of Free, Prior and Informed Consent (FPIC):

##### **1.1.1 Self-identification of community representatives (P&C 2.3.4);**

This is evidenced by the fact that GVL decided, after the riots to stop working with A-Bloteh, which were earlier considered as representatives duly nominated by the Butaw communities. GVL had decided instead to work with BWDA. GVL further worked mostly with the Monrovia-based Peter Teah, while the investigation suggests that he had not been designated by the 24 Butaw communities to represent them.

##### **1.1.2 The element of "free" was not complied with as the investigation found that the community members largely signed the MoU for the following reasons:**

- To free their community members from legal charges following the riots in 2015;
- In response to GVL's promise that GVL would rehire the 900 workers dismissed in follow up of the submission of their complaint to RSPO;
- They were further told that they were required to sign the MoU by the authorities.

**1.1.3 The element of "informed" was not complied with as the investigation found the community members had very limited information prior to the signing of the MoU. These included representatives of the BWDA who were involved in the negotiation of the MoU.**

The limited understandings of the provisions of the MoU found among the community members, including those who have according to their own words negotiated the MoU, further suggests that no legal advice was received to interpret the rather legal language used in the MoU.

**1.1.4 The element of "consent" was not complied with as the investigation found that the negotiation process was conducted with limited involvement of ordinary community members and/or their self-selected representatives.**

The investigation further found that the community members hardly knew about the process, the existence, content or relevance of the underlying documents and/or the provisions of the MOU and signed the MoU largely to please GVL and the powers that be.

**In this regard, the Complaints Panel directs the following:**

1. GVL to initiate a facilitated consultation with the relevant stakeholders, including with A-Bloteh, BDWA and other self-identified community representatives of all sections of the communities in the Butaw District. The Consultation is to be facilitated by an independent expert, as endorsed by the Complaints Panel. The facilitated consultation is to:
  - a. Disseminate content of the MoU and ensure adherence to P&C 2.3.2;
  - b. Review and mutually agree to the terms of the MoU. In the event of continuing dissent on the content of the MoU, the following clause in the MoU is to be invoked and a revision to be added to the MoU:

*"... Not later than three years from the date of signing the MOU, [the parties] will jointly consider whether the social aspects of the MOU need to be updated to reflect changes in the ways that the company and community work together in fulfillment of the MOU, without undermining its fundamental intent or purpose. Where a need is identified to update this MOU, the [Parties] agree that a full consultative process in accordance with FPIC guidelines in effect from time to time will be undertaken. Suitable addendums will be agreed, signed off*

*by [Communities] and [Company] and added to this MOU to record any such changes so agreed...."*

*Timeline: To be initiated within one (1) month and to be completed no later than six (6) months of the decision letter.*

2. Enter into facilitated negotiation or mediation with the relevant and self-identified representatives of the Butaw Communities on the following issues (P&C 2.3 Guidance and 2.3.4):
  - a. Compensation Development Fund (CDF) Management
  - b. Employment opportunities
  - c. Benefits to the Butaw Communities
  - d. Outgrowers' Programme
  - e. Other issues that are still disputed in the Butaw District.

*Timeline: GVL to initiate discussions with the self-identified representatives of the Butaw Community on the process within one (1) month of the decision letter. The timeline for completion to be jointly decided by all Parties.*

3. The Stop-Work Order remains in force until the content of the MoU is no longer disputed by the representatives of the Butaw Communities or is maintained for a period of six (6) months from the date of the decision, upon which the Complaints Panel, may, at its discretion and after proper consideration, review the status of the Stop-Work Order.

## **1.2 Allegations of coercion (P&C 2.3 Guidance)**

### **1.2.1 Investigation found that GVL had used methods that are determined to be coercive to convince community members to:**

- Appoint a new group that would act as representative of the community;
- Send a letter of withdrawal of the Complaint;
- Sign the MoU.

### ***In this regard, the Complaints Panel directs the following:***

1. GVL, with immediate effect to stop any elements that are/or would be deemed as coercive in their negotiation with the Butaw Community;
2. Any continuing proven allegations of coercion would compel the Complaints Panel to initiate punitive sanctions.

