

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



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***Study carried out on behalf of
Sierra Leone Network on the Right to Food (SiLNoRF),
Bread for All, Switzerland, Bread for the World and
Evangelischer Entwicklungsdienst (EED), Germany***

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List of Acronyms

ABC	-	Agricultural Business Center
AfDB	-	African Development Bank
AOG	-	Addax & Oryx Group
BMP	-	Best Management Practice
BSI	-	Better Sugarcane Initiative
CDM	-	Clean Development Mechanism
CER	-	Certified Emission Reduction
CRPF	-	Comprehensive Resettlement Policy Framework
EHS	-	Environment, Health and Safety
ESHIA	-	Environmental, Social and Health Impact Assessment
EU	-	European Union
EU RED	-	European Union Renewable Energy Directive
FAO	-	Food and Agriculture Organisation
FBO	-	Farmer Based Organization
FDP	-	Farmer Development Programme
FFLS	-	Farmer Field and Life Schools
FIPC	-	Free and Prior Informed Consent
GDP	-	Gross Domestic Product
GHG	-	Green House Gas
GIS	-	Geographic Information System
GIZ	-	German Development Agency
ha	-	Hectare
IFAD	-	International Fund for Agricultural Development
IFC	-	International Finance Corporation
IFI	-	International Financial Institution
ILO	-	International Labour Organization
LCA	-	Life Cycle Assessment
LLA	-	Land Lease Agreement
m ³	-	meters cubed
m ³ /s	-	meters cubed per second
MADAM	-	Mankind's Activities for Development Accreditation Movement
MOU	-	Memorandum of Understanding
MW	-	Mega Watt
NMJD	-	Network Movement for Justice and Development
NPA	-	National Power Authority
NPFS	-	National Program for Food Security
NSADP	-	National Sustainable Agriculture Development Plan
PACs	-	Project Affected Communities
PAPs	-	Project Affected Persons
RAP	-	Resettlement Action Plan
RSB	-	Roundtable on Sustainable Biofuels
SCP	-	Smallholder Commercialization Program
SEMP	-	Social and Environmental Management Program
SiLNoRF	-	Sierra Leonean Network on the Right to Food
SLADEA	-	Sierra Leone Adult Education Association
SLIEPA	-	Sierra Leone Investment and Export Promotion Agency
t/ha	-	Tonnes per hectare
UN	-	United Nations
UNDP	-	United Nations Development Program

- UNIPSIL - United Nations Integrated Peace Building Office in Sierra Leone
- USAID - United States Agency for International Development
- VLC - Village Liaison Committee
- WFP - World Food Programme

0 Executive Summary

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 project affected 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.

1 About the authors

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2 Introduction

Agriculture continues to be the most dominant sector of the Sierra Leone economy, employing about 75 % of the rural population and accounting for almost half of GDP in 1993/94, and presently about 51 % of the country's GDP (Source: Sierra Leone 2011 Investment Climate Statement- Economic Section, U.S. Embassy, Freetown, Sierra Leone).

Sierra Leone's agriculture remains largely in the hands of small-scale farmers who employ minimal technological enhancements

Like most African countries Sierra Leone is vulnerable to climate change and extreme weather events, emerging reports already indicate the rapid occurrence of erratic rainfall patterns which could have negative implications for the country's water resources and food security.

Agriculture continues to face a challenge; attaining food sufficiency even with rice, the country's main staple food continues to be an uphill task despite the country's vast land resources.

Smallholder farmers are often unable to grow enough food to feed their families throughout the year. Most farms have low yields due to deteriorating soil fertility and a lack of access to fertilizer and high-yielding seed varieties. Poor infrastructure leaves farmers vulnerable to drought and flooding. The majority of people living in rural areas have faced repeated seasonal food shortages for the past decade.

Low agricultural productivity, poorly developed markets, and limited access to credit and productive land are additional factors that contribute to hunger and poverty in rural communities in Sierra Leone.

3 Terms of Reference

3.1 Purpose of the research

The purpose of this research is to produce an Independent Study report on the impact of Addax Bionenergy 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.

3.2 Goals of the research

The goals of the research are:

- (a) To find out whether the Addax project in Sierra Leone is infringing the human rights of the local population, particularly their right to food and how this can be remedied if any such violations are occurring.
- (b) To examine whether the Land Leased Agreement (LLA) and Memorandum of Understanding (MoU) signed by Addax conformed with international human rights standards.
- (c) To find out whether Free and Prior Informed Consent were respected in the negotiation process and if not how this could be improved or remedied
- (d) To identify crucial areas of concern for a civil society monitoring process and define potential indicators.
- (e) To examine the role of the Sierra Leone government in promoting the production of agrofuels at national and international level (legal framework, national programs and incentives, multilateral negotiations) vis-à-vis its international obligations to protect human rights.

4 Methodology

The Study was conducted with the engagement of two (2) independent senior researchers from a country outside Sierra Leone (Ghana) and two (2) research assistants from within Sierra Leone who served as facilitators in organizing meetings, booking appointments and offering interpretations/translations from/to the local dialects.

The research was both quantitative and qualitative and several instruments were used including:

4.1 Non-Interview Research

The team, conducted extensive reviews and examined international human rights law, domestic local law, data from the United Nations and other international organizations, academic or policy studies, non-governmental organization reports, and relevant media stories to gain understanding and context

The study mainly comprised a desktop analysis of publicly available information including during the initial stages of, and throughout, the research process.

4.2 Desk/Internet Research

This exercise involved the detailed study of all relevant documents on Addax's operations in Sierra Leone including, but not limited to, the Addax Bioenergy ESHIA Executive Summary of the African Development Bank, the Executive Summary of the Resettlement Action Plan of the African Development Bank, Addax Bioenergy Q&A and Addax Bioenergy quickview. Others documents are Addax Bioenergy Land lease Agreement, Addax Bioenergy Memorandum of Understanding with the Government of Sierra Leone, Addax Bioenergy Land Use Impact Report, Addax Bioenergy Draft Final Report and Addax Bioenergy Resettlement Policy Framework.

4.3 Field Research

The researchers spent five weeks in Sierra Leone (2 ½ weeks in Freetown and 2 ½ weeks in Makeni where Addax operates). The research team held interviews (structured and semi-structured) and focus group discussions).The research was based on information gathering from a broad range of sources. As part of field-based research the team also conducted field investigations, interviewing members of affected communities in Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili District, (12 in all) all in the Northern Province of Sierra Leone. Addax workers in all project affected communities were also interviewed. Villages visited included: Lungi Acre; Romaro; Madrisa; Yainkisa; Woreh Yeama; Royanka; Mabilafu; Malal Mara; Mabansa; Robung; and Maronko.

Although interview techniques varied or were adapted for each situation, the guiding principles, such as the need to ascertain the truth, to corroborate the veracity of

statements, to protect the security and dignity of witnesses, and to remain impartial, were consistent throughout the research.

A strong sense of the prevailing local political, social, and cultural context was essential for a thorough, well-rounded understanding of incidents, events and particular situations in the chiefdoms. Communication with a local network of contacts and relevant actors throughout all stages of the research was the primary method for researchers to familiarize themselves with the local conditions and gain a thorough understanding of the situation and also exchange/solicit information and to help identify witnesses, victims and recommendations.

This phase took researchers to interact/interface with a wide range of individuals, including but not limited to, Government functionaries, Ministries, Agencies and local representatives, International Organizations, NGOs/ Civil society groups & Networks and Journalists.

The research team therefore conferred with contacts including local lawyers, journalists, doctors, student groups, diplomats, representatives of international nongovernmental organizations and international experts. We also sought audience with state and Government officials in Sierra Leone including the Private Sector Advisor to the President of Sierra Leone (Hon. Oluniyi Robbin Cocker) and the Honourable Minister for Justice and Attorney General.

The research team contacted the Member of Parliament (MP) for the area, Honorable Ibrahim Martin Bangura – (All Peoples Congress (APC), ruling party in Sierra Leone). He was unable to make himself available for an interaction with the research team, despite the consistent appeals to grant it audience.

4.4 Contacts with Addax in Sierra Leone

It must also be pointed out that representatives of Addax in Sierra Leone who had been briefed on the visit of the research team and the request for the interview weeks before the arrival of the research team in Sierra Leone refused to speak with members of the research team without any explanation. On arrival in Sierra Leone members of the team called on the Addax representative Mr. John Mount who asked for a questionnaire with the intent of having a fore-knowledge of the questions to be posed. This was sent to him on the same day of the request. However, the team heard nothing from him as all calls from the research team through the Sierra Leonean research assistants yielded no fruitful results.

When contacted on May 20, 2011 by Bread for all, one of the commissioners of this Study, Jörgen Sandstrom, Deputy Project Managing Director of Addax Bioenergy, sent the answers to the questionnaire sent by the researchers (see Annex for the answers).

4.5 Data Analysis and Report Writing

Data from the field were assembled, and processed into a final report at a report-writing confinement in Accra (Ghana).

5 Context Analysis

5.1 Project Description:

Addax Bioenergy, a division of the Swiss-based energy corporation Addax & Oryx Group (AOG), is developing a Greenfield integrated agricultural and renewable energy project in Sierra Leone to produce fuel ethanol and electricity. The project is billed to produce about 90,000m³ of ethanol per annum, primarily for export to the European Union (EU) market and 32MW of nominal electrical power capacity, of which 15MW of power will be available for sale to the national grid (ESHIA Executive Summary, African Development Bank, 2010).

The project will consist of a sugarcane plantation, ethanol distillery and biomass power plant and related infrastructure.

The project area is located approximately 15km west of the town of Makeni 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 project area is a large, gently undulating plain limited to the north by the Freetown-Lunsar-Makeni highway and to the south by the Rokel River. (ESHIA Executive Summary, African Development Bank, 2010)

The project will cover about 14,300ha of land comprising approximately 10,100ha of irrigated sugarcane estates, land for the project's infrastructure including an ethanol factory, a power plant, resettlement areas, roads and irrigation infrastructure and supporting infrastructure (including a power line connection the power plant to the national grid). (ESHIA Executive Summary, African Development Bank, 2010)

Included in this is an estimated 2,000ha 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. The FDP programme was developed with the support of the UN Food and Agriculture Organization (FAO) with the aim of securing the per capita food baseline in the project area. The program will significantly boost food production well beyond current levels. (ESHIA Executive Summary, African Development Bank, 2010)

Another 1,800ha are required for ecological corridors and buffer areas to protect existing pockets of biodiversity. The sugarcane estates comprise circular fields under pivot irrigation, the location of which have been selected on criteria of agricultural suitability, proximity to factory and water sources, and various sustainability criteria including the avoidance of villages, forests and food-producing areas thereby minimising economic and physical displacement. (ESHIA Executive Summary, African Development Bank, 2010).

The Addax project is aligned with the Government of Sierra Leone's social, investment and development policy objectives, at national and local level through its poverty reduction strategy – "An Agenda for Change – Second Poverty Reduction Strategy (PRSP II) 2008-2012" in its effort to enhance:

- a) Poverty reduction;
- b) Employment creation; and
- c) Food security.

The project is fully aligned with the Sierra Leone investment policy because it is a large agriculture and industrial project which:

- i.) will provide job opportunities for Sierra Leoneans at all skills levels,
- ii.) Provide significant foreign direct investment;
- iii.) Is export-oriented;
- iv.) Makes extensive use of local raw materials;
- v.) Will ensure the development and transfer of a variety of skills and technology;
- vi.) Will produce a surplus of electricity for commercial purposes; and
- vii) Makes use of renewable energy resources.

In addition the project and its farmer development and training programmes are in line with the “National Sustainable Agriculture Development Plan (NSADP)”, including the nation-wide initiative “Smallholder Commercialisation Programme (SCP)”, which is in action. The FDP and FFLS programmes is intended to improve local farming practices and contribute to enabling farmers to reach a commercial capacity. Vickie Remoe of Cocorioko News, in an article published on February 15, 2011, reported the first graduation of 118 participants (79 females; 39 males), on 29th January 2011, in Addax Farmer Field and Life School (FFLS) which is a sub-component of Addax’s FDP wherein; Addax seeks to improve agricultural skills, and increase food security for subsistence for PACs in Bombali and Tonkolili Districts of Northern Sierra Leone. The weekly meetings were meant to increase their knowledge of issues such as pest control, usage of farmer produced compost and fertilizer, and tips for avoiding leech injuries.

Interviews in the communities suggest that 600 jobs have been created for local people from Sierra Leone.

5.2 Project Affected People (PAP)

Estimates generated through analyses and counts of all structures in all villages from the aerial photos were cross checked against villages in which the total population was known from a census exercise. This resulted in an accurate assessment of 13,617 people living in areas affected by the project (Table 1 below). The project is said to have been designed to avoid village areas and therefore only 77 people living in two small settlements will be physically resettled. All other PAPs will be able to continue living in their villages but will be subjected to economic displacement as a result of the project. Economic displacement varies across the project area and is addressed through compensation processes within the site specific Resettlement Action Plans including the Farmer Development Programme (ESHIA Executive Summary, African Development Bank, 2010).

