



Annual Monitoring Report

on the Operations of Addax Bioenergy by
Sierra Leone Network on the Right to Food (SiLNoRF)
For the Period July 2013 – June 2014



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Written in cooperation with





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Executive Summary

This monitoring report intends to provide an **overview of the information and facts collected by SiLNoRF** on the operations of Addax Bioenergy since the publication of the “Independent Study Report” in June 2011 and the publication of the last Monitoring Report in August 2013. The period covered by this report is from **July 2013 to June 2014**.

The report starts with the following **positive changes** that SiLNoRF can confirm have taken place during the period under review:

- There has been an **increase of household income in villages close to the ethanol factory of Addax**. These villages provide many workers to Addax
- **Addax remains open for dialogue** with its stakeholders in Sierra Leone;
- Addax **paid the land lease fees** according to the provisions of the Land Lease Agreements and the **compensation payments** for destroyed crops and economic trees in May and June 2014;
- Addax **constructed a new water well in 2013 in the Romaro** community (more than two years after Addax altered a water source in the community); However the water well broke down two months after completion.
- There is an **increase in the number of workers employed by Addax and its contractors**. Addax workers have **written work contracts; they are provided with medical treatment in case of accidents**. Addax provides **skills training for a significant number of workers**.
- Addax **ploughed and harrowed community fields as part of the Farmer Development Programme (FDP)** in every affected community in 2013.
- Addax agreed to sign an additional Acknowledge Agreement (AA) with the Masethleh community that asked for a document committing the **company to only use a smaller portion (demarcated land), rather than the whole village area**.
- The **opposition of two villages to two pivots (Woreh Yeamah and Man-Man) has been resolved as Addax agreed to move these pivots to other locations in other villages**.
- Addax **constructed 300 km of new roads to enhance their operations** but these roads are also used by communities.
- Addax started to **support women groups with vegetable programmes in all of the impacted villages**. In several villages, women stated that the programmes were not successful yet. Addax claims that the programmes are ongoing and will be evaluated at the end of the year.
- Addax **will soon produce electricity by burning sugarcane**. Addax will produce 120 GWh per year which will be sold to the national grid, representing approximately 20% of Sierra Leone’s electric power.
- Despite the fact that **Addax always stated that it will not need to physically displace villages, nine Fullah households (50 people) were displaced from Block 10 in February 2013**. However, the displaced people were semi-nomadic, Fullah pastoralist people herding cattle. Up to now, SiLNoRF and BFA note that **no village has been physically displaced by Addax**.



The report details continues with the **many issues which still remain of concern** to SiLNoRF, the Affected Land Users Associations (AfLUAs) and Bread for all and **calls on the parties responsible to address them.**

- **Complaints about free prior and informed consent (FPIC) on some clauses in the land lease agreement:** Land owners claimed that from the start, both Addax and local authorities said that only degraded and marginal lands would be used for the project. Most importantly, the lease covered entire villages including residential areas, roads, forests, etc., even though Addax operations are limited to smaller areas. **Land owners and inhabitants said that it was never their intention to lease their entire community land to Addax.** Addax however claims the land lease agreements were done with FPIC¹.
- **Commons:** The lease did not deal with the issue of shared resources in a fair and efficient manner. It grants the company exclusive possession over ‘villages, rivers and forests and all other forms of environment’. The company has the exclusive right to determine which resources will be shared and which ones it will use exclusively. **Community members were dissatisfied with this arrangement as it left them ‘at the mercy’ of the company.** Since they rely heavily on the resources from the forest, rivers, lakes, natural ponds, etc., they would have objected to this clause had they known². So far, Addax has not exercised its right in such a manner. We urge international development banks and lenders to continue to monitor Addax and refrain it not to ever exercise this right in such a manner.
- **Rent:** Landowners complained that the **rent paid by Addax per acre did not reflect the benefit they were giving up. They requested for a renegotiation of the rent claiming that the amount was fixed without consulting them.** The rent, like all the other clauses of the lease, should be the subject of negotiation not imposition³.
- **Note:** The amount of SLL 54’340 (USD 12.35) of lease rent that Addax is paying per hectare and per year is in line with what is prescribed by the Government. In essence

¹ Addax states the following: “Addax argues with some justification (and evidence) that the land leases and AAs were done with FPIC. It is not correct or sufficient to say that there was a lack of it when the whole process took over two years of public consultation. More accurately it should be stated that some issues were not fully understood or stated. Some might argue not properly disclosed – but a key feature of Addax approach/principle has been FPIC – and still is. Whether it has been effective or not on some key issues is the point of debate not a lack of it.” Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

² Addax states the following: “this is one issue but it is normal for a leased area to be granted in this manner – usually all persons are resettled – especially if it is mining. As you are aware no resettlement has taken place on this project and Addax has not exercised this right in such a manner – the lenders or international agencies would not allow it.” Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

³ Addax states the following: “Rent was fixed by government but reflects the high risks to both investor and community alike. It must be remembered there are many facets here. The value added to land given the increased accessibility and the fact that over half of the leased land remains unused. The intrinsic value of the land has risen to the landowner with all of the infrastructure that has been put in place on that land – plus the fact that there is a seven year review period. Most of these monies are paid to landowners who now have other sources of livelihood than just hunting and gathering”. Source: from Clive English, Addax FDP and Social Manager, June 9, 2014.



