

Executive Summary

INDEPENDENT STUDY REPORT OF THE ADDAX BIOENERGY SUGARCANE-TO-ETHANOL PROJECT IN THE MAKENI REGION IN SIERRA LEONE

Purpose and methodology

The purpose of this research is to produce an Independent Study report on the impact of Addax Bioenergy sugarcane-to-ethanol project on local communities and the environment in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili District, in the Northern Province of Sierra Leone. The Study was conducted by two (2) independent senior researchers from Ghana during nine weeks (February-April 2011). The research was both quantitative and qualitative and several instruments were used including non-interview research, desk research, and field research with interviews in 12 affected villages. Addax Bioenergy representatives could not be interviewed by the researchers. The company however sent a written response to a list of questions sent by the researchers.

Description of the project

Addax Bioenergy is developing a Greenfield integrated agricultural and renewable energy project in Sierra Leone to produce fuel ethanol and electricity. It leased 57'000 ha of land for a period of 50 years and sugarcane plantations will cover 10'100 ha, plus 2,000 ha developed as part of the project's Farmer Development Programme (FDP) which Addax believes will impact positively on food availability as this surface will be divided into about 60 community fields to be established and sown by Addax and dedicated to staple food production (mainly rice and cassava) to the benefit of the local population. 13,617 people live in areas affected by the project.

Legal Analysis

The Study first refers to a Legal Analysis of the Land Lease Agreement (LLA). This analysis concludes that there is lack of clarity as to whether traditional land owners and chiefdom councils had access to effective legal advice in the preparation of the LLA, as their lawyers were paid by Addax. Moreover, a clause in the LLA conferring of a right on Addax to stop or alter a water course or restrict access to a water course may constitute an interference with the right to access water for domestic uses of those within or near the project area as stipulated by The Water (Control and Supply) Act 1963. Furthermore, another clause of the LLA suggests that disputes have to be resolved by an arbitration tribunal in London, which may be too costly for the chiefdom councils. Besides, such a clause suggests a distrust of in-country dispute settlement mechanisms. The duration of the LLA (50 years) is seen as dispossessing a whole generation of people of their land, exposing them to the socio-economic challenges of landlessness in a culture where land ownership determines the status of a family to a large extent.

Negotiation process

According to Addax, a reputed law firm was selected by the communities to represent them in the land lease negotiations with Addax. Researchers found out that many land owners have not set eyes on their 'legal representatives'. During the negotiation process, Addax made juicy but unenforceable promises of the eradication of poverty, provision of development packages such as health facilities, school buildings, community centers, jobs for all the youth, technical-vocational training, building of good roads, etc. All these promises aroused the excitement of farmers and were responsible for their decision to give up their lands. The research shows that communities had limited or no knowledge of the terms of the Land Lease Agreement (LLA). Land owners have no copies of the LLA or had never seen one, except in 2 villages. Land owners have little or no say in the negotiations as regards the size of their lands to be leased and/or the compensation rates offered. Land owners have no copies of the land survey maps (indicating what lands belong to Addax and what still belong to the community). Claims that Addax secured the free prior and informed consent of communities for the takeover of their lands are very doubtful as it was gained through promises to the land owners and users. Moreover, community members told the research team that, during the consultation processes, they felt intimidated to question certain aspects of the project in the presence of a local politician.

Access to land and right to food

In the villages of the Pilot Phase Area, many farmers in communities have already lost their access to fertile lands, though Addax has provided community members with alternative farmlands and confined them to smaller lands, promises by Addax to plough and harrow the lands materialized too late in 2010. This led to very low yield on these fields and local communities reported to now face growing food insecurity and hunger. Even as Addax pledges to use only "marginal" lands in the Chiefdoms, it is obvious from the field research that the company took large tracks of fertile and well-watered land. The bolilands have good access to water and are currently used for rice production, by thousands of small-scale farmers including women. The affected farmers said Addax had an oral agreement with them that no bolilands will be used for the plantations.

Access to water

Water has become an ever increasing problem for the communities as lands leased by Addax are currently being prepared and even at this initial stage some water bodies have ceased to exist. E.g. at the Maronko village in the Makari Gbanti Chiefdom, a serious water crisis had hit the village as a result of Addax destroying two perennial streams, namely '*Kirbent*' and '*Domkoni*'.

Women's rights

The women complained about the long distances that they now have to do on foot to look for water, firewood and medicinal herbs since their original fields for firewood and medicinal herbs have been cleared of vegetation.

Labour

Addax is promising four thousand (4,000) jobs (2,000 being permanent and 2,000 being casual workers). The Addax project will therefore mean reduction or diversion of these human resources from growing food by small scale farmers. People hired from the communities work as casual labourers and hardly worked longer than three months, the people are angry and feel betrayed. In almost all the villages visited, the majority of local people employed were fired after two or three months. Usually workers are also laid off when the planting season is over and that means having to wait till the next planting season to continue with life as a farmer. This situation unleashes frustration, poverty and hunger on the unemployed casual workers who have families to feed.

Resettlement

Close to the village of Mabilafu in the Chiefdom Malal Mara, the ethanol factory has to be constructed. In this village, the community told the research team that houses close to the Rokel river will have to be resettled. The uncertainties surrounding the involuntary physical resettlement, compensation and timetable of events is causing much anxiety as people who once depended on the land are now facing physical resettlement without information.

Grievance mechanism

Even though Addax gives a glowing account of the company's grievance mechanism, the research found out that the existing grievance mechanism is a failure and communities in the Chiefdoms grappling with problems imposed on them by Addax feel helpless. The research team could witness the absence of an effective grievance or conflict resolution mechanism that could be accessed easily by community members and that could provide prompt and fair solutions to the problems unleashed on them by Addax's operations.

Conflict potential

In all the communities, interviews with fuming community members reveal a simmering conflict over land acquisition, the disruption of traditional sources of income, increasing poverty and failed promises by Addax.

Role and obligation of the State of Sierra Leone

Despite an increasing number of civil society statements and evidence-based reports from the affected communities expressing concern about the negative impacts of Addax operations, the research revealed that many State officials appeared largely uninformed about the situation in the communities. Sierra Leone is a State Party to the International Covenant on Economic, Social and Cultural Rights and is therefore obliged by international law to respect, protect and fulfil the right to food and water of affected communities.

Recommendations

Addax Bioenergy should ensure an open and transparent participation of civil society and representatives of the affected communities in food security related decision making. It is important that Addax ensures that communities who are impacted by its activities can access grievance mechanisms that are fair, trusted and effective. Two clauses of the Land Lease Agreement grants Addax the powers to stop or alter the course of any water course. These clauses would have to be amended to prevent violations of community rights relating to water. Any loan agreement with Addax from any International Financial Institution (IFI) should include binding agreement on precautionary measures which will protect the sustainable access to land and safe water of the affected communities. The State of Sierra Leone has to ensure that citizens are effectively protected against the impact of Addax activities on the enjoyment of the right to water and food. The researchers recommend a multi-stakeholder, multinational structure that may offer the greatest potential to maximise impartiality, neutrality and trust in relation to the monitoring of the project.