Table 1: Estimated Project Affected Persons

Year of Development	No of Villages	Estimated Population	Total
2010	8	1,642	
2011	21	5,718	
2012	13	3,576	
2013	18	2,681	
TOTAL	60	13,617	

Source: ESHIA Executive Summary, African Development Bank, 2010

5.3 Land Use Analysis

Table 2 below provides definitions and areas for the land requirements referred to in this report. Using a Geographic Information System (GIS), recent (2009) color aerial photography and visual identification classification methods, a land use classification system was developed for the vegetation types. The land cover of the 46,370.5ha project area was digitized (this area excludes all lands above the Makeni-Freetown highway contained in the leased area but unlikely to be developed) and the plantation (pivot fields) and infrastructure layout overlaid on the digitized image. This layout avoids all forested areas (in line with the EU RED), and minimizes physical displacement of local people. The total area planned for pivots amounts to 10,088.2ha and 1777.7ha of land for the ecological corridors and 310.5 ha for infrastructure requirements (these amounts exclude FDP and resettlement lands) (ESHIA Executive Summary, African Development Bank, 2010).

Table 2 – Definition of land requirements and areas used in this report

Name	Definition	Area
Leased area	Land for which Addax have signed lease agreements	57,000 ha
Project area	Land assessed using the aerial photographs, which is the Leased area below the Makeni to Freetown Highway	46,370.5 ha
Pivot area	Sugarcane fields in the project area	10,088 ha
Ecological corridors	Areas in the project area that will be rehabilitated and used for biodiversity conservation	1,777.7 ha
Infrastructure area	Land in the project area to be used for project related infrastructure such as roads, power lines, staff housing, factory etc	310.5 ha
Land remaining	Land in the project area that falls outside of the pivot area, ecological corridors and infrastructure area	34,194.1 ha

Source: ESHIA Executive Summary, African Development Bank, 2010

5.4 Actor analysis

5.4.1 Central Government:

At Central Government level, the leading institutions are the Office of the President, Sierra Leone Investment and Export Promotion Agency (SLIEPA), and the Ministry of Agriculture, Forestry and Food Security, which is interested in the project because it aims at achieving sustainable food security and reducing poverty through agricultural intensification, diversification and the efficient management of the natural resource base. SLIEPA's mission is to 'assist and inform investors and exporters. This is further supported by its new investment code but it is yet to be established whether SLIEPA has mechanisms to track the negative human rights and environmental impacts of its investors.

Sierra Leone Environmental Protection Agency (SLEPA) is the national institution responsible to safeguarding the environment and to mitigate negative effects of Biofuel development on the local population.

Under the Provinces Land Act of Sierra Leone, the President (formerly Governor) has significant powers to negotiate land lease terms (Cap 122, Section 16).

It is worth mentioning that the President of Sierra Leone has personally taken a keen interest in the Addax Project. At the launching of the project, the Head of State was quoted as saying that “through his Government's business-friendly approach, the country was now attracting big companies with big projects”

Delivering a keynote address during the signing a Memorandum of Understanding (MOU) between the government and the group at the project site at Lungi Acre in the Makarie/Gbanti chiefdom, Bombali District, the project, the President was again quoted as saying “this is the biggest agricultural project ever in the history of Sierra Leone with an approximated investment of \$400 million in a couple of years: When we talk about diversifying and investing in agriculture, this project sends a clear message to all that we back our intentions with actions” (Source: Awareness Times Newspaper in Freetown, Sierra Leone, reported by Aruna Turay & Alusine Conteh in Makeni; Feb 11, 2010)

He said “the irrigation techniques introduced through the project would be of immense importance to agricultural productivity in Sierra Leone generally when such techniques are adopted nationwide”.

(source: www.news.sl/drwebsite/publish/article_200514527.shtml)

At that same ceremony he was said to have added that “today is a very special day for me, the government, and people of Sierra Leone, especially the people of Bombali and Tonkolili districts, particularly those in the Makari/Gbanti, Malal Mara and Bombali Shebora chiefdoms” where the project is located.”

(source: www.news.sl/drwebsite/publish/article_200514527.shtml).

The government has also announced incentives such as waiving import and export duties and offering significant tax breaks for investors in biofuels production

SLIEPA in conjunction with its partner Ministries within the Government of Sierra Leone offers needed assistance to new investors to navigate through the land acquisition process in Sierra Leone. SLIEPA is the country's official agency to assist and inform investors and

exporters. SLIEPA helps companies planning to establish or expand business operations in Sierra Leone by providing information on investments and exports. SLIEPA recommends the land lease price for agricultural lands in Sierra Leone.

The Ministry of Agriculture aims at achieving sustainable food security and reducing poverty through agricultural intensification, diversification and the efficient management of the natural resource base.

The Ministry of Industry and Trade facilitates private sector development and enhance investment and economic growth

Other state actors include:

- Oluniyi Robbin Cocker, Private Sector Advisor to the President, Government of Sierra Leone;
- Former Truth and Reconciliation Commission.

In an effort to eradicate hunger and alleviate poverty, the government of Sierra Leone in May 2002 launched the Operation Feed the Nation (NPFS) under the Ministry of Agriculture and Food Security and within the framework of the National Recovery Strategy and the National Poverty Reduction Strategy.

The goals of the programme were to increase food production in response to the needs of a growing number of rural farmers and their families and also contribute to national food security and the improvement of household incomes and poverty reduction. The program was supported by FAO, the United Nations Development Programme (UNDP), the African Development Bank (AfDB), the International Fund for Agricultural Development (IFAD), the Republic of Ireland and Italy in close collaboration with international NGOs funded by the United States Agency for International Development (USAID).

To accomplish the goals of the project within a human rights framework, a secretariat on the Right to Food was established in the office of the Vice President.

5.4.2 District Councils

The District Councils are the decentralized level of the Central Government. They administer each of the 12 Districts in the Provinces and oversee Chiefdom councils in delegated tasks. They are composed of elected councilors and the relevant Paramount Chiefs. The Chief Administrative Officer must approve to any lease granted under Cap 122 or it remains a simple yearly tenancy.

5.4.3 Chiefdom Council

The Chiefdom Councils are the highest tribal authority. Chiefdom Councils govern each of the 149 Chiefdoms forming the districts. They are each headed by a Paramount Chief elected for life.

They are regarded as the custodian of the land on behalf of the entire Chiefdom but decisions regarding land are taken in consultation with heads of the various land owning families.

Chiefdoms are divided into sections, villages, village sections, and family holdings. Being the custodian of the land, the Chiefdom Council must consent to any lease granted under Cap 122.

5.4.4 Land Owners

Landowners are the *autochthones* or the founders of the communities, composed of relatively few families in each chiefdom. They are not formally considered as key players under Cap 122, probably due to explicit delegation to Chiefdom Councils.

It is becoming common good practice to involve landowners throughout the process, from identification of boundaries through to negotiation of lease terms.

5.4.5 The Parliamentarians

The Honorable Ibrahim Martin Bangura – APC (Sources: <http://www.sl-parliament.org/composition.htm>) is the MP for the area. His functions include representing his constituents, bringing their needs, goals, problems, and concerns to the policymaking process.

5.4.6 International Organisations

The international community with a presence in the country, and often termed as ‘development partners’ are other key constituency with interests including:

- Food and Agriculture Organisation (FAO), Office in Sierra Leone
- World Food Programme (WFP), Office in Sierra Leone
- Executive Representative for the United Nations Integrated Peacebuilding Office in Sierra Leone (UNIPSIL).
- GIZ (German Development Agency)
- EED (German Protestant Church Development Service)
- Bread for the World.

5.4.7 Civil Society Organisations (CSO)

CSOs in Sierra Leone have also played pivotal roles, comprising monitoring, documenting, reporting and advocating on behalf of affected communities or advocating with them in certain situations. They include:

- Sierra Leone Adult Education Association, SLADEA
- Christian Council of Sierra Leone, CCSL
- Mankind's Activities for Development Accreditation Movement, MADAM
- Sierra Leonean Network on the Right to Food (SiLNoRF)
- Open Society Initiative (Project Coordinator: Sonkita Conteh)
- Network Movement for Justice and Development (NMJD)

5.5 Description of chieftaincy

Chieftaincy is an integral part of Sierra Leone's governance structure. In rural areas, the chief is a key source of authority and frequently the only visible element of government. Until recently, the main burden of government across most of the country rested with chiefs (Fanthorpe, 2001)

The chiefdom of Sierra Leone was originally designed to harness 'native authorities' to British colonial rule. They were inherited by the Sierra Leonean Republic, and remain the key institutions of local government. Attention has been drawn to the paradoxical role of Paramount chiefs as state agents commissioned to exercise 'traditional' authority (Kilson, 1966, et al). The main aim of the scheme was to devolve the considerable economic and judicial powers formerly invested in Paramount Chiefs to a local assembly (Traditional Authority, later Chiefdom council) directly representing, and funded by local taxpayers (Kilson, 1966).

In most rural areas, the chieftaincy is also closely related to secret societies, an impenetrable but critical element of rural social structure that ensures a broad power base for each chief, reinforcing a predominantly male gerontocracy (Fanthorpe, 2001).

Traditional concept of chieftaincy in Sierra Leone stresses the personal attributes of generosity, jurisprudential oratory, and social knowledge. This informs the members of the populace to constantly entrust personal and family matters to the chief (Finnegan, 1963)

The Chiefdom Council, headed by the Paramount Chief, is regarded as the custodian of the land on behalf of the entire Chiefdom but decisions regarding land are taken in consultation with heads of the various land owning families.

Nearly all of the estimated 5.4 million hectares of land suitable for agriculture in Sierra Leone is in the "Provinces" and is managed under customary rules, comprising of:

- Communal ownership with family (ancestral landholding families);
- Individual rights of occupation under the supervision of lineage elders (settlers).

The Provinces Land Act of 1927, Cap 122, which is the operational law for land acquisition in Sierra Leone establishes that all land leases to “non-natives” must have the consent of the Chiefdom Council headed by the Paramount Chief of the area.

This informs the engagement of chiefdom, as the custodians of the lands, in the land lease negotiations on behalf of the land owners and other landholding families.

As a best practice, chiefs are supposed to relay the information on the land negotiations to the heads of the landholding families, who also double as land owners. They also have the responsibility to pass it on to other members of the family who equally have the individual rights of occupation under the supervision of lineage elders (settlers).

6 Legal Analysis of the Land Lease Agreement

A Legal and Human Rights Audit of the Land Lease Agreement (LLA) conducted by Sonkita Conteh Esq, Project Coordinator of the Open Society Justice Initiative, Sierra Leone, has pointed out that the legal framework is not only limited to statutes, but also includes principles of common law and principles of equity (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown). The following chapters present the conclusion of this legal and human right audit.

6.1 Legal Representation of Chiefdom Council and Traditional Landowners

While Addax, in respect of this transaction, was represented by the law firm Basma & Macauley, it has stated that the landowners and chiefdom councils were 'assisted' by the law firm Franklyn Kargbo & Co 'in order to make sure their rights are secured'.

There was lack of clarity as to whether traditional land owners and chiefdom councils had access to effective legal advice in the preparation of the lease. The lease was drafted by Addax's lawyers who obviously will seek to protect and promote the interest of their client. Considering the scale of the project and the complexity of the issues one would have expected that the traditional landowners would have benefitted from legal advice at least on a scale comparable to Addax. According to its literature, AOG has had more than 20 years experience investing in Africa, including Sierra Leone (see Addax Bioenergy Q&A, www.addaxbioenergy.com) and given that the government '*has played no role*' in the lease process and that traditional landowners have had no experience in leasing their property at such a scale, the need for effective legal representation to both protect and promote their interest was needful (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

Addax claims that the land owners were 'assisted' by a law firm to ensure that their rights are secured. How effective was the assistance? Was it on a scale comparable to what Addax got?

6.2 Compensation

Addax claims that the Government of Sierra Leone has played no role in the lease process other than making sure that law and procedures are complied with. However, on the most important issue of rent, Addax has adopted the land lease price recommended by the Government for agricultural lands. This suggests that landowners did not have any say whatsoever on the issue of rent - whether they thought the amount recommended was suitable or not is not clear. This runs counter to the contractual principle of 'freedom to contract' (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

Researchers discovered the validity of this assertion in all the interviews they conducted in all PACs that land owners had no say in determining the price/value of the land being leased to Addax which currently stands at US\$12/ha (African Development Bank, Addax ESHIA Executive Summary, pg 2, sec 2.6)

6.3 Key Provisions of the Lease

6.3.1 Permitted Uses Of The Demised Premises- clause 2.2(a)

In its documents, Addax has described the nature of its project in Sierra Leone: 'Addax Bioenergy intends to develop a plantation of about 10,000 hectares of sugarcane close to the town of Makeni in central Sierra Leone' (Addax Questions & Answers, 2010).