Addax is in compliance with the Laws of Sierra Leone. **However from a moral and ethical point of view and in order to uphold the communities' property rights, the company should have negotiated the lease rent directly with the communities and not followed the "imposition" of the government⁴.**

- **Social obligations:** Many communities raised the issue of '**promises**' by Addax and local leaders to provide one or more of the following: **jobs, boreholes, schools, clinics and community centres. Communities expressed disappointment that their expectations were raised and then dashed.** They bemoaned the lack of any enforceable written commitment from Addax on these issues and their consequent inability to hold the company accountable. Addax denies having made any promises⁵.
- **Community members at Lungi Acre** reported that a member of parliament **promised that Addax would use the bolilands⁶ in their village only for a period of 3 years** and this period of 3 years terminates in 2013. Addax claims that it has never made this promise. This is a potential source of conflict.
- In February 2013, **NAMATI⁷ and its programme director have been appointed by more than 35 landowning families** across the three Chiefdoms **to represent their interest in negotiations with Addax.**
- Therefore, **NAMATI and SiLNoRF are engaging Addax and the respective Chiefdom Councils in good faith re-negotiations with a view to securing an amendment of the Land lease. Addax has shown a willingness to renegotiate as exemplified by the Masethele case.**
- Economic displacement: some **villages have not enough arable land available and have to lease other villages' land and travel long distances to access their fields.**
- The Government of Sierra Leone has increased the minimum wage to SLL 480'000 per month (USD 109) in 2014 for public sector workers. **Salaries at Addax are lower than this minimum wage in the public sector**, as Addax is paying **SLL 400'000 (USD 91) per month** (lowest salary grade). At VinMart, a security company working for Addax, security agents are paid SLL 350'000 (USD 80) per month. Moreover, the salaries **cannot be considered as "living wages" as the monthly expenses of a rural family amount to a minimum of SLL 633'000 (USD 144)⁸.**

⁴ Addax states the following: "At start up even with FPIC there would never have been unity on this between Chiefdoms, within and between communities. This would never have worked and project would never have started." Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

⁵ Addax states the following: "Boreholes schools and clinics were **never** promised by anyone – there is not a single document or public meeting to support this statement." Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

⁶ Bolilands are seasonal swamps that are used for rice cultivation.

⁷ An organization that implements innovative legal empowerment interventions in partnership with governments and civil society organizations in several countries including Sierra Leone. More information under: www.namati.org.

⁸ "WHO IS BENEFITTING"? The social and economic impact of three large-scale land investments in Sierra Leone: a cost-benefit analysis. A study commissioned by ALLAT, SiLNoRF, Christian Aid, and Bread for all (among others). July 2013.



- Addax states that the Farmer Development Programme (FDP) has resulted in a **harvest of 2'200 tonnes of rice in 2012 and of 1'875 tonnes in 2013**. Community members reported that the weighing of the harvested rice were biased as husk rice has been weighed at the farmgate (and not clean rice). Therefore, these **figures of Addax are overstated by 20% because clean rice weighs less than husk rice as the husks must be removed during the cleaning process**. Some communities interviewed indicated that the **2013 rice harvests on the FDP fields were low and therefore not sufficient to ensure their food security**.
- Addax refers to a “food security baseline of about 100 kg per person per year”. **The food security baseline has not been achieved for the Chiefdoms of Bombali Seborá (93 kg per capita) and Makari Gbanti (63 kg per capita)**, while the Malal Mara Chiefdom is well above (148 kg per capita). According to Addax, the primary reason here was poor weeding, field maintenance and theft of rice before weighing.
- Under the FDP, Addax is helping communities with ploughing and harrowing during the first three years. In 2013 and 2014, **a number of farmers opted out of the FDP because they failed to provide seed inputs for next year's planting**.
- During the fourth year of FDP, **farmers pay the full costs and may participate in the Farmer Development Service (FDS) if they wish**. Addax provides **ploughing and harrowing services at cost price**. However, the question posed by the farmers is whether **they will be able to pay the full costs from the fourth year on**. There is a **significant risk that the rice production will decline significantly after the FDP support is over**. Addax mentions that “**a large number of farmers have registered for this service but this is far less than the numbers who have left the FDP**”. This is why the rice production overall (FDP and FDS) has to be **closely monitored in the next years by Addax and civil society organisations**.
- While in some places, **SiLNoRF and Bread for all could observe that Addax was avoiding bollilands and taking uplands**, in the villages of Robis Waka and Kiampkakolo, **13 pivots (out of a total of 21) are on bollilands**.
- Addax Bioenergy altered the water source of the Romaro community and the Madrisa community in May 2011 and in Makama Bana in 2014. The water well for the Romaro community has been completed in 2013 (however it broke down after two months and was has not being repaired up to the publication of this report). Addax has not constructed water wells for the Madrisa and the Makama Bana communities.
- An independent assessment of the water quality in the Addax region was made in **March 2014**. Water samples showed that water wells and surface water were **polluted by several herbicides including Diuron, a herbicide that is banned in France and that the EU considers as being part of dangerous substances that will be banned progressively**. However, the **concentrations found in the water samples do not represent a threat to human health for the moment**. This has to be monitored in the future.
- An independent assessment of the water consumption of Addax was made in **March 2014 that showed the following**: at the reference station SL1, the **maximum pumping capacity represents 18% of the discharge of the Rokel River** measured