## **1.3 Adequacy of participatory mapping (P&C 2.2.5 and 2.3.1)**

**1.3.1 Investigation found that no participatory maps were established for the 2500 ha developed in the Butaw District to date. It is noted that some mapping is ongoing mostly with a view to future developments.**

**1.3.2 It was also found that not more than 4 – 5 members of each of the 24 settlements in the Butaw District participated in the mapping work performed in the context of the elaboration of the MoU. Further, this involvement was limited to look at the high-scale topographic map and it seems unlikely that all stakeholder groups were meaningfully involved.**

**In this regard, the Complaints Panel directs the following:**

1. GVL to restart the participatory mapping on an appropriate scale, demonstrating the extent of recognised legal, customary or user rights as well as to determine and designate appropriate legal boundaries and HCV designated areas, amongst others. The following are to be taken into account in initiating the participatory mapping:
  - a. Expert facilitator to be identified and agreed in consultation with the related stakeholders and the Complaints Panel;
  - b. Participation in the mapping to include self-identified representatives of the community;
  - c. TOR to be jointly agreed by all related stakeholders.

*Timeline: Three (3) months from the date of the decision.*

2. Upon completion of the participatory mapping, the content of the MoU on designated customary sites and land compensation to be negotiated and agreed with all related stakeholders.

*Timeline: To be integrated in the timeline on the re-negotiation of the MoU.*

## 2. Tarjuowon (Blogbo) (Sinoe County)

The following are identified:

### 2.1 Non - compliance to Free, Prior and Informed Consent (FPIC) principles with regards to the signing of the MOU with the Tarjuowon/Blogbo Community (P&C 2.3)

The allegation is determined to be well-founded as GVL is found to not have complied with the following elements of Free, Prior and Informed Consent (FPIC):

#### 2.1.1 Tarjuowon MoU signed before the completion of the participatory mapping P&C 2.3.2);

Based on the chronology, the Tarjuowon MoU was signed on 9 November 2013. However, evidence demonstrates that the participatory mapping exercises which were conducted in 22 settlements were not all completed prior to the signing of the MoU. As noted by GVL, they had mainly completed participatory mapping in settlements directly within the concession area. Nonetheless, as seen below, participatory mapping for settlements bordering the concessions, such as Jacksonville, continued beyond 27 November 2013 and up until 16 January 2014.

No	Name & Towns Classification wrt GVL development (July 2013) X=within; Xx=Bordering Xxx=Far	Actual Participatory Mapping period from GVL records and GVL's note.	Statement of "No Claim" in proposed plantation area
1	Boe (Xxx)	<b>20 December 2013 – 16 January 2014</b> Note: Located in distant area beyond Garpu on main highway near Butaw. Participator Mapping for verification purpose only.	
2	Shaw David (X)	<b>2 – 5 July 2013</b>	
3	Bestnewlue (X)	<b>5 May – 28 June 2013</b>	
4	Sonouhn (X)	<b>27 May – 29 October 2013</b>	
5	Jacksonville City (Xx)	<b>10 August – 3 September 2013</b> Note: Participatory Mapping was repeated on 27 November 2013 due to concerns raised.	9 September 2013
6	Noah Hansford (Xx)	<b>27 November – 16 January 2014</b> Note: Originally as sub-community of Jacksonville. Separated subsequently for verification purpose.	6 January 2014
7	Joseph Teah (Xx)	<b>11 November 2013 – 16 January 2014</b> Note: Originally as sub-community of Jacksonville. Separated subsequently for verification purpose.	6 January 2014
8	One Way (Xx)	<b>6 – 23 August 2013</b>	8 August 2013
9	Saywon (Xx)	<b>28 November – 16 January 2014</b> Note: Originally as sub-community of One Way. Separated subsequently for verification purpose.	2 January 2014
10	Plandialebo (X)	<b>27 June – 5 July 2013</b>	
11	Pobleh (X)	<b>2 – 24 July 2013</b>	
12	Sharkpeh (X)	<b>3 – 19 July 2013</b>	
13	Unification City (X)	<b>25 May – 1 August 2013</b>	
14	Dorwon Town (X)	<b>7 July – 3 August 2013</b>	
15	Bioh (X)	<b>4 – 27 July 2013</b>	
16	Wiah (Xx)	<b>11 May – 11 July 2013. And continued till 9 January 2014.</b> Note: For verification purposes only	
17	Tugba (Xxx)	<b>30 December – 6 January 2014</b>	6 January 2014