However, in clause 2.2(a) Addax has reserved for itself the right to plant, cultivate and harvest 'sugarcane or other crop or crops and vegetation of whatever nature and ancillary agricultural activities including relating to the preparation, fertilisation and irrigation of soil, as in each case determined by the company'. This provision is too broad and allows Addax to for instance introduce and cultivate non-indigenous crops which may have serious implications for water use. Also, by this clause, Addax could cultivate food crops like rice and cassava for ethanol production. This clause ought to be amended to reflect what Addax has portrayed and what the people have understood this project to be about-the cultivation of sugar cane (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.3.2 Quality Control- Clause 2.2(b)-(d)

The above sub-clauses allow Addax to design, construct, commission and operate several facilities on the leased land, such as an ethanol plant, a power plant, and waste products storage facilities as determined by the company. The lease however does not contain any provision stipulating minimum quality requirements for the design and construction of such facilities to ensure that the risk of industrial accidents in the future is minimised. The lease needs to contain such a clause and additionally allows for the chiefdom council with support from any relevant professional body to verify both the design and construction (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.3.3 Forfeiture Through Breach Of Covenants- Clause 2.5

This clause deals with the circumstances under which the chiefdom council may bring the lease to an end for non-payment of rent or require compensation from Addax for breach of other covenants of the lease. Paragraph (b) of the said clause provides in part as follows: ‘... In the event the company notifies the chiefdom council it is willing to pay compensation on such basis but the chiefdom council cannot demonstrate that it has suffered any such losses then this lease shall not be subject to forfeiture’. The question then is to whom does the chiefdom council demonstrate that it has suffered any such loss and what is the standard required? If it is to Addax, then the company would become a judge in its own cause. Such issues should be determined by a neutral third party- probably a person nominated for that purpose for instance by the President of the Bar Association (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.3.4 Covenants Of The Chiefdom Council - Clause 3

According to Addax, ‘most land owners have already indicated which parts of their lands they are ready to lease out to the project and which parts they want to keep for their use’ (Addax Q&A). Clause 3.2 states that the chiefdom council has full power and title to grant this lease and that this lease is granted to the company free from any right or interest of any third party provided that the company shall permit persons in occupation as at the date of this lease (permitted third parties) to continue in occupation thereon as licencees subject to the remaining provisions of this lease’. The implication of this clause is that the people leased their lands and dwellings to the company and on execution of the lease where now occupying their dwellings at the pleasure of the company. The clause undermines the security of tenure of the inhabitants by reducing them to mere licencees with no real rights and who could be evicted at will. Addax should ensure that the lease does not extend to the dwellings of the inhabitants within the project area (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.3.5 Surrender Of Unsuitable Land - Clause 3.5

Under this clause, Addax may surrender any portion of land at any time before the expiration of 5 years from the date of the lease. If this is done, liability for rent would automatically cease. However, the clause retains for Addax several rights set out in the 2nd schedule of the lease in respect of surrendered land. These rights include the right of way, the right of passage, the right to construct, lay, retain, maintain, repair and renew facilities, conduits services, equipment and other items and the right to enter and remain. It is submitted that if Addax surrenders land but continues to make substantial use of it in one or all of the manners listed, then it ought to pay rent for such use (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.3.6 Addax’s Entitlements - clause 4.4 & 4.6

Clauses 4.4 and 4.6 enumerate several entitlements of Addax under the lease. Clause 4.4 states that the company is entitled to among others, stop or alter the course of any water course. Clause 4.6 further states that the company shall be entitled to have exclusive possession over villages, rivers, forests and other forms of

the environment. It also reserves to Addax, the right to designate areas of shared use and areas of exclusive use. Both clauses are quite sweeping and may well contravene existing law. The Water (Control and Supply) Act 1963 which governs the use of water in rural areas confers on every person the right to use for domestic purposes any water flowing from or contained in any natural water supply at any place to which access may lawfully be had. The act defines domestic purposes as drinking, washing, cooking and sanitary purposes. The 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 (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.3.7 Right To Evict- Clause 4.6

Addax has within this clause reserved the right to evict what the lease refers to as permitted third parties, in exceptional circumstances subject to the payment of compensation. However, the lease does not outline such exceptional circumstances (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.3.8 Referral Of Disputes- Clause 5

The lease is to be governed by the laws of Sierra Leone, but clause 5 suggests that disputes may be resolved by arbitration outside Sierra Leone. The clause also eliminates any right of appeal against an arbitration decision. A dispute settlement forum outside Sierra Leone may be too costly for the chiefdom councils. Besides, such a clause suggests a distrust of in-country dispute settlement mechanisms. Also, elimination of the right of appeal might make commercial sense in some respects, but it is however a curtailment of due process. In a project of this magnitude and duration, decisions arising from disputes ought to be tested (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown),

6.3.9 Human Rights Implications of the Lease

Several provisions of the lease have serious implications for the rights of inhabitants within or near the project area. The company's right to exclusive possession over all the natural resources and dwellings within the project area can seriously affect the ability of the inhabitants to live a dignified life. For rural populations, access to natural water sources for their personal and domestic use is very crucial, so also is access to forest areas vital for their daily sustenance. The rather extensive entitlements in the lease will adversely affect the lives of those living within or near the project area and could amount to violations of basic rights guaranteed under the laws of Sierra Leone as well as by international instruments (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

It is therefore recommended, in the light of the issues raised, that the lease be reviewed to ensure that the provisions conform to the laws of Sierra Leone and international law and taking into account the fundamental rights of the people and basic principles of fairness (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown)

The acquisition of land by Addax is just an aspect of the company's interaction with the local communities. Over the ensuing 50 years of the project, Addax will in addition to being lessee, also become an employer of the people attracting different rights and obligations. There have been rather unpleasant experiences for local people with previous sugarcane projects in Sierra Leone such as the Magbass sugar project. It is hoped that the past will inform the present. Local and international civil society organisations should be prepared to engage with the project from its inception to ensure that the basic rights of the people are respected and that laws and principles of fairness are complied with. Community education, advocacy and exceptionally, litigation could be some of the many useful tools to protect the rights and interests of the people (Sonkita Conteh. 2010. Addax Bioenergy sugarcane ethanol project in Makeni, Sierra Leone: A legal and human rights audit. Freetown).

6.4 Concerns over the long lease period

In rural Sierra Leone, every family owns land and is expected to maintain possession of that land from one generation to the next. A fifty year lease which was unfairly negotiated will dispossess 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.

6.5 General comments on the Land Lease Agreement

The Land Lease Agreement (LLA) is a document that grant enforceable, long-term and largely transferable rights to extensive areas of land, and in some cases priority rights over water, in exchange for little public revenue and apparently vague and potentially unenforceable promises of investment and/or jobs.

In consonance with the issues discussed above, the message is clear that the fairness of the Land Lease Agreement, viewed in the light of the principles of transparency and respect for human rights, has been compromised.

7 Findings of the Study

7.1 Introduction

The research team visited and interviewed 12 communities affected by the Addax project in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili District.

7.2 Analysis of Addax Commitments

7.2.1 Addax commitments to human rights and corporate social responsibility (CSR)

Socially responsible business practices are of heightened concern, the implication and activities of Addax's activities in the Chiefdoms raises significant concern. But Addax's own sets of principles on Corporate Social Responsibility (CSR) do not make room for independent evaluation, the principles remain general and abstract likewise Addax's adherence to recognized international frameworks which is inordinately low, self-regulatory frameworks for CSR are also too feeble to hold Addax accountable. On Addax's websites the company makes allusions to Global Compact and the OECD (Organization for Economic Cooperation and Development) guidelines both of which states that companies should respect human rights, but both fall short of explaining what this means.

There is the need for stronger CSR monitoring mechanisms for Addax, stringent domestic regulation of Addax's is the solution to the issues surrounding human rights, food security, local communities and the environment.

According to Addax, the company follows the international ethical business standard which includes UN Global Compact OECD Guidelines for Multinational Enterprises, equator principles and the International Finance Corporation's (IFC) Performance Standards on Social and Environmental Sustainability.

This also includes African Development Bank (AfDB) environmental and social safeguards policies, the International Finance Corporation, performance standards, the EU bio-energy environmental and social sustainability standards and those of the Roundtable for Sustainable Biofuels.

The responsibility to respect is a core principle of the UN Global Compact (Principle 1: Business should respect and support the protection of internationally proclaimed human rights). It is also recognized by virtually every voluntary initiative and features in such soft law instruments as the ILO Tripartite Declaration and the OECD Guidelines for multinational enterprises.

7.2.2 Land lease price

Addax Bioenergy has adopted the land lease price recommended by the Government of Sierra Leone for agricultural lands of 5 USD per acre or about 12 USD per hectare. According to World Bank standards, the land lease fee has to properly reflect the

value of the lands. As this differs from plot to plot, a thorough assessment needed to be done in the implementation phase to assess if and what supplementary compensation is required. In application of the Provinces Land Act of 1927, Cap 122, the land leases were signed with the statutory authorities which are the Chiefdom Councils of the three Chiefdoms in the project area.

According to the law, traditional landowners are not party to the land leases and no rent is payable to the landowner directly. This situation was not judged satisfactory to Addax and therefore it entered into direct discussions with traditional landowners and their communities. A reputed law firm, Franklyn Kargbo & Co law firm of Freetown, was selected by the communities to represent them in the land lease negotiations with Addax. Over a period from June 2009 to March 2010, many information and consultation meetings were held between the communities and their lawyers and the land lease drafts were turned several times between the law firms until mutually acceptable drafts were finalized and signed in April 2010 (ESHIA Executive Summary, African Development Bank, 2010).

However, the communities interviewed by the researchers claimed they were not consulted prior to the Franklyn Kargbo & Co law firm's engagement.

Further, Addax is giving landowners a status as project parties through Acknowledgment Agreements whereby the landowner acknowledges the rights and obligations of the parties to the lease agreements and receives an additional direct rent payment of US\$1.40 per acre per annum during the remainder of the Lease Period. Every community's and/or landowner's land boundaries are surveyed and payments are made on the basis of the surface of the land. Thus, the traditional landowner who acknowledges the lease will receive 50% of US\$3.60 plus US\$1.40 = US\$3.20 (or 64%) for the actual land that the project will lease. The total amount paid for land per acre is therefore US\$5.00 (US\$12 per hectare) which conforms to the recommendations issued by the Ministry of Agriculture in 2009 (ESHIA Executive Summary, African Development Bank, 2010).

The legal requirement is that if a third party intends to lease land, a surface rent payment needs to be made to local authorities in compensation for the loss. The rent stated in the land lease will be US\$3.60 per acre per year. The rent will be paid to the Chief Administrative Officer and requires this to be split in 20% to the District Council, 20% to the Chiefdom Administrator, 10% to the National Government, and 50% to the Landowners on the Leased Area which has not been surrendered.

The status of the landowners and their protection is at the heart of the lease agreement setup (which would not be guaranteed by the Provinces Land Act only). According to the African Development Bank, Addax fully complies with the Act but has introduced a major innovation through the Acknowledgment Agreements which are now suggested by the Government and resident international organizations for incoming investors in the agricultural sector (ESHIA Executive Summary, African Development Bank, 2010).

In the words of the Sierra Leone Network on the Right to Food, SiLNoRF, a Civil Society Organization in Sierra Leone, "the amount of rent that is contained in the contract per acre of land per annum does not seem to represent "fair and adequate compensation" for the land. Such an amount is not even able to feed one person for

one meal in the Regional Capital of the Northern Province of Sierra Leone let alone being compensation for the use of land for a whole year. The rent payable therefore makes the contract unconscionable and therefore voidable at the instance of customary land owners who by all indications do not seem to have been adequately consulted and informed about the provisions of the contract” (Source: SiLNoRF’s position paper: “Has the Addax deal undermined Local Level and National Food Security-or Not? How, whose and to what extent?”, Oct, 2010).

7.2.3 Farmer Development Programme

Included in the Addax project, is an estimated 2,000ha 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. The FDP programme was developed with the support of the UN Food and Agriculture Organization (FAO) with the aim of securing the per capita food baseline in the project area. The program will significantly boost food production well beyond current levels (ESHIA Executive Summary, African Development Bank, 2010). For more information on the Farmer Development Programme, see Annex.

In some cases, informants mentioned that Addax has provided affected communities with alternative communal farmlands but these new lands which are smaller than what they had. Moreover, the distances between their homes and their new farmlands obviously also makes it difficult for members of the affected communities to access their farms as they used to.