in March 2014. At the station SL4, the **maximum pumping capacity represents 35% of the discharge of the Rokel River**. As a reminder, **two pumping stations are still under construction which could increase the maximum pumping capacity at 7.5 cubic meters per second if four new pumps are installed**. This has to be monitored in the future, in line with the monitoring systems that are already in place.

- Many community members living in villages where Addax took a relatively large share of their land stated **their access to bushes to fetch firewood and sticks was limited**. This will **likely increase the pressure on remaining bushes and/or forests in and outside the project area**. According to Addax, “changes in land use intensity are inevitable as a result of the development and population growth. Already the increased burning and clearing of land by subsistence farmers in key areas has intensified. Charcoal burning by outsiders as well as villagers has also intensified.
- The Addax project will have an **indirect impact on remaining bushes and forests** in and outside the project area. After the company will have **cleared a total of 4’000 hectares of bushes**⁹ to make space for the sugarcane fields, **charcoal producers will likely turn to the remaining bushes and/or forests in and outside the project area to produce charcoal**.
- Addax should **increase the compensation for destroyed palm trees, as they are too low and do not compensate the land owners for their losses**. SiLNoRF and BFA will engage with Addax and ask them to review the amounts of compensation for destroyed palm trees.
- **USD 135 million will be foregone by Government of Sierra Leone through tax exemptions granted to Addax for 13 years (2009-2022)**. Addax is being given generous tax exemptions and fiscal incentives at great expense to the government of Sierra Leone and the population of the country¹⁰.
- **A comprehensive assessment of all environmental impact (not just GHG emissions) of bioethanol** should be done when comparing biofuels with oil. The **environmental impact of ethanol from sugarcane is bigger than the one of oil (between up to + 200%)**.
- The **cumulative impacts of biofuel projects in Sierra Leone on food security and water availability are still to be assessed**. Indeed, many land investment projects are already documented in Sierra Leone covering **more 20% of the total arable land**. Sierra Leone is a **net rice importer**, with imports of approximately 80’000 tonnes in 2013 (about 15 percent of requirements).
- The **indirect impact of biofuels on world food prices still has to be assessed: biofuels compete with food crops and increase food prices worldwide**.

⁹ African Development Bank. 2010. Executive Summary of the Environmental, Social and Health Impact Assessment. Tunis. p. 1 and 7.

¹⁰ Addax stated on this: “You should review the costs of the investment and how these have spiraled due to the theft, difficulties and corruption at the ports and huge commitment on development of infrastructure. Do you really think increasing the tax at this stage will encourage development further?” Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



- The Land Lease Agreement states that **all disputes have to be referred to an arbitration tribunal in London**. This amounts to a **denial of justice** given the financial impossibility for landowners to fund their travel and legal representatives.
- Addax received an **exemption to comply with any new law that has a “material adverse effect”**. This clause **prevents the Government of Sierra Leone from ensuring that Addax complies with all laws in Sierra Leone**¹¹¹².
- The **land rent might have ensured the “cooperation” of every level of national and regional authorities**. The **Chiefdom council headed by Paramount Chiefs receive an average of USD 14’600 per year during the next 50 years**. They have a **strong incentive in entering in land lease deals with investors**¹³.
- **44% of the Addax Bioenergy project is financed by development banks**. This allows the company to reduce its own risks with the help of public money.

The report concludes that, while SiLNoRF and Bread for all acknowledge that **some positive developments have taken place during the period under review, there are many issues of concern that need to be addressed as soon as possible**. The report also contains **recommendations** that are directed to the company, policy makers (the government and local authorities) as well as to international Development Finance Institutions.