		Note: Located on Zwedru Highway near Juarzon Distrct. For verification purposes only.	
18	New Town (Xx)	<b>29 November – 9 January 2014</b> Note: For verification purposes only	9 January 2014
19	Nyenfuah (Xx)	<b>9 November – 16 January 2014</b> Note: For verification purposes only	6 January 2014
20	Garpu (Xx)	<b>29 November – 10 January 2014</b> Note: For verification purposes only	10 January 2014
21	Sammue (Xxx)	<b>23 November – 16 January 2014</b> Note: Located in distant area beyond Garpu on main highway near Butaw. For verification purposes only.	10 January 2014
22	Grebo 1&2 (Xxx)	<b>16 October 2013 – 16 January 2014</b> Note: Grebo tribal settlement (from River Gee/Maryland). For verification purposes only.	29 August 2013

The above indicates that a comprehensive FPIC process was not completed, through a participatory mapping with the communities bordering the concession boundaries and beyond, prior to the signing of the MoU. As a result, any findings from the participatory mapping conducted post signing would not be included or reflected in the MoU.

Further, as Jacksonville City community members were asked to sign a “No Claim” Statement/Waiver prior to the completion of the participatory mapping (27 November 2013) as well as prior to the signing of the MoU, any new findings of the participatory mapping are deemed to have been waived by the community members.

### **2.1.2 Self-identification of community representatives (P&C 2.3.4);**

Self-identified Blogbo community members, representing the abandoned sites, were not engaged in the process leading to the negotiation of the MoU. It is found that GVL is in breach as they have failed to take into account the fact that the Blogbo community, who were displaced and living in Jacksonville, maintained an attachment to their community land in and around Tuoh Town and Wieh Town. As such, they were not consulted nor were they included in the negotiation of the MoU.

### ***In this regard, the Complaints Panel directs the following:***

1. GVL to initiate a facilitated consultation with the relevant stakeholders, including with KUDA, Blogbo-Teh and other self-identified community representatives of all sections of the 22 settlements in Tarjuowon, who have entered into the MoU with GVL. The Consultation is to be facilitated by an independent expert, as endorsed by the Complaints Panel. The facilitated consultation is to:
  - a. Review and agree to the terms of the MoU;

- b. In the event that there is continuing dissent on the content of the MoU, by either party, the MoU is either to be revised or an addendum to be added to address the claims made by the Blogbo community and/or other communities.

*Timeline: To be initiated within one month and to be completed no later than six (6) months of the decision letter.*

## 2.2 Inadequate participatory mapping

The allegation is determined to be well-founded as GVL is found to not have complied with the following elements of the P&C:

### 2.2.1 ***“No Claim Statement/Waiver” signed before the completion of the participatory mapping (P&C 2.3.2).***

GVL is found to have denied the communities the right to “informed” decision making when they were asked to sign a “no claim statement/waiver”. This is indicative of the communities waiving their rights to compensation for affected farms, old settlements, and sacred sites, amongst others, before the areas have been mapped and the related entitlements disclosed and discussed in the MoU. This is especially so in instances where the participatory mappings were only concluded post the signing of the MoU.

GVL states that these waivers were meant to ensure that there will be no further claims, unless as identified in the participatory mapping process. The investigation shows that since more than half of the participatory mappings were concluded only after the signing of the MoU, the communities de facto waived all claims for compensation, prior to the signing of the MoU, without knowledge or evidence of what they have actually waived.

### 2.2.2 ***Participatory mapping did not include members of the Blogbo community (P&C 2.3.1).***

It is noted that the 2013 participatory mapping was conducted prior to the identification of the abandoned sites of the Blogbo community as well as the complaints lodged on behalf of the Blogbo community in October 2014.