According to many interviewed informants in the Pilot Phase Area (Lungi Acre, Romaro; Madrisa, Yainkisa, Woreh Yeama), the promised ploughing, harrowing and seeds arrived too late in 2010, planting usually begins in May but the seeds arrived in July 2010. The promised fertilizer is also yet to arrive. As a consequence, there is less food in the communities as farmers were not able to plant on time. Now the community members stated that they are starting to worry that they will soon not have enough food.

The company introduced a Farmer Field and Life School (FFLS) programme to improve local farming practices and contribute to enabling farmers to reach a commercial capacity (ESHIA Executive Summary, African Development Bank, 2010). For more information on the Farmer Field and Life Schools, see Annex.

The first graduation of 118 participants (79 females; 39 males), on 29th January 2011, in Addax Farmer Field and Life School (FFLS) which is a sub-component of Addax’s Farmer Development Programme wherein; Addax seeks to improve agricultural skills, and increase food security for subsistence for Project Affected Communities (PACs) in Bombali and Tonkolili Districts of Northern Sierra Leone. The weekly meetings were meant to increase their knowledge of issues such as pest control, usage of farmer produced compost and fertilizer, and tips for avoiding leech injuries (Vickie Remoe of Cocorioko News, Published on February 15, 2011).

A graduand, Informant 41, mentioned to the research team that though they've learnt a lot theoretically, nothing has been done on the ground to translate the lessons learnt into material reality as stated by the Master Trainer, Mr Sahr Komba on the day of graduation. More worrying for the graduands who the team spoke with was that nothing was given to them. They explained that Addax told them that they were providing them training for free and as such could not give them anything more since the farmers were not paying for the tuition.

Farmers interviewed in the Pilot Phase Area indicate that Addax continues to implement in 2011 the same activities they had in 2010. It is however not known whether Addax will continue to follow and implement the same strategies in the coming years, especially in the case if the goals and objectives of the FDP are not attained.

7.3 Negotiations of the Land Lease Agreement

7.3.1 Legal representation of the landowners

According to the African Development Bank, a reputed law firm was selected by the communities to represent them in the land lease negotiations with Addax. Over a period from June 2009 to March 2010, many information and consultation meetings were held between the communities and their lawyers and the land lease drafts were turned several times between the law firms until mutually acceptable drafts were finalized and signed in April 2010 (African Development Bank. 2011. ESHIA Executive Summary, Tunis).

Researchers gathered from their interactions with 12 Project Affected Communities (PACs) that most land owners have not set eyes on their 'legal representatives', let alone having access to explanations on the Land Lease Agreement (LLA) in a language they would understand and appreciate (A denial of an aspect of the Equator Principles [which states: The investor will tailor its consultation process to the language preferences of the affected communities, their decision-making processes, and the needs of disadvantaged or vulnerable groups]).They also mentioned that they had no hand in the choice of selecting their legal representatives but were told that they were hired and paid for by Addax. Informant 8 in Malal Mara, in particular, labeled it as "dubious and not satisfactory".

7.3.2 Negotiation process

SLIEPA, in their presentation on 'Information for Investors in Leasing Agricultural Land in Sierra Leone, March 2010,' strongly recommends that investors secure the free, prior and informed consent (FPIC) of project affected communities, not limited to only Chiefs or other representatives.

It defined the various levels of '*consent*' as follows (according to the IFC (International Finance Corporation. 2006. International Finance Corporation's Guidance Notes: Performance Standards on Social & Environmental Sustainability. Washington):

"free":- free of external manipulation, interference or coercion, and intimidation

"prior":- timely disclosure of information

"informed":- relevant, understandable and accessible information

Responses from all Project Affected Communities (PACs) visited and interviewed indicate a common trend in the expression of their concerns:

- A-top-down-approach in the land negotiation process where chiefs and land owners were always told that the central government and the President has welcomed the investment (Addax Bioenergy sugarcane production and processing), prior to seeking the consent of the chiefdoms and the land owners. The reverse was not observed.
- There was almost always a mention of a catalogue of unenforceable promises made by Addax representatives and conveyed in several ways, either directly or posed in a question as: "what do you want us to do for you?" in return for your lands.

- PACs had limited or no knowledge of the terms of the Land Lease Agreements (LLA)
- 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 LLA or had never seen one, except in Royanka and Maronko but were unable to produce it for confirmation.
- Land owners have no copies of the Land survey maps (indicating what lands belong to Addax and what still belong to the community) or had never seen one. A land owner in Maronko (Informant 3) claimed to have ever seen one but have no copy.
- PACs have partial/inaccurate/no knowledge of the size of land leased.
- Expression of inadequacy of the compensation on land to bolster their economic livelihoods.
- Little or no access to freedom of choice over portions of lands to be leased. Some women in Woreh Yeama, Romaro and Maronko claim their bolilands, previously used for all-year vegetables had been taken though it wasn't their intention to lease it.
- Land deal negotiations appear to be held over the heads of land owners.
- Women generally were marginalized in decision-making. Apart from Mabilafu where the women's leader was involved, all other PACs cited being marginalized.
- High level of dissatisfaction in almost all communities over unfulfilled promises, though, casuals were employed to start but majority now disengaged.
- PACs being gripped with the fear of the unknown as their natural water sources, medicinal herbs, oil palm & mango trees, fresh fish & bush meat sources, access routes, etc.that used to exist within the Addax lease area are almost all disappearing as a result of the clearing of the large tracts of land leased to Addax.
- No functional grievance mechanism for their concerns to be addressed (see chapter on grievance mechanism).

SiLNoRF, the Sierra Leone Network on the Right to Food, brought out the following comments on issues arising from the Process of Negotiating the Contract and issues related to the content of the Contract.

- i. The contract was signed between the Paramount Chiefs and the Chiefdom Councils on the one hand and Addax Bioenergy Sierra Leone on the other. According to SiLNoRF, the process of negotiating this contract failed to take the interests of the actual land owners, land users and other interested parties in general as international best practice demands. It is acknowledged that the Paramount Chiefs being the custodian of land has the legal capacity to sign contracts on behalf of his people but that power is exercised in trust with the best interests of the people taking precedence of any other considerations. That power does not transfer actual ownership rights to him.
- ii. The need for such a consultative process is obvious in situations where the governance situation is such that corruption and undervaluation of the true

worth of the land in question cannot be ruled out. Such a process is also important to ensure that Paramount Chief and other Chieftain Authorities do not abuse their positions of authority and enter into contracts that do not benefit their people.

- iii. The contract however does not spell out any benefits like as is often the case in other countries where companies at least commit to build some social utilities such schools and health centers. This contract gives nothing to the people as consideration for their land even though they were told verbally.
- iv. The Chief holds land in trust for his people in the sense that he is expected, as a custodian of the land, to act for the benefit of the people (maximize their benefits) and cannot enter into a legally binding contract on behalf of his people if that contract grossly undermines the welfare of his people without their prior and informed consent.
- v. The contract doesn't state the obligations of the company with respect to any injurious alterations in land conditions or environmental damage and how such damage shall be assessed and paid for.
- vi. The contract gives exclusive rights over forests, rivers etc. to the company and also grants the sole discretion to the government to determine what areas can be shared with the community members irrespective of pre-existing user rights recognized under customary law such as access roads and water drawing rights. Adequate consultations with people would have identified such rights that would have been protected under the contract or a formula for compensating the community members for forfeiting such rights found.
- vii. The Choice of Forum for the settlement of disputes is disempowering for the people of the concerned Chieftains. The Chieftain authorities of the concerned Chieftains will hardly be able to access the International Chamber of Commerce Arbitration Court in London as stated in the Land Lease Agreement. Furthermore, the history of the outcomes of cases taken to this court seems to suggest that the court on the whole seeks to protect investors from the actions of public authorities or governments.
- viii. People in the host community have been so poor and deprived over the years and there is so much illiteracy that the possibility for them to be lured into unprogressive deals is very high. Typical villagers of the chieftains where ADDAX operates are living in very desperate conditions and have little awareness of their rights, obligations and external issues. (Source:

SiLNoRF's position paper: "Has the Addax deal undermined Local Level and National Food Security-or Not? How, whose and to what extent?", Oct, 2010)

7.3.3 Identification of Inducing Elements: Promises made by Addax

Land owners at Malal Mara, Mabilafu (where the Sugar cane processing plant is to be located), Mabansa (where a storage dam is to be located), Robung and Maronko and other communities openly admitted that when Addax officials promised them Millions of Leones as compensation for their lands, they readily gave up their lands without thinking of the future consequences, as some of them have never realized even Le100,000 (USD 23.5) in their lifetime. 'It looks so juicy', they said.

In the same Project Affected Communities (PACs), a land owner (Informant 13) who showed reluctance in signing for a one-off payment for his Oil Palm trees (he suggested compensation should be paid for 5 years since Oil palm trees could last for 50 years), was told that, H.E. the President of Sierra Leone has already consented to and signed his portion of the agreement so he stands the chance to lose his entire compensation should he refuse to sign. This compelled him to append his signature.

Many stories were rife concerning the threat of Addax's withdrawal from the PACs and therefore being denied the huge development package should they refuse to sign the agreement. 'How can we be denied a health centre (when currently we walk 5 miles away for health facility), school buildings, potable water, jobs for our children, better farming lands to be prepared by a tractor and for that matter higher yields, better roads and better prospects of economic security?' 'Who doesn't like good things?' - quizzed a land owner at Mabansa.

At Mabansa, a man (Informant 35) admitted with passion that land is considered a heritage, meant to be preserved and handed down to future generations. It therefore cannot be "sold", but only transferred (in the short term) and individual members of the land-owning families have an inherent right to the occupation and use of any part of the family land. Such leases for such a long periods accompanied with juicy promises has the tendency to induce land owners to become gullible to compromised reason and is a denial of the rights of future generations (Informant 35 drew the gathering to the attention of a child he brought to the center of the assembly).

In all the 12 communities visited and interviewed, informants openly declared, there was a common trend observed as mention was made of juicy but unenforceable promises by Addax 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 for both the youth and adults, building of good roads etc. All these aroused their excitement and were responsible for their decision to give up their lands without a second thought.

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 the MP, Honorable Ibrahim Martin Bangura.

According to the farmers they were told that the project was important to the state as it was the solution to the country's energy problems and they would be the first to be supplied with electricity once the project takes off.

They intimated that Addax further told them that hundreds of jobs will be created and that the youth in the communities will have secured jobs and income from the company.

They were also told that sugar cane could grow anywhere and as such the company would only use dry marginal lands. As one chief puts it: "Our children were promised 200,000 Leones (USD 47) as salaries every month and we the older ones were given good lunch and 80,000 Leones (USD 19) by the company each time we went to a meeting. Who in this community will refuse this and why won't we give our lands to them"?

According to the community members Addax also promised to modernize agriculture in the communities and rescue them from their age old backbreaking farming practices. Addax also promised to provide them with seeds, fertilizers and harrow their lands for them for free.

The findings of the team reveal that the negotiations between the company and the communities were lopsided from day one and weighed against the farmers. 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.

7.4 Access to land

Interviews by the research team supported by observations revealed that Addax's operations have reduced food production in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili District as concentration of ownership of land by Addax was forcing poor farmers off their land and impeding the realization of the right to food of communities.

Despite the claims that sugarcane grows on non-agricultural land, community members in Woreh Yeama, Maronko, Madrissa and Yenkaisa said their bolilands had been taken over by Addax for the cultivation of sugarcane without the consent of the farmers despite earlier agreements with the farmers indicating that only upper lands will be used as this was visible in the PACs visited by researchers.

In the villages of the Pilot Phase Area, many farmers in PACs 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.

At the time of this research (April 2011), there is extensive land preparation taking place in most parts of the communities, the impacts of increased stubble removal and

diminished vegetative cover as they relate to wildlife, soil, water and air quality have been very devastating as traditional water sources in particular had been filled with debris during this construction phase.

The distances between their homes and their new farmlands obviously also makes it difficult for members of the affected communities. In some villages, farmers who walked between thirty to forty five minutes to their farms now have to walk two hours to access their new farm lands.

7.5 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.

At the Maronko village in the Makari Gbanti Chiefdom (Informant 49) claimed it had leased the largest land size of 3,841ha), a serious water crisis had hit the village as a result of Addax destroying two perennial streams, namely: *'Kirbent'* and *'Domkoni'*. These water bodies were their only reliable source of water all-year round. Children were seen with long queues of buckets and other receptacles, waiting hopelessly for water from an ancient and unhygienic well. According to Informant 74, aside the fish from the streams as their regular source of protein, fisher folk have been denied their job and livelihood opportunities. The female Informant 83, speaking on behalf of women, lamented over their dispossession of fertile river banks which served as fertile lands for rice and vegetable cultivation.