¹¹ Bread for all and SiLNoRF. 2012. Concerns of civil society organisations and affected land users on Addax Bioenergy. Accessed under: [.](#)

¹² Addax states the following on this issue: “Addax is not exempt from any law in Sierra Leone and is under obligation to its lenders to comply with all laws.” Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

¹³ Addax states the following on this issue: “The landowners actually receive far more in rent than the Chiefdoms, Districts and Government combined. [...] the conclusion on incentive [is] out of balance.” Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



Introduction

Background to the report

The Right to Food framework in context of Land Grabbing is still very new in Sierra Leone as the country has been more focused on Political and Civil Rights and little attention has been paid to Economic, Social and Cultural Rights (ECOSOC Rights) which made much emphasis on the Right to Food and land rights in Sierra Leone. This has been the key factor for the low level of awareness of people about issues of Right to Food and Land Rights/Land Grabbing.

Through previous engagements and most importantly, in April 2011, SiLNoRF participated in an “Independent Study of the Addax Bioenergy sugarcane-to-ethanol project in the Makeni”¹⁴ commissioned by SiLNoRF, Bread for All, EED and Bread for the World. During engagements of SiLNoRF with communities and stakeholders affected by the operations of multinational companies particularly Addax Bioenergy and Magbass Sugar Complex, it was established that the awareness level of the (negative) impacts posed by the foreign direct investment schemes is very low among residents in communities that are presently affected and those that would be affected in the near future, and it will require a high level of sensitization, awareness raising and direct and continuous engagement with relevant stakeholders to reverse the unfolding trend.

Purpose of the Report

This monitoring report intends to provide an overview of the information and facts collected by SiLNoRF on the operations of Addax Bioenergy since the publication of the “Monitoring Report on the Operations of Addax Bioenergy of SiLNoRF, covering June 2012-June 2013”¹⁵ published in August 2013. It describes the positive aspects and evolutions of the project as well as issues of concern to both the communities and SiLNoRF regarding the operations of Addax Bioenergy. It also includes recommendations to the company, the policy makers, the funding banks and other institutions that might be interested in supporting similar investments in future.

Methodology

SiLNoRF used various methods in monitoring the activities of the Addax project. These include:

Focus Group Discussions: SiLNoRF has employed and deployed two field agents in the Addax project communities. These Field Officers work directly with people in affected communities on a daily basis. They held numerous focus group discussions with the project affected community people to solicit feedback from them on the effects (positive/negative) on

¹⁴ Anane, M. Abiwu, C. 2011. Independent Study Report of the Addax Bioenergy sugarcane-to-ethanol project in the Makeni region in Sierra Leone. Accra. Accessed here: <https://sites.google.com/site/silnorf/news>.

¹⁵ SiLNoRF 2012. Annual Monitoring Report on the Operations of Addax Bioenergy by the Sierra Leone Network on the Right to Food (SiLNoRF) for the Period June 2011 – June 2012. Accessed here: .



their daily lives and livelihoods. Information generated from the focus group discussions is verified/clarified by the SiLNoRF Secretariat through observations and sometimes through discussions with Addax.

Multistakeholder Interactive Sessions: SiLNoRF facilitated Multistakeholder Interactive Sessions involving affected communities, Addax Bioenergy, Local government officials, Civil Society and the media to generate information on issues and concerns emerging from the Addax project. Besides the engagements organised by SiLNoRF, other meetings organised by Addax and the University of Makeni were also attended.

Field Report by SiLNoRF Field Officers: Reports from Field Officers of SiLNoRF were also collated by the secretariat to inform this report.

Complaints by communities: SiLNoRF also received individual complaints and general complaints by some communities in the Addax operational areas which were all collated and analysed to form part of this report.

General Monitoring by SiLNoRF Secretariat: Besides the approaches mentioned above, SiLNoRF Secretariat also made several field visits of the Addax project to corroborate information and to conduct general findings.

Feedback from Addax: before the publication of this report, Addax was contacted to provide a feedback on this report. Addax provided comments and clarifications¹⁶ on this report. Most of them have been included in this report.

Period covered

The period covered by this report is from July 2013 to June 2014.



Picture: Addax sign.

¹⁶ Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



Part I: Positive changes and development

In this part, SiLNoRF acknowledges the following positive aspects and evolutions regarding the operations of Addax Bioenergy (SL) Ltd.

Economic development

There has been an **increase of household income in several villages**, including Mabilafu, Tonka, Malainka, Manewa and Masorie. **These villages are located close to the ethanol factory of Addax (or close to the road to it) and provide many workers to the company.** The increased number of zinc roofs and the opening of some restaurants, bars or village shops show the increase of economic activities in these villages.

In some villages that owned large oil palm gardens that have been recently destroyed by Addax to make space for sugarcane fields, **villagers received large amounts of money as compensation for the loss of their economic trees. This is however a one-time payment that does not compensate the villagers for their losses (see Issues of concern).**



Picture: new restaurant in Manewa.