Nonetheless, it is found that GVL is in breach of P&C 2.3.1 as they have continued development without ensuring that the newly initiated participatory mapping, that included self-identified members of the Blogbo community is finalised.

### 2.2.3 ***Clearance of sacred sites of Blogbo community.***

The allegation that Palloh Hill, the area earmarked for the site of the mill and the nearby Slenee Creek are sacred sites of the Blogbo community, has not been conclusively addressed by GVL.

GVL has used the participatory mapping conducted in 2013 and the subsequent attestation made by the District Superintendent, Paramount Chief and other representatives of the Tarjuowon communities to conclude that these are unverified sacred sites. GVL has failed to take into account the fact that sacred sites may be attached to a lineage or even one family member.

This is a breach of the P&C 2.2.5 and 2.3.1 as these sites have not been jointly verified by the affected Blogbo community through a new participatory mapping.

***In this regard, the Complaints Panel directs the following:***

1. Participatory mapping of settlements, mainly those bordering the concession area or beyond, which were concluded post the signing of the MoU to be reviewed and any new findings and claims to be renegotiated and included in the revised MoU.

*Timeline: Three (3) months from the decision date.*

2. GVL to reinitiate the participatory mapping on land contested by the Blogbo community on an appropriate scale, demonstrating the extent of recognised legal, customary or user rights as well as to determine and designate appropriate boundaries and sacred areas, amongst others. GVL to comply with the Land Right Policy (2013) of Liberia which recognises the rights of communities to land that they have left due to forced severance or displacement as enshrined in the UN Declaration on the Rights of Indigenous Peoples.

The following are to be taken into account in initiating the participatory mapping:

- a. Expert facilitator to be identified and agreed in consultation with the related stakeholders and the Complaints Panel;
- b. Participation in the mapping to include self-identified representatives of the community.
- c. TOR to be jointly agreed by all related stakeholders.

*Timeline: Three (3) months from the decision date.*

3. Upon completion of the participatory mapping, the content of the MoU on designated customary sites and land compensation to be negotiated and agreed with the Blogbo community.

*Timeline: To be integrated in the timeline on the re-negotiation of the MoU.*

## **2.3 Development on disputed land**



The allegation is determined to be well-founded as GVL is found to have continued its development on land that is disputed by the Blogbo community on the following basis:

**2.3.1 Blogbo community was not consulted in the process leading to the Tarjuowon MoU (P&C 2.3.2).**

Despite the fact that the land was identified as the site for the construction of a mill, Blogbo community members, who are former inhabitants of the Wieh and Tuoh settlements that were abandoned during the civil war, were not consulted in the process leading to the signing of the MoU.

GVL contends that the Blogbo community only self-identified itself in 2015. Further, the complaint from KUDA, related to the claims that Blogbo community members were not consulted in the process leading to the MoU and the related allegation on the sacred sites of the Blogbo community, was submitted on 18 October 2014. Nonetheless, the settlements of Wieh and Tuoh were already identified in the context of the participatory mapping conducted in Jacksonville leading up to the signing of the MoU. Despite identifying the said settlements, there is no evidence to demonstrate that GVL had determined which community had occupied the land in these two settlements prior to the abandonment. The failure to do so at the point of the initial participatory mapping indicates that the process in itself is inadequate.

**2.3.2 Land is being developed despite the stalled engagement with the Blogbo community, represented by Blogbo-Teh (P&C 2.2.4).**

It is noted that GVL has attempted to resolve the dispute with the Blogbo community since May 2015, as facilitated first by SDI and subsequently by Parley. Nonetheless, despite acknowledging the Blogbo community, GVL continues with its development in the area contested by the Blogbo community prior to resolving the dispute.

Further, there is contradictory information with regards to the actual size of the area being claimed by the Blogbo community as opposed to the land demarcated by GVL as constituting customary land in the Lower Kulu area. The Blogbo community is claiming that approximately 2,000 ha or 5,000 acres constitute customary land of Blogbo people, while GVL has estimated 74 ha or 177 acres for the entire Lower Kulu customary land area.

The above contradiction remains as engagement with the Blogbo community has stalled and there has been no complete participatory mapping conducted with the Blogbo community, including through its Blogbo-Teh representation.