For generations, a most crucial water source for the members of Woreh Yeama community was a natural water source, yet Addax plans to fill it with debris so the company can use the surrounding land for their monoculture plantations. After giving up all their uplands and the bolilands (where women cultivated all-year vegetables), Addax was going to close a natural source of clean water - the only perennial source of water in and around the village. A visit to the place showed that Addax had cleared all lands and bio-diverse vegetation around the well and closure of the well was a matter of time. Even if Addax built a new borehole in the village, communities reported that this water was not enough. The pending destruction of this natural water source by Addax anytime soon is stirring controversy in Woreh Yeama, anger is mounting and the possibility of violent confrontations cannot be ruled out if urgent solutions are not found to this problem immediately.

7.6 Women's rights

Because they perform domestic chores involving the use of water, women in some villages who before the advent of Addax had to walk some few yards twenty minutes to the nearest water source now have to walk long distances, three kilometers to look for water from more adequate sources.

The women also complained about the long distances that they now have to do on foot to look for firewood and medicinal herbs since their original fields for firewood and medicinal herbs have been cleared of vegetation to make way for Addax's sugar cane plantations.

Access to water is a critical component in advancing the human rights of women and the research team could witness the increasing number of women in the Chiefdoms who have been adversely affected by the lack of access to water. Women are particularly affected by the limited access to safe water as they are traditionally in charge of providing the daily water supply for their families.

Some women said since their husbands will have difficulties accessing their age-old fishing grounds they will have no fish to sell. They mentioned that they had not been given any time frame for resettlement or compensation.

In the Land Lease Agreement negotiation process, women generally were marginalized in decision-making. Apart from Mabilafu where the women's leader was involved, all other PACs cited being marginalized.

The so called marginal lands provide key subsistence functions to the rural poor and are frequently farmed by women. Sometimes it is the only land that women use for fuel wood gathering and medicinal plants for their families. This makes women very vulnerable.

A large number of women make their living gathering and processing palm fruits, some of which grow in the wild. Every part of the palm tree is used for making everything from roofing and baskets, wooden carvings to frame buildings, or palm oil, and palm soup to palm wine, now this tradition is under threat.

7.7 Use of Bolilands

Even as Addax pledges to use only "marginal" lands in the Chiefdoms, it is obvious from the field research that the company took large tracts of fertile and well-watered land.

The most fertile lands with best access to water are being targeted by Addax even though these lands are already being used for food production by small-scale farmers. 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 and as uneducated as they the farmers are they have always relied on and respected verbal agreements and as such believed Addax and accepted the gentlemen's agreements hook, line and sinker. The extensive takeover of the bolilands in the communities despite earlier oral agreements between the company and the community that the bolilands should not be taken by the company constitute a breach of oral promises made by company representatives.

Even if Addax claims to operate with a philosophy of avoiding villages, forests and food-producing areas is being contradicted by what the researchers found on the ground. Large tracts of food-producing areas including bolilands and bushes and wild palm trees had been cleared in the PACs.

7.8 Labour

Addax is promising four thousand (4,000) jobs (2000 being permanent and 2000 being casual workers). Labour, being the most important factors of production for

both agrofuels crops and food, are inelastic resources. The introduction of agrofuels crops will therefore mean reduction or diversion of these resources from growing food by small scale farmers in the districts. This then means that the Addax project will ultimately affect labour on the farms and food production.

Addax representatives, according to the communities visited, had promised to provide free transport and a free midday meal but that hasn't happened. The research team observed that workers had to walk long distances (sometimes 6-8kilometres) in and out whereas Addax vehicles carrying dogs bypassed them but refused to give them lifts.

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. Casuals were not given prior notice before termination of appointment. Women employees come to work in the morning wearing the company's overalls and without prior notice were declared redundant by management of Addax and asked to submit their overalls immediately. In Madrissa and Maronko, three (3) women narrated their embarrassing ordeals where after their pleas to go home, change over and come back to submit their overalls was not heeded to. They managed to run to nearby villages to borrow clothing to cover their nakedness and submitted their overalls before they were paid their wages. For the women who have gone through this experience in the hands of Addax representatives it is a humiliating experience.

Having tasted the limited poorly paid jobs in the nurseries, the casual labourers who were laid off after two/three months were quick to say that this was not the development they dreamt of from Addax.

Addax employs a greater number of farmers from the chiefdoms on seasonal and often casual or temporary basis with limited social security or medical assistance.

Farmers employed as casual labourers face lack access to protective/safety and health services and wore no protective goggles and gloves, no matter how long they worked with Addax. The team found out that it was always difficult for the casual workers who are laid off to reintegrate back into their former subsistence economy and farming.

Workers complained that their work was physically demanding and they had to walk long distances to work everyday (between 6 to 8 kilometres in all) through various types of terrain and weather and they are always already exhausted before they get to work and they are also unable to spend time with their families after close of work since they arrive home late everyday.

At the time of the interviews (April 2011), the workers at Lungi Acre were agitating for the payment of a two weeks backlog denied them since December 2010.

They also accused Addax of not issuing them with appointment letters ever since they were hired. The workers explained that workers newly hired by Addax were not given any appointment letters and they were always at a loss as to the actual agreed upon starting salary, reporting date, time and location, employee ID number, employee group the employee is assigned, and other helpful information.

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.

The highly charged workers hinted that they will hit the streets to protest their anger at their precarious working conditions anytime soon.

7.9 Marginalisation of workers

Addax employs about 600 employees from the chiefdoms the vast majority of them being on seasonal and often casual or temporary basis. Job seekers in the affected communities mainly farmers told the team that Addax employed them as casual labourers with the explanation that they were unskilled and not educated. Majority of the permanent work force at Addax were educated persons who came from Makeni and Freetown, other regions of Sierra Leone and from foreign countries (especially South Africa and Zimbabwe).

Faced with backbreaking work as a farmer and crude farming implements, promises of employment and white collar jobs, sustainable incomes and a better life at Addax, farmers in the affected communities have been quick to accept job offers at Addax. But no sooner have they been employed than they are laid off. 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.

7.10 Workers' health and safety

Workers who are injured or become sick because of their jobs at Addax are also not provided with workers' compensation with income and medical benefits. The team met a number of casual workers who recounted stories of sickness on the job and rejection by Addax.

Because of the hot, humid climate, wearing protective clothing is impractical, many former casual labourers, are already complaining of eye irritation, skin irritation and sores. There is little regulation and the remoteness of many of the areas concerned makes it virtually impossible to enforce any control.

Informant 21, a woman from a village who suffered an eye injury when leaves from the sugar cane stalk brushed her eye ball was left to her fate and later laid off.

A case in point is Posseh Kamara (from Romaro), a lady casual worker at Addax who was killed (in August 2010) when a reversing vehicle belonging to Addax was off loading chemicals. She left behind four children (ages ranged from 4yrs-13yrs), a husband and an ageing mother who complained that it was getting difficult to cater for the children since the company did not have any comprehensive compensation package for them. They admitted that Addax is paying schools fees and the lunch subsidy for the children, (Joseph Conteh – 13yrs, Class 6, Alhassan Conteh – 10yrs, Class 3, Kadiatu Conteh – 7yrs, Class 1, Mari Conteh – 4yrs, (not yet in school)).

There is also no indication of how long the assistance will be offered and to what level of education for the children since the family has no written agreement on the compensation package.

7.11 Involuntary Resettlement

Close to the village of Mabilafu, 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.

Members of the affected communities who largely depend on agriculture as their main source of livelihood said though they did not have any idea when they will be resettled they feared displacement and resettlement will lead to deterioration of local economies and disintegration of communities and “we would be housed in small rooms, no water and we would have to walk several kilometres to our farms”.

Indeed the operations of Addax are located in the immediate neighbourhood of family homes, the noise and dust generated by land clearing and preparation and the use of pesticides may threaten the right to health of the residents.

7.12 Grievance mechanism

Even though chapter 8.5, Executive Summary of the Comprehensive Resettlement Policy Framework and the Pilot Phase Resettlement Action Plan (African Development Bank, 2011) gives a glowing account of the company’s grievance mechanism, what pertains on the ground is different, 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.

Almost all the villages in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili district had Addax contact persons who were local farmers and more of liaison persons or focal points for consultation and communication between the project and the PAPs. But there wasn’t much that they could do as their duties were almost limited to mobilizing farmers for meetings with Addax whenever the need arose.

These Addax contact persons participated in our meetings with the communities and corroborated the litany of problems that Addax had brought to the communities. In some cases suggestion boxes were found in some communities but this was ineffective as the community members could not read or write

Almost all the communities were however quick to say that sometimes Aminata Kamara, Addax's community liaison person came to visit them from time to time and listened to their problems but no solutions were found to their problems and they could not go to Addax's office to follow up since they did not know whom to approach and did not have the means to do that. The lack of an effective grievance/complaints mechanism also accounted for the increasing tension in the communities over unsolved problems.

Addax also claims that it has taken proactive steps to address this issue by establishing internal management systems and policy frameworks designed to promote consistent practice and compliance with global standards as a result of scrutiny by international agencies such as the IFC. However, to a large extent company mechanisms have not been effective as interviews with affected communities indicate.

In the few open/public discussions and (or) community interfaces held between the PACs and Addax staff (mainly Aminata Kamara, Addax Manager in Makeni) and/or Government representatives (Hon. Martin Bangura MP), issues expressed by the PACs on the prompt fulfillment of the promises of development, poverty reduction, provision of vocational training for the youth, skills training of the youth for eventual take-over from the expatriates, schools and clinics infrastructure, etc, were not taken into consideration (date of this research (April 2011)). Such meetings, the PACs said, were characterised by a strong drive by Addax and government representatives towards project implementation with the repetitive outpour of proposed future benefits to the PACs without the concerns of the PACs being addressed.

7.13 Disenchantment

The story of communities in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili District where Addax operates is one of widespread disenchantment among residents as a result of the loss of access to land and water, loss of livelihood, the inadequacy of compensation, economic displacement and anxiety over resettlement.

The research team could hear a litany of losses and complaints from affected persons. The only benefits mentioned by the communities are the roads built by Addax, the land lease fees paid by Addax and the fact that some young men are employed or have been employed by Addax.

Despite the much touted social and environmental benefits of Addax business and the promise of employment and development to rural areas, there is growing evidence that farmers have found that the much vaunted Addax business rather than bringing a guaranteed income to them, schools, clinics, roads, employment, modern agriculture and mosques as promised is in fact taking away their fertile lands and valuable water resources.

In the communities, Addax and their agents were accused by farmers of providing misleading information to them and dispossessing them of their fertile bolilands when initially they told them that the company would only use the uplands.

Even some of the farmers who were employed by the company as casuals were fired after three months with no explanation.

Faced with what many described as 'fraud' and broken promises, many farmers interviewed are vowing to take back their lands.

7.14 Conflict potential

In all the communities in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili District that the team visited, 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.

Community members are seething with discontent, frustration and anger but for now community members told the research team that they were bottling their feelings. They point at Magbass (where a Chinese company cultivate sugarcane for sugar export) and Kemedugu (where the company African Minerals Ltd. operates an iron ore mine) where protesters were arrested and some brutalised by the police following a peaceful protest march recently over the takeover of their lands for sugarcane cultivation and mining respectively.

However, many informants were also quick to add that they cannot continue to bottle up their feelings, the pent up emotions may one day erupt into violent confrontations with Addax.

7.15 Role 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.

Interactions with relevant State agencies in Sierra Leone also indicate that the political and administrative structures of the state are too weak to monitor corporate conduct and address agrofuel sector impacts. Conditions are therefore lacking to ensure the implementation of commitments made in Addax's environmental social and health impact statements (ESHIA) or monitoring of the safeguards to ensure their compliance with national environmental standards.

7.16 Role of a local politician

The Honorable Ibrahim Martin Bangura – All Peoples Congress (APC) is the MP for the area. His functions include representing his constituents, bringing their needs, goals, problems, and concerns to the policymaking process.

Responses from the PAPs (almost all informants interviewed) indicate that the MP for the area served the role of an advocate for Addax Bioenergy. He succeeded in convincing them into believing that Addax has come with development, will take away all their poverty, will provide all the youth with jobs, and will improve their standards of living way ahead of their current status. 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 the MP, Honorable Ibrahim Martin Bangura. He was cited at Lungi Acre by an elderly man as having told them not to ask for anything from Addax nor pose any question but to 'watch and see what great things Addax will do for them'.

7.17 Medium and long term risks

7.17.1 Risks regarding water availability

Sugarcane, which is among the most efficient feedstock for agrofuel is heavily dependent on extensive use of water, a serious competition between agrofuel production and requirements of water for other needs including household uses is likely to occur. This poses a potential threat to the enjoyment of the human right to water as part of the right to food, housing, and health.