Dialogue with stakeholders

SiLNoRF and Bread for all confirms that **Addax Bioenergy was open for dialogue with its stakeholders during the period under review.** The company also moved swiftly to address several community disputes in their operational areas. SiLNoRF has held several meetings with Addax on several occasions to discuss concerns and issues raised by the affected community people.

Payment of Land Lease fees

SiLNoRF confirms that **Addax Bioenergy paid the land lease fees according to the provisions of the Land Lease Agreements** and in some cases witnessed the cheques being issued to landowners. Landowners were confirming having received the land lease



payments. Some of them claimed they were able to use these funds to partly or fully finance the rehabilitation of their houses or the construction of new ones.

It has to be noted that Addax signs Acknowledgement Agreements (AA) with land owners. With the AAs, Addax is acknowledging that it is leasing land from the land owners directly (even if the Land Lease Agreements have been signed with the Chiefdom Councils). Land owners are able to know exactly how much land they lease to Addax. Moreover, Addax pays the Land Lease fees directly to land owners, and not through local authorities as a direct request by the districts to Addax to administer these payments on their behalf. AA payments are made directly by Addax as per the terms of the agreement

Payment of compensation for destroyed crops and economic trees

SiLNoRF confirms that **Addax Bioenergy made the compensation payments for destroyed crops and economic trees**. Landowners were confirming having received the payments. Many of them claimed they were able to partly or fully finance the rehabilitation of their houses or the construction of new ones with money received from the company in this respect. However, **land owners reported that the compensations are too low and do not compensate them for their losses (see Issues of concern)**.

Some villagers claimed that Addax did not compensate all the trees destroyed and therefore filed a complaint to the company. SiLNoRF could witness documents that Addax is assessing complaints and making additional payments if a complaint is accepted.

Employment and working conditions

There has been an increase in the number of workers employed by Addax and its contractors during the last months (Addax **reported to have a workforce of 2'200 workers** as of date, **half of them** are casual workers **and the other half** permanent workers, 8-10% are female workers¹⁷). Addax workers have written work contracts. Also, according to payslips of the workers, the company is complying with income tax and social security requirements. Moreover, workers are **equipped with safety gears** (raincoats, safety vests, and boots). The company uses **buses to transport its employees and provided bicycles to some employees at cost**.

Skills training

SiLNoRF and Bread for all could observe that a **significant number of workers are trained by Addax as carpenters, masons, tractor drivers or machine operators**. Once the workers are trained, they can climb the salary scale and earn comfortable monthly salaries (more than SLL 1 million (USD 228)).

¹⁷ Direct communication of Derek Higgs, the then Health, Safety, Social and Environment (HSSE) Manager of Addax on May 15, 2013.



Addax workers waiting for their bus and on the field.

Farmer Development Programme

The **Farmer Development Programme (FDP)** is a mitigation measure of Addax Bioenergy. **more than 2'000 and 1,788 hectares of community fields is recorded to have been developed in 2012 and 2013 respectively.** This report confirms that Addax ploughed and harrowed community fields as part of the Farmer Development Programme in every affected community in 2013 (see Food security under Issues of concern). In 2013, the farmers of certain villages were satisfied with the FDP harvest while others were complaining about poor harvests (see Food security under Issues of concern). The **food security baseline was reached in the Malal Mara Chiefdom (one Chiefdom out of three in the Addax project region).**

Farmer Field and Life Schools (FFLS)

During this period, a number of community members were trained in the Farmer Field and Life Schools (FFLS) by Addax trainers. Farmers are trained on improved farming practices.

Vegetable programme

To contribute to the diversification of food, a **vegetable programme has been set up in eight villages in 2013 which is a good step in the direction of healthier diets** (as the FDP only concentrates on rice production). Vegetable planting is traditionally the task of women so they are among the main beneficiaries. However, several villages visited by SiLNoRF and Bread for all, reported that the **vegetable programme has not been successful due to late preparation of the soil.** However, Addax is denying this and states that planting follows a set schedule every year and is always several weeks ahead of traditional subsistence planting dates¹⁸. This will need further monitoring in 2014 as this programme will be expanded to other villages as well.

Relinquishment of land

Addax relinquished land to land owners that it is not using. This reduces the area leased by Addax. At the beginning of the project, a total of 57,000 ha were leased by Addax.