***In this regard, the Complaints Panel directs the following:***

1. A Stop-Work Order is issued with immediate effect. GVL is to cease all land development, including the construction of the mill in the Lower Kulu areas disputed by the Blogbo community.  
In order to mitigate possible impact on the community and in the interest of maintaining status quo pending the disposal of the Complaint, it is recommended that GVL retains the workers affected by the order to stop work within the GVL's workforce and payroll pending the lifting of the Stop-Work Order. In this regard, it is requested that GVL develop a mitigation plan to address the retention of the affected workers within the workforce and payroll on an urgent basis.
2. The lifting of the Stop-Work Order is conditional on the completion of the Participatory Mapping of the land contested by the Blogbo Community (*as directed above*) and on the agreement of the terms of a renegotiated MoU that includes the Blogbo community (*as directed above*). In the event the milestone and timeline are not met, the Stop-Work Order is to be maintained for a period of 6 months from the date of the decision, upon which the Complaints Panel, may, at its discretion and after proper consideration, review the status of the stop work order.

### 3. Du, Wolee and Nyennue (DWN) and Numopoh (Sinoe County)

The following are identified:

#### 3.1 Non-compliance to Free, Prior and Informed Consent (FPIC) principles with regards to the signing of the MOU with the Du, Wolee and Nyennue (DWN) and Numopoh (P&C 2.3).

The allegation that GVL is found to not have complied with the principles of Free, Prior and Informed Consent (FPIC) is addressed as follows:

##### 3.1.1 Representation of community members involved in the process leading to the negotiation of the MoU with the DWN and Numopoh communities (P&C 2.3.4);

The investigation reported that GVL had initially written to the town chiefs of the 23 communities within or near the proposed GVL concession in Numopoh and the town chiefs of 13 communities within or near the proposed GVL concession in DWN. The town chiefs subsequently identified the requested representatives who were involved in the process leading to the negotiation of the MoU.

There is no clear evidence to state that these representatives were appointed by government officials. GVL stated that the term 'town chiefs' were honorary in nature and directed to town leaders who in these communities were not government officials.

Thus, the finding is inconclusive as there is no evidence to demonstrate that the town chiefs were indeed government officials or if the identified representatives were not actual representatives of the respective communities.

### **3.1.2 MOU signed under the coercive presence of heavily armed ERP troops and government officials (P&C 2.3 – Guidance).**

The investigation found that riot police were present during the signing of the MoUs. GVL stated that there were no police present during the signing of the Numopoh MOU. Nonetheless, GVL had not contested the presence of riot police in the signing of the DWN MoU. It was also noted by the investigation that the presence of the riot police could have been intended to protect high level government officials present at the signing of the MOU.

Nonetheless, the investigation also found that the presence of riot police was perceived as intimidating by the community members and they claim that they feel coerced into signing the MoU.

Regardless of the intention behind the presence of the riot police, the fact that community members have stated that they felt intimidated and coerced in signing the MoU is a breach of the P&C 2.3.

## **3.2 Conversion of Provisional MoU to permanent MoU.**

GVL is found to have not fully complied with the decision of the Complaints Panel dated 15 September 2015.

### **3.2.1 Conversion of provisional MoU into a permanent MoU.**

Limited progress had been made to convert the Provisional MoU for Numopoh (2013) into a final MoU. GVL states that the conversion into a permanent MoU is slow as it requires reaching a conclusion related to the contested land with DWN.

Nonetheless, GVL is found to be in breach of P&C 2.2 as it is continuing to develop land that is disputed without a final MoU.

***In this regard, the Complaints Panel directs the following:***

1. The provisional MoU for Numopoh be converted into a permanent MoU. The following conditions are to be adhered to:
  - a. GVL complies with the RSPO FPIC guidance in the process leading to the conversion of the MoU;
  - b. Any ongoing disputes related to the provisions in the MoU to be resolved through a mediation with relevant and self-identified representatives of the Numopoh communities.