The Rokel river, which flows through the area leased by Addax, is the largest river in the Republic of Sierra Leone. The Rokel river will lose water because of pumping from the river. Addax will pump up to 7 m³ per second during the dry season, when the river has the smallest flow (African Development Bank. 2011. ESHIA Executive Summary. Tunis).

7.17.2 Risks regarding fishes

Owing to the abstraction of water from the Rokel there will be modifications in the watershed characteristics. Fisheries spawning grounds and critical fisheries habitat are likely to be affected from the disturbance of the ecosystem. This will result in the loss of livelihoods and threats to the food and protein requirement of local communities (Source: Fish Shortage Rocks Freetown Markets by Ben Samuel Turay, 27 February 2008 All Africa .com).

The current biological imbalance in the fauna due to previous constructions of hydropower dams on the River Rokel and the interference in the reproduction cycle of fish may increase and the diversity of fish species used by the communities to feed themselves may diminish.

7.17.3 Risks regarding soil, water and air pollution

Facilities for mill effluent, waste storage and handling, pesticides and agro chemicals can have severe consequences for surrounding environment and local communities if not properly designed and constructed.

The design of structures or architectural impressions of structures to be constructed on the acquired lands is important to enable chiefdom councils and community members and third parties to verify both the design and construction of the facilities and be assured of their safety.

Sugarcane is known to be prone to attacks by various insect pests that bore into and feed on the different parts of the cane. Many of the villages in the Chiefdoms will be completely surrounded by cane monoculture. Given such close proximity to cane monoculture, communities and their farms will be exposed to agrochemicals and various insect pests. (Source: Encyclopedia Britannica –Pests)

Agricultural runoff due to application of agricultural chemicals, and the discharge of large volumes of untreated industrial effluent from plantations and virulent pesticides may pollute the water and make it unfit for human consumption. Aquatic bio-diversity may be threatened as a result of the decreased level of oxygen. Not only will the surface water in the catchment be contaminated, but contamination may also reach the groundwater level. This may affect the communities living in the catchment of the Rokel who use the untreated ground water as their primary source of drinking water and irrigation. Indeed, an accidental pollution of the Rokel River could provoke major social and environmental damage.

8 The Human Rights Framework

A core element of the right to adequate food is the direct availability of food from productive land or other natural resources, relating to the capacity of people to feed themselves by having secure control over land, water and other resources necessary for food production.

According to the normative content of article 11, paragraphs 1 and 2 of General Comment 12 of the right to adequate food “The right to adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement” (Source: *The right to adequate food (Art.11):12/05/99.E/C.12/1999/5, CESCR General comment 12. (General Comments)*).

As a fundamental human right in international human rights law, it is expected to be given the highest priority both in national and international policies regarding food and agriculture.

The FAO also defines food security as a “situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life” . Indeed, the vast majority of States recognize that everyone has a right to adequate food and a fundamental right to be free from hunger” (Source: Chapter 2. Food security: concepts and measurement, produced by: Economic and Social Development Department, FAO)

The international covenant on economic social and cultural rights to which Sierra Leone is a signatory indicates that States have an obligation to ensure freedom from hunger for all, and that any decisions which may negatively affect the enjoyment of the right to food should not be encouraged.

8.1 State obligations

It cannot be disputed that granting large-scale land leases to foreign companies such as Addax in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili District result in serious dispossession of land, water and other food producing resources used by small farmers and other land users. Large scale land leases therefore pose a threat to the right to food and water of the affected population.

Despite the obvious serious threats of the Right to Food and Water, the Government of Sierra Leone has failed to honour its obligations under International human rights law.

It is however worth noting that 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. Furthermore, as a State Party to the African Charter on Human Rights, Sierra Leone has the obligation to ensure that “All people shall have the right to their economic, social and cultural development with due

regard to their freedom and identity and in the equal enjoyment of the common heritage of mankind“ (Article 22). Additionally, Article 21.5 says that “States parties to the present Charter shall undertake to eliminate all forms of foreign economic exploitation particularly that practised by international monopolies so as to enable their peoples to fully benefit from the advantages derived from their national resources“.

The obligation to respect existing access to adequate food or the means for its production requires States Parties not to take any measures that result in preventing such access. It is worth noting that agrofuel policies often lead to the clearance of fields during the preparatory stage and this can hinder the enjoyment of the right

In contemplating projects for agrofuel production, States should respect the existing access by rural people of their established sources of livelihood and should abstain from measures of eviction and resettlement. With regards to Guideline 8 on access to resources and assets, States are called on to respect and protect the rights of individuals with respect to resources such as land, water, forests, fisheries without any discrimination.

Regarding the lack of access of women in the communities to productive resources, Guideline 8 of the international covenant on economic social cultural rights also makes it explicit that States should take measures to promote and protect the security of land tenure, especially with regard to women and poor and disadvantaged segments of society, and should carry out land reform that facilitates access for the poor and women. (Source: The Voluntary Guidelines in brief - Texts of the Voluntary Guidelines)

This has also been recognised in the Protocol to the African Charter on the Rights of Women. Article 15 (Right to Food Security) which states that “*Parties shall ensure that women have the right to nutritious and adequate food. In this regard, they shall take appropriate measures to:*

- a) *provide women with access to clean drinking water, sources of domestic fuel, land, and the means of producing nutritious food;* (Source: Protocol to the African Charter on Human and People’s rights of women in Africa, Article 15)

It should be noted that, the bolilands are used extensively by women for the cultivation of vegetables but having been dispossessed of these fertile areas women are having to walk long distances in search of similar fertile grounds and also water and medicinal plants for their families.

General Comment (GC) 15 on the right to water of the UN Committee on Economic, Social and Cultural Rights, also states that access to traditional water sources in rural areas should be protected from unlawful encroachment and pollution. (Source: Economic, Social and Cultural Rights: A Guide for Minorities and Indigenous Peoples- by Margot E. Salomon)

States should, according to Guideline 8.6, provide women with secure and equal access to, control over, and to benefits from productive resources, including credit, land, water and appropriate technologies. There is a considerable risk that agrofuel

projects have a harmful impact on their access to and control over land and productive resources.

Guideline 8.8 calls on States to take measures to ensure that labour conditions are consistent with the obligations of protection that State have undertaken under the Covenant on Economic, Social and Cultural Rights and under the relevant ILO treaties. This is to ensure that they receive adequate remuneration that guarantees a decent healthy and safe standard of living as expected by the UN Covenant on Economic, Social and Cultural Rights Article 7.

8.2 Extraterritorial duties

Expectations and targets set by the EU and the United States have greatly motivated the development and expansion of liquid biofuels and the attendant human rights violations and it is only proper morally for the EU, Switzerland and the USA to act in ways to protect people in host countries such as Sierra Leone against the negative impacts of agrofuels produced in socially or environmentally irresponsible ways.

This is in line with Articles 2 and 11 of the International Covenant on Economic, Social and Cultural Rights, as well as from Article 56 of the Charter of the United Nations, which indicates that States should cooperate in the identification and elimination of the obstacles to the full realization of the right to food. States in a position to assist should do so, as part of the fulfillment of their international obligations both under the Covenant and the Charter. [Source: Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security, Report of the 30th Session of the Committee on World Food Security (CFS), Supplement, FAO Doc. CL 127/10-Sup.1, Annex 1 (2004).]

This is buttressed by the Right to Food Guidelines Part III (International measures, actions and commitments) which also states that national development efforts should be supported by an enabling international environment, the international community and the UN system, including FAO. Others in the international community are urged to take actions in supporting national development efforts for the progressive realization of the right to adequate food in the context of national food security. (Source: III International measures actions and commitments: International cooperation and unilateral measures. Produced by: Economic and Social Development Department, FAO)

Rural agricultural producers including food crop farmers and traditional fishermen in the Chiefdoms of Makari Gbanti and Bombali Shebora in the Bombali District and in the Chiefdom Malal Mara in the Tonkolili district are extremely poor.

The national poverty profile of Sierra Leone indicates subsistence farmers, who are the main food producers in the country are amongst the poorest members of the population, rural households headed by farmers have the highest incidence (83%) and the highest intensity (39%) of poverty, despite the fact that the agriculture sector employs over 75% of the rural population. (Source: Operation Feed The Nation: Contextualizing PRSP-SL, Towards Food Security and Poverty Alleviation MINISTRY OF AGRICULTURE, SIERRA LEONE, A.7)

These people belong to the most vulnerable segment of the Sierra Leone society and it is the obligation not only of Sierra Leone as host state but also of Switzerland, as home state of Addax and the international community to protect the rights of these people and improve their status and address the problem of hunger in the Chiefdoms.

The failures of the authorities to guarantee access to drinking water and to protect the sources of water for human consumption against destruction by pollution and filling with debris from land clearance are breaches of states obligations and hence violations.

Though the human rights responsibility must be exercised at the international and national levels the primary duty-bearers are the States. This means there is a clear responsibility of the State in which the agrofuel production takes place, of the State where it is consumed, and of the international community as a whole to take the necessary preventive and protective measures and to provide the necessary safeguards when the need arises.

9 Recommendations

Local content and cost-benefit analysis of projects by the State of Sierra Leone including independent assessments of the environmental and social costs are essential before agrofuel projects are allowed to go on.

Human rights standards have to apply to the agrofuel sector in Sierra Leone, human rights monitoring and enforcement has to be an obligatory public affair and only the enforcing power of states has real chances to fulfill this task and not narrowly focused private voluntary schemes or company initiatives.

In the preparation and implementation of development policies, regarding agrofuel projects, measures to ensure the enjoyment of the right to food should be a priority and an institution in Sierra Leone should be charged with the responsibility of highlighting the regard for the right to food amongst other human rights.

9.1 Recommendations to Addax Bioenergy

It is obvious that the project affected communities have not participated fully in the planning, assessment and decision making process related to Addax agrofuel operations. Affected community's right to know, to be informed, to participate in the process of shaping their lives and future has to be respected. 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.

Clauses 4.4 and 4.6 land lease agreement also grants Addax the sweeping powers to stop or alter the course of any water course and also have exclusive possession over villages, rivers, forests and other forms of the environment. Both clauses are ambiguous and fly in the face of domestic law-the Water (Control and Supply) Act 1963 which governs the use of water in rural areas and also international human rights law relating to the right to water. These clauses would have to be amended to prevent violations of community rights relating to water and the environment.

It is therefore recommended that the Land Lease Agreement should be reviewed to ensure that the provisions conform to the laws of Sierra Leone and international law and take into account the fundamental rights of the people and basic principles of fairness.

9.2 Recommendations to International Financial Institutions

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 team

was also not able to access documentation on payments for water use, this has to be looked into before any loan is granted to this project.

In view of the increasing loss of access to land and water we urge international financial institutions interested in supporting or granting loans to Addax to pursue its agrofuel project in Sierra Leone to ensure that these concerns are addressed before considering the approval of any loan.

It must be emphasised that the compensation provided by Addax is too low and inadequate to restore livelihoods. Without major modifications regarding loss of access to land and water and compensation and employment of local farmers, this project will not comply with any IFI policies suitable for the granting of loans. Major modifications to proposed measures and initiatives by Addax are therefore necessary before the granting of any loan to Addax.

9.3 Recommendations to the Government of the Republic of Sierra Leone

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. We urge the government of Sierra Leone to act according to its obligation under international law to take adequate measures to protect the rights of the residents particularly the right to food and water of the affected communities and to enforce environmental regulations. The government has to put an end to the destruction of the natural resources on which people rely.

It will be recommended that the Government of Sierra Leone investigates the current status of access to water for local communities in the chiefdoms as well as the safety of water sources and ensure that immediate steps are taken to guarantee the provision of clean and adequate water for all the communities affected by the operations of Addax, steps should also be taken to prevent further destruction of their traditional water sources.

SLEPA with the participation of the local communities should also install independent monitoring of water quality on the concessions granted to Addax.

The communities urgently need farm lands which are close to their communities to guarantee their access to food and livelihood. Government therefore has to ensure that affected communities are provided with replacement land which is within easy reach of the community.

In order to ensure that projects are implemented properly and promises are not broken, Government, project authorities and other project developers must take responsibility and enter into binding and enforceable contracts.

Regarding other vulnerable groups in the affected communities such as the elderly, widowed, disabled and handicapped victims of the war, it can be stated that unless safety nets and rehabilitation package takes extra care to protect such people who are already on the margins, displacement is likely to increase their vulnerability.

It is recommended that the government takes immediate steps to ensure that Addax rejuvenates all natural spring water or traditional water resources of affected communities which have been buried under heaps of debris from land preparation. In a situation where the spring has been negatively impacted in terms of quantity and quality of water, the government has to ensure the access to safe water for the residents of the affected community.

It should also be mentioned that Sierra Leone, like most States who are parties to the International Covenant on economic, social and cultural Rights are expected to take into account their state obligations under international law when engaging with international finance institutions.