¹⁸ Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



Addax now is leasing an area of 24,656 ha, while the rest of the land has been relinquished to land owners. **Out of the leased area of 24,000 ha, Addax uses around 11,500 ha with about 150 pivots, roads, and infrastructure and factory sites.**

Production of electricity

Addax will soon start producing power which will be sold to the national grid. The power plant will burn sugarcane biomass and generate power for the ethanol refinery as well as 120 GWh per year for the national grid, representing approximately 20% of Sierra Leone's electric power. **This is welcome in a country with very low power production capacity and frequent power cuts and shortages.**

Limited physical resettlement

Addax has always stated it will avoid physical displacement of project affected people. However, a group of 50 people were physically displaced in February 2013. These people are Fullahs, semi-nomadic people, whose livelihoods come from cattle. According to information provided by Addax (annex to Block 10 RAP report) the **Fullahs agreed to be relocated and were compensated by Addax for their houses that were demolished and the cattle that died during the relocation.**

As far as SiLNoRF is aware, **no other community member was physically displaced by Addax at the time of publication date of this report.**

Masethleh community's opposition to Addax resolved

The **Masethleh community in the Malal Mara chiefdom of the Tonkolili District is one of the few communities that have refused to lease their entire land to Addax.** The Masethleh community asked for an amendment to the Acknowledgement Agreement (AA) between them and Addax committing the company to only use the lands in the demarcated pivoted areas and no other land. During these two years of resistance, the community reported it was facing intimidation and pressure from various groups (including company officials and authorities). Addax is denying that nobody from Addax has ever intimidated Masethle people; options were presented to them and there was considerable indecision with in the community¹⁹. In late 2012 however, NAMATI²⁰, with support from SiLNoRF, began representing Masethleh in negotiations with Addax over an acceptable compromise for both sides. On **March 2013, the land owners of Masethleh and Addax Bioenergy agreed to sign an AA that the community would acknowledge Addax's leasehold title over 626 acres on which sugarcane will be cultivated instead of the 2'796 acres which comprised the entire village. The inhabitants retain possession of the remaining land.**

Woreh Yeamah's opposition to Addax resolved

In May 2013, the village of **Woreh Yeamah refused to allow Addax workers to demarcate and to peg the village's bolliland** (fertile low lands suitable for rice cultivation) for two

¹⁹ Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

²⁰ An organization that implements innovative legal empowerment interventions in partnership with governments and civil society organizations in several countries including Sierra Leone. More information under: www.namati.org.



reasons: First, from the beginning of the consultation process, the company had always promised not to use bollilands and second, the community already “lost” a lot of wet and fertile land in another area of the village land. **Addax decided to leave the bolliland to the community, thus fulfilling its promise not to use bollilands.** In consequence, the company relinquished the upland in June 2013 since the planned pivot cannot be set up without using the bolliland.

Woreh Wanda’s opposition to Addax resolved

In 2013, the village of **Woreh Wanda** agreed to allow **Addax** to build **3 pivots on their land but refused to allow Addax workers to demarcate and to peg a fourth pivot** on a bolliland called Rufuri that was the village’s reserve land. **Addax took the wish of the community into consideration and deleted the pivot.** Some villagers said that Addax still holding discussions with the village to accept to give the land for the fourth pivot.

Construction of new roads

SiLNoRF could observe that **Addax constructed 300 km of new roads in the region.** While the main purpose of these roads is to provide access to the pivots and the infrastructure of Addax, they also can be used by community members. **These new roads ease transportation with the area and connect the area with the highway** between Makeni and Lunsar. Some communities previously complained of **serious dust pollution by Addax vehicles on dusty roads.** This problem has been solved as Addax constructed a new road from Mabilafu to Fullah Town (a village on the highway from Makeni to Lunsar) that is not crossing any village.



Part II: Issues of concern of SiLNoRF and BFA

In the following part, the report describes issues of concern that arose during the period under review.

Complaints about the consent on the Land Lease Agreement

Introduction

In February 2013, a joint team from NAMATI²¹ and SiLNoRF visited several communities across the three chiefdoms where Addax currently operates. The purpose of these visits was to talk to land owners, elders and community members generally about reported problems resulting from the operations of Addax in their communities. After those engagements, a memorandum capturing complaints, findings and recommendations on the way forward was developed by NAMATI and shared with Addax, the communities and the chiefdom councils of the three chiefdoms where Addax operates. The issues below are culled from the memorandum.

Consent

The land owners claimed that the **Addax project was presented as a 'project of the president'**. The government had signed a MoU with Addax and the president himself announced the project at a big press event. **They were informed that paramount chiefs and chiefdom councils were already 'on board'** and MPs and councillors also pitched in favour of the project. As a result land owners said they had no choice but to agree as they did not want to be seen to be in disagreement with their leaders.

Additionally, landowners claimed the leaders always spoke about the project in vague terms. **Emphasizing only the benefits (jobs, rent, and social amenities) without laying out what the cost would be to communities.** On the occasions they interacted with Addax officials or local or central authorities they were told that Addax was only interested in marginal and degraded land and not swamps or bolilands²² which they rely on for rice cultivation. Further, the land owners claimed that **the terms of the lease (in draft or final form) were never explained to them.** As a result they were not aware of the content of the lease signed by their Paramount Chiefs and chiefdom councils.