*Timeline: GVL to provide a detailed action plan and with specific milestones and timeline for implementation within one (1) month of the decision letter.*

2. The disputed land of 463 ha may be exempted from the above MoU and be negotiated through a separate MoU.

*Timeline: This is to be implemented upon resolution of the disputed area between Numopoh and DWN.*

### **3.3 GVL developed land that is disputed.**

The finding of the investigation demonstrates that GVL has developed land since the signing of both the MoUs, which is a breach of P&C 2.2. Nonetheless, GVL state that they have stopped development on land that is disputed.

***In this regard, the Complaints Panel directs the following:***

1. GVL to retain its decision not to develop land that is disputed until the issues are resolved satisfactorily;
2. GVL to continue its engagement with the relevant Liberian land authorities, including the Land Commission, the Ministry of Lands, Mines and Energy and the Ministry of Internal Affairs, amongst others, in assessing the boundary issues and seeking for a resolution to the dispute.

## **4. Gbleebo, Wedabo and Garraway (Grand Kru)**

The following are identified:

### **4.1 Limited progress in converting the nine (9) Provisional MoU in Grand Kru County into a permanent MoU.**

GVL is found to have not fully complied with the decision of the Complaints Panel dated 15 September 2015 in converting its nine (9) provisional MoU in Grand Kru County into permanent MoUs.

***In this regard, the Complaints Panel directs the following:***

1. The nine (9) provisional MoUs in Grand Kru County are to be converted into permanent MoUs. The following conditions are to be adhered to:
  - a. GVL complies with the RSPO FPIC guidance in the process leading to the conversion of the MoUs;

- b. Any ongoing disputes related to the provisions in the MoU are to be resolved through a bilateral negotiation or mediation with relevant and self-identified representatives of the respective communities.

*Timeline: GVL to provide a detailed action plan and with specific milestones and timeline for implementation within one (1) month of the decision letter.*

## 5. General

The following are identified:

### 5.1 Finalisation of the Standard Operating Procedure (SOP) on FPIC.

GVL is found to have not fully complied with the decision of the Complaints Panel to update and finalise its SOP on FPIC.

***In this regard, the Complaints Panel directs the following:***

1. GVL to update and finalise its SOP on FPIC taking into consideration comments from TFT, the complainants and the independent verification team.

*Timeline: Within three (3) months of the decision letter.*

### 5.2 Management and administration of the Compensation Development Fund (CDF).

The investigation found that information on the administration of the Compensation Development Fund (CDF) was limited. The generic CDF Charter dated 18 December 2014 has not been amended nor updated. It has also not been made public nor disclosed to most community members, particularly in Butaw, Tarjuowon, Numopoh, DWN and Grand Kru.

The following information was not available:

- Status of the CDF in the respective communities;
- Composition and structure of the CDF Management team;
- Workplan;
- Process of disbursing the funds
- Process of obtaining funding.

***In this regard, the Complaints Panel directs the following:***

1. GVL to review and amend its CDF Charter, in consultation with the CDF Management, to reflect and address the gaps identified above.

*Timeline: Three (3) months from the date of the decision letter.*

2. CDF Management and Expenditure Structure to be transparent and made public;
3. GVL to ensure socialisation of the CDF to all communities and NGOs/CSOs.

GVL is expected to submit an overall action plan on its implementation of the above directives, no later than **14 March 2018**. RSPO is willing to offer technical support in relation to addressing the above directives. GVL is also expected to submit quarterly updates for the next twelve (12) months on the progress of the implementation of the action plan.

Any Party to this Complaint, who wishes to appeal against this decision, shall have the right to submit a notice of appeal, no later than sixty (60) working days from the date of this decision.

In line with RSPO Code of Conduct, we call on GVL to act in good faith in implementing the above decision of the Complaints Panel. Any deviation from the above-mentioned milestones and timelines by GVL will be viewed adversely and may lead to consideration of suspension and eventual termination of membership.

Yours sincerely,



**Dato' Henry Barlow**

Chairperson of the RSPO Complaints Panel  
*On behalf of RSPO Complaints Panel*

Copy to:

1. Green Advocates
2. Sustainable Development Institute
3. Forest Peoples Programme
4. Social Entrepreneurs for Sustainable Development
5. Kulu United Development Association
6. Blogbo-Teh
7. Abloteh Committee