It is recommended that the country's Labour Commission is strengthened, that they be provided with enough resources and capacity to perform regular inspections/monitoring paying special attention to employees' working conditions, protective gear, unionizations, casual labour, etc.

Rather than rushing into land contracts, governments should in the future promote transparent, vigorous public debate about the future of agriculture in their country. Producer organisations must be central to that debate, and scrutiny from civil society can help make the renewed interest in agriculture work for broad-based sustainable development. Research can help provide an empirical basis for these processes.

9.4 Monitoring Process

In view of the numerous impacts that Addax project portends for human health and natural ecosystem the need for an independent monitoring throughout the lifecycle of the project cannot be underestimated.

But given the obvious lack of resources of the Government of Sierra Leone for monitoring extractive industries, the question on the lips of many is whether the government could effectively monitor Addax project or it will continue to protect investors.

The introduction of complex monitoring processes will constitute significant challenges for a country which is emerging from a long period of conflict with serious shortages in human capacity.

Although there is an increasing demand for greater corporate and governmental accountability in issues that concern development and human rights in Sierra Leone, the rich diversity of regulatory codes of 'best practice' are not legally binding. Majority of the codes are essentially voluntary.

A multi-stakeholder, multinational structure may offer the greatest potential to maximise impartiality, neutrality and trust in relation to the monitoring of the project.

With membership from Addax, civil society groups in Sierra Leone, the communities where Addax operates and other civil society groups outside Sierra Leone, and an independent Chairperson nominated by the membership of the team. Multi stakeholder monitoring mechanism can be useful as this easily gains the trust and confidence of all parties.

In situations where communities do not trust company monitoring mechanisms and their grievance mechanisms or host country avenues for redress, independent multi stakeholder monitoring mechanism could avoid unnecessary elevation and escalation of disputes and at the same time ensure that recourse is available to community groups who believe they have been adversely affected by Addax operations.

Resolving disputes through dialogue and active engagement between all parties in finding mutually acceptable and lasting solutions can be useful.

Functions of the multi stakeholder mechanism might include initial case assessment, facilitation roles (e.g. through mediation and conciliation), arbitration/determination, follow up and public reporting. Additional functions might include monitoring, advisory and education/research.

Aggrieved communities must be able to access the mechanism through clear, simple, processes. It is therefore important to educate and sensitize local communities and international stakeholders of the existence of this monitoring mechanism, its principles and mission.

10 Conclusion

Proponents regard the current policies of agrofuel promotion and the high global agricultural prices as a promising development that could revitalize rural areas in Sierra Leone and improve the deteriorated income of the country's farmers. But the negative impacts of this thinking in Sierra Leone are likely to be dramatic, including exacerbating food insecurity and land conflicts at a time when the continent is already suffering from the impacts of climate change.

Indeed, claims about the potential long-term benefits of agrofuel development in Sierra Leone are littered with flawed assumptions, unanswered questions and serious risks. Many questions must be asked and answered before it can be considered as a serious and viable answer to Sierra Leone's pressing problems.

It is clear from our research that in the long term the cost of Addax agrofuel project will be too high for the host communities as it is most likely to exacerbate poverty and deepen hunger.

Fact is that there is, indeed, a very intricate relationship between local livelihoods and the health of key ecological systems – water, forests and wetlands. Poor people tend to be most dependent upon the environment and the direct use of natural resources for their livelihood and therefore are the most severely affected when the environment is degraded or their access to natural resources is limited or denied.

Biodiversity and ecosystem services are essential to the productivity of agriculture, food and water resources, erosion control, soil fertility fuel, income and livelihoods.

With the nascent state of government in Sierra Leone, a society still reeling from years of conflict, there is also a danger that the Addax project may serve to undermine current post conflict restructuring efforts of the fledgling nation and government's agricultural initiatives as well as the attainment of the key issues defined in the Millennium Development Goals 1 and 8 eradicating poverty and hunger and developing global partnerships for development respectively.

11 Annex

Response from Addax Bioenergy

In this Annex, we present the response sent by Addax Bioenergy on May 25, 2011 to the questionnaire sent by the researchers.

START

Question 1 – Mission of Addax in Sierra Leone

The Addax Bioenergy Sierra Leone Ltd. (ABSL) is developing a Greenfield integrated agricultural and renewable energy project at Makeni in central Sierra Leone, which will produce anhydrous fuel ethanol from sugarcane (ethanol or bioethanol) and electric power and food. The Project builds on the opportunity presented by a growing market for bioenergy and biofuels in Europe and Africa as well as preferential trade agreements and suitable climate and lands in Sierra Leone.

The Project will be a ground-breaking initiative in that it integrates environmental and social criteria at all levels of its business model, combining a profitable financial investment with a truly sustainable operation.

Sierra Leone, a democratic country emerging from civil war, will directly benefit from the associated large-scale job creation and infrastructure development. The Project is treated as a priority investment by the Government and Development Partners of Sierra Leone as it contributes to diversifying its economy and attracting further foreign direct investment, not least in agriculture at all levels.

The Project is strategically important to both the Republic of Sierra Leone and development partners, building on the extensive experience of Addax in Sierra Leone and elsewhere in Africa. The Project will be among the largest private industrial investments in Sierra Leone.

The Addax Bioenergy sugar cane to ethanol project has been set up in accordance with local law and applying IFC Performance standards, Africa Development Bank criteria, the EU sustainability criteria and Equator Principles.

Addax is actively engaging with those whom the project may affect, the project affected people, and has structured the project in a manner designed to ensure that the views of the local population are accommodated and taken into account so far as possible and that the local communities have been engaged in the project from the beginning.

Addax has carried out extensive and thorough studies designed to assess the impact of the project so that any negative effects can be mitigated.

Question 2 – What are your target markets

EU and Sierra Leone and potentially African continent.

GOSL has its own renewable and bioenergy policy and strategies which are now being further developed through the assistance of its development partners.

Addax has been very supportive of this development as the company believe sustainable bioenergy development will lead to further development of the country's energy sector and energy supply and evolvement of agriculture, bioenergy and biomass and markets leading to economic growth and poverty reduction and also fostering rural development and food security.

Question 3 – Does Addax have a Land lease

After following a diligent process Addax entered into Land Leases with local Chiefdom Councils in April 2010. Under Sierra Leone legislation, the Chiefdom Councils are the only people who can grant leases over the land.

However, as mitigation and as a new invention Addax will, by being responsive to the wishes of the local traditional landowners, entering into direct Acknowledgment Agreements with the individual landowning families who presently occupy the land (the "landowners"). Under these Acknowledgement Agreements, the landowners will acknowledge Addax's rights under the Land Lease and receive additional payments.

Addax decided to follow the GOSL MAFFS 2009 recommendations for land lease (50% of land lease to landowners, (20% Chiefdom Council, 20% Districts, 10% GOSL) and pay a lease of 5 USD per acre (about 12 USD per hectare). The land leases strictly comply with the Laws of Sierra Leone (reviewed and confirmed by 5 law firms: Basma & Macaulay, Franklyn Kargbo & Co, Macaulay & Bangura, Denton Wilde Sapte, Norton Rose). Addax secured the appointment of Legal Representation by Landowners and carried out extensive consultations with Landowners.

Question 4 – Does the Project Affected People have copies of the land lease

Draft land lease documentation has been distributed at several occasions to communities leasing land to the project, targeting the land owing families, village elders, women associations, teachers, youth associations, NGOs (mainly the 20 plus agriculture NGOs and associations active in Bombali and Tonkolili districts).

The land lease documentation was also part of the ESHIA documentation publicly distributed during two months in the project area from November 2009. Signed original land lease documents are with signatories e.g. the Chiefdom Council and with the Official registrar. Importantly draft documentation was handed out to all land owners and other stakeholder during public consultations.

Acknowledgement Agreements have been distributed in the same manner. Signed original Acknowledgement Agreements are with the signatories e.g. the land owning family and with their lawyers.

Question 5 – Were the Project Affected People legally represented in their dealings with Addax

Yes. A draft lease agreement was developed by Sierra Leone attorneys in May 2009.

To ensure a fair and transparent process two law firms were engaged, one to represent Addax Bioenergy (Basma & Macaulay) and one selected by the communities and Chiefdom Councils (Franklyn Kargbo & Co) to represent their interests and to ensure that the lease agreements were well understood by all affected.

Later two law firms representing the Development Financer Institutions (lenders) also reviewed the lease documents and the lease process; Macauley & Bangura & Co in Freetown and Norton Rose LLP in London.

The land lease draft was formally publicly discussed in several meetings from May 2009 to April 2010. It was first introduced to the Districts and Chiefdom Council officials and landowners in May 2009, who in turn were tasked with discussing the document further with their communities.

It needs to be mentioned Addax and the law firms received very good feedback directly from the communities on a number of items.

Question 6 – What is Addax stance on the provision of alternative farming lands for the PAPs

Addax is implementing a Social and Environmental Management Programme (SEMP) which incorporate a number of individual management plans (ESMP) that inter alia manage mitigation for impacts. One of these ESMP is the Farmer Development Programme (FDP) which primary objective is to mitigate against economic displacement and enhance and sustain food and livelihood security.

The Farmer Development Programme was created in order to mitigate impacts which are commonly associated with agricultural projects and to ensure that project affected people and households have sufficient amounts of land and agricultural knowledge as mitigation for the projects land take.

The Farmer Development Programme is regarded as a priority for Addax and will be used to support those farmers and communities who are directly affected by the project development, including landowners who lease land to the project and other identified land users of these lands. As such all community members within the boundaries of the area selected for estate establishment and support infrastructure will be eligible to participate in the FDP.

The Farmer Development Programme, which is aligned with the GOSL national plan Smallholder Commercialisation Programme, is going to be the second largest agricultural project in Sierra Leone.

The Farmer Development Programme consists of two parts;

1 – Farmer Field and Life Schools (FFLS) - farmer training programme

Using the same curricula as the Government, FAO and NGOs Addax is organising 30 week Farmer Field and Life Schools training for all project affected communities.

The FFLS aim at improving farming techniques but also include training on health, safety, basic education, business skills, and sanitation. The Addax FFLS has around 25 participants each of which a majority are women who meet on a weekly basis to increase their knowledge of issues such as pest control, usage of farmer produced compost and fertilizer, and tips for avoiding leech injuries. Addax also trains and support two facilitators per community under its Master Trainer, who is a former FAO designated national FFLS trainer.

The FFLS is an evolution of the FAO's Farmer Field School (FFS) and approximately 2000 farmers will go through this programme. To date more than 1000 farmers are under training in 52 FFLS. The first group of 118 participants graduated in January 2011, 79 were women, representing the 7 surrounding villages in the Yankasa section.

2 – Assist in preparing community fields

In addition to the FFLS, Addax will provide support on the physical preparation of a portion of land to be allocated to each PAP. Each village will identify an area of land which will be used for the purpose of the Farmer Development Programme. All village members are entitled to participate in the FDP and will be assured rights to land ploughed and developed per village.

The project will plough and harrow the land and will provide support (through access to machinery, extension officers etc) for future years. The objective of this component of the FDP is to ensure that each household affected by the project is provided with sufficient land and with the appropriate training to ensure sufficient food production (focus is on rice) for the household thereby enhancing and sustaining food security. This will be closely monitored internally and by FAO and IITA and lenders independent auditors.

Total amount of land to be prepared by Addax for the communities is above 2000ha.

In addition, Addax is also setting up an internal training centre to transfer agricultural and industrial know-how and best practices to the company's national staff. These training programmes will enable the people to improve their earning base and therefore contribute to enhancing and sustaining their livelihood security through skills transfer and training.

The project is committed to livelihood enhancement and the project's impact on PAPs will be closely monitored through the monitoring components of the project.

Question 7 – What is Addax policy with regards to compensation

Based on the IFC standards, Addax will; through the lease mechanism (Land Lease and Acknowledgement Agreement) and compensation, which is done through the implementation of so called IFC Resettlement Action Plan (RAP), even though physical relocation will not take place, and the Farmer Development Programme (FDP); replace the livelihood and values associated with leased land.

The lease mechanism will compensate landowners for the land leased to the project, the compensation process will pay or replace-in-kind assets lost by households as a result of the project while the FDP is a farmer training and land preparation programme.

The primary objective of the FDP is to ensure that all Project Affected Persons (PAPs) have sufficient land and agricultural skills.

The compensation process sets out the conditions under which any compensation will take place and as such there are nine key principles that Addax commits itself to with regard to this process. These are based on IFC and best practice:

1. Resettlement must be avoided or minimised.
2. Genuine consultation and participation must take place.
3. A pre-resettlement baseline will be established.
4. Assistance with relocation to be made available.
5. A fair and equitable set of compensation options must be negotiated.
6. Resettlement must take place in accordance with legal requirements and international best practice.
7. Vulnerable social groups must be specifically provided for.
8. Resettlement must be seen as an "upfront" project cost.
9. An independent monitoring and grievance procedure must be in place.