Legal representation

Addax maintained that they paid a lawyer for the landowners. **Many of the landowners claimed not to have had any interaction with the lawyer.** Communities said they were not consulted in the selection of a lawyer for them. **Those who claimed to have interacted with the lawyer felt he was working for Addax and not the communities.** Landowners said

²¹ An organization that implements innovative legal empowerment interventions in partnership with governments and civil society organizations in several countries including Sierra Leone. More information under: www.namati.org.

²² Bolilands are seasonal swamps that are used for rice cultivation.



that neither the lease agreement nor the acknowledgement agreement were explained to them by the lawyer that Addax secured for them. They **signed the acknowledgement agreements and vouchers without understanding them and without any legal guidance.**



Picture: Sonkita Conteh, Programme Director at Namati explains the land lease agreement to land owners (May 2013).

Key objections to the lease

NAMATI read and explained the content of the lease to the community members in their own language (Temne). For most, if not all, it was the first time that they heard the content of the lease. They expressed dissatisfaction with the following:

1. **Leased area:** Land owners claimed that from the start, both Addax and local authorities said that only degraded and marginal lands would be used for the project. Bolilands and swamps would not be included. However, **many communities complained that their swamps and bolilands have been drained and taken over by Addax.** Most importantly, the lease covered entire villages including residential areas, roads, forests, etc, even though Addax's operations are limited to smaller areas. **Land owners and inhabitants said that it was never their intention to lease their entire community land space to Addax.**
2. **Commons:** The lease did not deal with the issue of shared resources in a fair and efficient manner. It grants the company exclusive possession over 'villages, rivers and forests and all other forms of environment'. The company has the exclusive right to determine which resources will be shared and which ones it will use exclusively. **Community members were dissatisfied with this arrangement as it left them 'at the mercy' of the company.** Since they rely heavily on the resources from the forest, rivers, lakes, natural ponds, etc., **they would have objected to this clause had they known.** Some complained that **they and others have been arrested by the police for cutting wood in forest areas** within their villages.
- **Rent:** Landowners complained that **the rent paid by Addax per acre did not reflect the benefit they were giving up.** They requested for a **renegotiation of the rent**



claiming that the amount was fixed without consulting them. The rent, like all the other clauses of the lease, should be the subject of negotiation not imposition. Note: The amount of SLL 52'700 (USD 12) of lease rent that Addax is paying per hectare and per year is in line with what is prescribed by the Government. In essence Addax is in compliance with the Laws of Sierra Leone. **However from a moral and ethical point of view and in order to uphold the communities' property rights, the company should have negotiated the lease rent directly with the communities and not followed the "imposition" of the government.**

3. Additionally land owners **did not understand the rationale for splitting the rent into portions resulting in only a 50% accrual to them (20% for the chiefdom council, 20% for the district council, 10% to the government).** They maintained that in the western area a landlord does not share rent with the municipal authority and that a 50% margin is huge.
4. **Social obligations:** All of the communities we visited raised the issue of 'promises' by Addax and local leaders to provide one or more of the following: jobs, boreholes, schools, clinics and community centres. **Communities expressed disappointment that their expectations were raised and then dashed.** They bemoaned the lack of any enforceable written commitment from Addax on these issues and their consequent inability to hold the company accountable.
5. **Important environmental obligations:** Communities claimed that **Addax is depleting water sources or making them unsafe as a result of the use of chemicals.** They also said that the company is destroying their swamps and bolilands permanently.

Findings

- The process leading up to the finalization of the lease was fraught with communication difficulties. **Communities understood the broad strokes of the Addax project but not the finer details.**
- Landowners were unaware of the details of the lease signed on their behalf by the chiefdom councils. Some **signatories to the lease from the chiefdom council admitted not understanding the terms of the lease themselves.** Also, when landowners were made to sign acknowledgment agreements, the terms of the lease were not explained to them.
- There is a case for **conflict of interest in that Addax employed and paid for legal services on behalf of the communities.** There was no **effective independent legal representation on behalf of landowners and communities** throughout the process.
- The **principle of free, prior and informed consent was seriously compromised** because the information given to the project affected people was incomplete and the documents were not correctly translated if they were translated at all



- The lease agreement contains terms which an **independent legal service provider would have objected to on behalf of landowners and communities**. These terms are: (1) provision of exclusive possession over forests, rivers, etc. (2) clause on external arbitration before an arbitration tribunal in London and (3) clause limiting landlord's right to compensation only for any breach of the lease.
- The lease omits important clauses which are found in standard leases, including a covenant to keep the demised premises in 'good and tenantable repair,' a clause on nuisance emanating from the demised premises, and a forfeiture clause for non-payment of rent. The omissions work in favour of the company.