The compensation process will be undertaken in accordance with the relevant International Finance Corporation (IFC) and African Development Bank (AfDB) policies. Economic displacement (loss of access to lands) affecting people will definitely occur and thus Addax has initiated formal RAP planning as soon as the land selection process and land lease process are initiated. Four project compensation phases are envisaged. Physical displacement is not expected as no major settlements intersect with any of the pivots or infrastructure.

Question 8 – Do you have survey maps and are they made available to the Project Affected Communities

Yes, The Acknowledgement Agreement includes survey maps. Addax is now preparing fact pacts for all project affected communities who has inter alia leased their lands, entered in to signed Acknowledgement Agreements, been compensated and / or participates in the FDP.

Question 9 – Do you intend to relocate communities

No. All design is based on Addax fields and infrastructure is placed away from villages. However, two small settlements, not formal villages, are currently located inside two proposed fields which are to be developed in 2013. Addax wishes to avoid resettlement of any person in the project area.

Question 10 – If so, have you put in place a RAP, and what are its components

See above question 7 and 9.

Question 11 – Which communities are likely to be relocated

See above question 7 and 9.

Question 12 – What is the position of Addax on the communities' access to water

Addax subscribe to the right of the PAP to full access to their existing water resources including the Rokel river. Where it is inevitable Addax will impact on a water source it will be replaced or mitigated in any other form.

Question 13 – What is the position of Addax on water bodies in the area with regards to both surface & ground water? Abstraction and pollution as well

Addax has carried out an extensive ESHIA including a Hydrology and Surface Water Specialist study and a Fish Biodiversity Specialist Study.

Addax is implementing a Social Environmental Management Programme which includes Environmental Social Management Plans regarding Construction, Land preparation and Operation of fields, factory and other infrastructure and mitigation efforts.

Addax is implementing an Environmental and Social Monitoring Programme which will qualitatively and quantitatively measure the effectiveness of mitigation and management measures to avoid, and where this was not possible, minimise negative impacts associated with the Project. The Monitoring Programme will also monitor the Project's compliance with applicable International Finance Corporation (IFC) performance standards, African Development Bank policies and Sierra Leonean law.

The monitoring is based on established baselines covering the project area. The components of the Monitoring Programme cover inter alia air quality and meteorological monitoring, surface and ground water quality monitoring and surface quantity monitoring.

Question 14 – Is Addax planning to construct dams on the Rokel river

No construction of dams.

Question 15 – Are there any plans to mitigate on down stream communities around the river as a result of the abstraction, construction, and operations of the dams.

No dams will be constructed.

Addax monitoring is based on established baselines covering the project area. The components of the

Monitoring Programme cover inter alia air quality and meteorological monitoring, surface and ground water quality monitoring and surface quantity monitoring.

If Addax monitoring show that the project in any way impact negatively on down stream communities Addax is required to minimise or mitigate such impact. This is part of the Social Environmental Management Programme and the individual ESMPs and the Monitoring Programme.

Addax is also signing a Water License Agreement with the GOSL and will pay for its water usage (one of the first companies ever to do so and also pay for its usage).

Question 16 – What is Addax position on the Unionization of workers/wages, transportation, to and from work, social security, health support, provision of protective clothing etc

Addax position is that we, as a minimum, follow the laws of the country including what the ILO Conventions signed by GOSL and what the Gazetted Collective Agreements stipulate which covers all the items mentioned in the question.

Workers have full rights to organise themselves and/or be members of unions. A fair number of the current work force of 650 people is unionised.

Question 17 – Does Addax have a community relations outfit. If so, how is it structured?

Addax has a formal Stakeholder Engagement Plan in place since November 2009.

As of date Addax have five CLOs, two formal Liaison offices, 10 mail boxes and importantly a formal Grievance mechanism.

Question 18 – Does the company have an outfit for grievances /complaints, how does it work?

Addax has a formal Grievance mechanism in place since 2009 which follows the IFC requirements.

Grievance Redress

There may be individuals and groups who feel that they have been treated inadequately or unfairly. Providing credible and accessible means to pursue grievances allows the project to address genuine issues in a timely manner and decreases the chances of overt resistance to the project from disgruntled persons.

The project will deal with grievances relating to any aspect of the project through negotiations aimed at reaching consensus between the project and the affected parties. The grievance redress mechanism implemented by the project provides a number of grievances boxes located at points throughout the project area. Grievances can be reported directly to the staff or written down and handed over. An office that is open for recording of grievances has been established in Yankissa and Kontobe villages and is staffed during the working day. A custom designed grievance book has been set up and the grievance process has been made known to stakeholders. This grievance mechanism established for the project deals with resettlement, environmental, personal and property damage issues. Thus all grievances arising from the community and concerning resettlement will be resolved in the manner described below.

Grievances will be received in various manners: During community meetings; through the grievance boxes for those who want to remain anonymous; and most importantly at the Community Liaison Offices. The grievance redress mechanism allows for PAPs to address their community leaders and inform them of grievances. Given the high illiteracy rates, community members have been sensitized on the option of making their initial grievance either through the Section Chief/Paramount Chief, or the District Council who will bring it to Addax's attention for resolution. The process of receiving formal grievances at the offices will be as follows:

Step 1: Receipt of grievance: Grievances will be received by the Community Liaison Officer (CLO) either verbally or by written notification and will be entered in a register. Registers will be available in all three CLO offices within the project area. Languages used will be English for

documentation purposes but the grievance can be provided in Kriol or Temne. The person submitting the grievance will be given a receipt of his submission. People will also have the option of making their initial complaint either through the Section Chief, Paramount Chief, or the District Council. A receipt will be provided to the person lodging the complaint.

Step 2: Assessment: The CLO will assess the grievance in terms of his/her capacity to resolve it locally. If this is not possible, the grievance will be communicated to the project's Social Affairs Manager for further action.

Step 3: Acknowledgement of complaint/grievance: Written information (accompanied with verbal explanation) as to steps that will be undertaken to resolve the grievance and the expected time for its resolution will be provided to the complainant within two weeks. This exchange will be recorded in the register.

Step 4: Investigation and resolution of grievance: The project will conduct an internal investigation to determine the underlying cause of the grievance and make any changes required to internal systems to prevent reoccurrence of a similar grievance. As appropriate, the project will also hold meetings with the person/group expressing the grievances to discuss, clarify and solve the issue, and prevent it from reoccurring.

Step 5: Closure: Once the investigation has been completed and necessary measures been taken, the results will be communicated to the complainant and entered in the register.

Step 6: Outcome of the corrective action is verified with the complainant: Following completion of the corrective action, the appropriate CLO will verify the outcome with the complainant. The complainant will be asked to sign off on his/her acceptance of the "solution" (or nominate someone to do so on his/her behalf). In the event that the complainant remains dissatisfied with the outcome, additional corrective action may be agreed and carried out by the project.

The grievance log will be entered in a dedicated database by the Social Affairs Manager.

Situations may arise where complainants will choose to pursue legal recourse and appeal the outcome of the grievance mechanism. In such cases, obtaining an independent opinion (e.g. traditional authorities, legal advisors, NGOs etc) on the grievance will be considered as this may aid in the arbitration process. Addax will not impede access to this recourse.

Question 19 – Litigation and arbitration

Situations may arise where complainants will choose to pursue legal recourse and appeal the outcome of the grievance mechanism. In such cases, obtaining an independent opinion (e.g. traditional authorities, legal advisors, NGOs etc) on the grievance will be considered as this may aid in the arbitration process. Addax will not impede access to this recourse-

Question 20 – What is Addax take on food security with regards to taking away lands for food production and cultivating non-food items such as sugar cane for production of ethanol

See above answers with regards to FDP.

Food security and malnutrition is a serious issue for Addax. The Addax FDP is the second largest agricultural project and training programme in Sierra Leone. The FDP's primary objective is to ensure that all PAPs will have sufficient land and agricultural skills as a further mitigation measure for economic displacement. The FDP will be regarded as a priority for the project and will be used to support those farmers and communities who are directly affected by the project development, including landowners who lease land to the project and other identified land users of these lands. As such all community members within the boundaries of the area selected for estate establishment and support infrastructure will be eligible to participate in the FDP. Additional training in for example water and sanitation is also envisioned.

Question 21 – What is company policy regarding Corporate Social Responsibility

Addax has a strait forward policy regarding CSR; be a profitable, obey the law, be ethical and be a good corporate citizen.

Based on the law of Sierra Leone and the IFC Performance Standards Addax has conducted an extensive analysis of the environmental, social and health Impact of the project (ESHIA) including 14

Specialist studies. Stakeholder engagement and public disclosure has been a very important feature during execution of the ESHIA and the land lease process. In accordance with international standards, all draft reports were released for public review, and the key findings were presented to all interested and affected parties at the national, provincial and local levels.

Based on the ESHIA Addax has developed a Social and Environmental Management Programme (SEMP) with the objective of:

- To ensure the project is compliant with applicable national environmental and social legal requirements.
- To ensure the project is compliant with applicable environmental and social policies of its lenders.
- To outline the mitigating/enhancing, monitoring, consultative and institutional measures required to prevent, minimize, mitigate or compensate for adverse environmental and social impacts and/or to enhance project related beneficial impacts.
- To address capacity building requirements to strengthen its environmental and social capacities if necessary.

The Addax commercial roll-out schedule will take place over a 5 year period, and the SEMP has been aligned to this schedule. The fundamental principle of the SEMP is to ensure that various Environmental and Social Management Plan (ESMP's) are established to deal with various impacts and aspects of the project.

Examples of the implementation of the corporate social responsibilities

- Addax Bioenergy Sierra Leone (ABSL) complies with the law of Sierra Leone and the IFC Performance Standards and EU sustainability criteria.
- ABSL follows the GOSL MAFFS recommendations for land lease (50% of land lease to landowners, (20% Chiefdom Council, 20% Districts, 10% GOSL) ABSL pay a lease of 5 USD per acre (about 12 USD per hectare). The land leases strictly comply with the Laws of Sierra Leone (reviewed and confirmed by 5 law firms: Basma & Macaulay, Franklyn Kargbo & Co, Macaulay & Bangura, Denton Wilde Sapte, Norton Rose). ABSL has secured the appointment of Legal Representation by Landowners and carried out extensive consultations with Landowners.
- ABSL has ensured public authorization given by Landowners to Chiefdom Council to sign on their behalf. The direct payments to landowners are public and transparent and their share in the lease is 64%.
- As part of the land lease process ABSL has introduced Acknowledgment Agreements, which are signed directly with traditional landowners who acknowledge Addax' rights under the land leases. In return they receive an annual direct rent payment. This is the first time that landowner's rights are contractually confirmed by a company in Sierra Leone.
- ABSL is conducting survey of village boundaries for fair compensation to the traditional landowners by establishing correct mapping.
- ABSL is compensating all project affected household losing economic activities inside Addax development areas through a public and transparent RAP process incorporating liaison committees at village and District levels and a Grievance mechanism.
- ABSL is implementing its Social and Environmental Management Programme (SEMP).
- The SEMP consist of a number of individual ESMPs of which the following are particularly important from a CSR perspective:
 - Stakeholder Engagement Plan (SEP)
 - Farmer Development Programme (FDP)
 - Resettlement Action Plans (RAP)
- The Stakeholder Engagement Plan (SEP), is an inclusive and continuous process between ABSL

and the project affected people and other stakeholder and encompasses a range of activities and approaches, including a formal Grievance Mechanism spanning the entire life cycle of the project.

- As part of its SEP, ABSL has established Community Liaison Offices throughout the project area including Grievance Boxes for comments, complaints and suggestions.
- The Farmer Development Programme (FDP), which is aligned with the GOSL national plan Smallholder Commercialisation Programme, was created in order to mitigate impacts which are commonly associated with agricultural projects and to ensure that project affected people and households have sufficient amounts of land and agricultural knowledge as mitigation for the projects land take. The FDP is the second largest agricultural project in Sierra Leone preparing more than 2000ha of community fields.
- The FDP include the establishment of Farmer Field and Life Schools (FFLS), a 30 week farmer training programme, for about 2000 farmers leading to Farmer Based organisation and Agriculture business Centres.
- Project affected people or households are prioritised for job opportunities.
- All ABSL staff will go through on-the-job training including health and safety.
- Special programmes targeting community development and skills, health and sanitation are developed and implemented together with project affected communities, local authorities and NGOs (refer to ESMPs above).
- ABSL is building roads and infrastructure in the project area also for public usage.
- ABSL is implementing a bicycle scheme for its employees.
- Addax is sponsoring a hospital and polio clinic in Makeni
- Addax is sponsoring a hospital and maternity clinic in Freetown

END