Road map to resolution

Communities are in **favour of an amicable resolution** of the problems above. Similarly, Addax has manifested a clear intent to address and resolve community issues as exemplified by the Masethleh matter. An amicable renegotiation is in the interest of Addax as it will lead to harmony with the communities over the 50 year duration of the lease. **In February 2013, Namati and its programme director have been appointed by more than 35 landowning families** across the three Chiefdoms to represent their interest in negotiations with **Addax**. Namati is engaging Addax and the respective Chiefdom Councils in good faith re-negotiations with a view to securing an amendment of the lease. However, it is still **not clear whether Addax is willing to renegotiate the land lease agreements or not**.

Recommendation:

- **Addax should enter into good faith re-negotiations with a view to securing an amendment of the Land Lease Agreement.**

Use of bolilands and promises made in Lungi Acre

Addax Bioenergy started its operations near the Lungi Acre village in 2010. During the consultation process, **Addax or agents of Addax claimed it will not use the bolilands** (the most fertile land that is used for rice cultivation) and stated that they would only be using marginal and degraded uplands. However, through monitoring exercises in the project areas, SiLNoRF and the AFLUAs **have noticed that the company is presently using large tracks of fertile lands including bolilands** and this also affects local farmers access to fertile land for their personal cultivation. Especially in Lungi Acre, Addax took the bolilands of this community for the company's sugarcane nurseries. In 2010 the Lungi Acre community raised concerns and protested that this was not in line with the company's claim to only use marginal land. When they protested, **a local Member of Parliament, the Honorable Martin Bangura, who is not employed by Addax but is seen as an agent of Addax by local communities, promised that Addax would use the bolilands only for a period of 3 years. This period of 3 years terminates in 2013. Addax claims that it has never made this promise** and that they can use the land during the next 50 years according to the Land Lease Agreement. As of the date of this report, the community is still demanding Addax to give them back the boliland or to sit to find another solution. SiLNoRF is concerned as this



situation could unveil a high conflict potential. **This confrontation also puts to question the issue of free prior and informed consent.** However, Addax announced its intention to hold a meeting at Lungi Acre to address the issue of the bolilands²³.

Recommendation:

- **Firstly, Addax should engage the Honourable on this issue with a view to make clarifications to the community people in a transparent manner. It could be done in the form of a meeting with the community, Addax and the honourable. Addax should take additional and further steps to renegotiate and enter into a proper agreement with the Lungi Acre community and where necessary to compensate them for the use of the said piece of land.**

Economic displacement

In some communities, such as Man-Man or Mampa, Addax took most of the arable land, meaning that the **FDP fields of those communities were displaced to other villages' land** (a situation that is called “**economic displacement**”). The consequence of this is that **land owners have to rent land from other villages and that they have to pay a land lease fee or give part of the rice harvest in order to use the land.** For now, it seems that economically displaced communities can rent land from other villages at a low price but land leasing villages, such as Chain Bundu, already said they intend to increase the rent price.

Land owners reported that it is humiliating for them to “beg other land owners for land”. Moreover, the long distances impede the people to take care of their FDP fields and to weed them regularly, a fact that also affects the level of the harvest.

Recommendation:

- **Addax should ensure that every community can have access to arable land or rent land from other communities at affordable rent price.**

Level of salaries

The Government of Sierra Leone **has increased the minimum wage in the public sector to SLL 480'000 (USD 109) in 2014** and encourages “the private sector and other stakeholders to explore the possibility of a catch up in the short to medium term”²⁴. **Salaries at Addax are lower than the minimum wage in the public sector, as Addax is paying SLL 400'000 (USD 91) per month** (for Grade A1 workers, the lowest grade in the Addax

²³ Direct communication with Clive English, Social and FDP Manager, Addax Bionergy (Sierra Leone) Limited, April 15, 2014.

²⁴ Sierra Leone News: 2014 Budget today Minimum wage to be raised. Awoko, November 2013.

Accessed under: <http://awoko.org/2013/11/29/sierra-leone-news-2014-budget-today-minimum-wage-to-be-raised/>.



salary scale). At VinMart²⁵, a security company working for Addax with about 400 workers, **security agents are paid SLL 350'000 (USD 80) per month.**

Moreover, the salaries **cannot be considered as “living wages” as the monthly expenses of a rural family amount to a minimum of SLL 633'000 (USD 144)**²⁶. This amount is a calculation based on a survival budget including food (absolute minimum ingredients for only one meal per day) and education for a household of seven (one elderly parent, a husband and wife, with four school-age children).

The difficulty to **make a living with the salary is even greater for casual workers who are employed a few months per year.**

Food Security

Effectiveness of the Farmer Development Programme (FDP)

The Farmer Development Programme (FDP) is a mitigation measure to mitigate the negative impacts the project might have on food security. Under the FDP the company ploughs and harrows the FDP field in every project affected community for free and provides seed rice for the farmers. At the end of the first and second year, the farmers have to provide seed rice in order to have seed rice for planting for the following year. The size of the plots is determined by the number of persons living in a household.

In 2013, Addax has ploughed 2000 ha of land in 39 villages in the ABSL area. **The company claims that in 2012 the harvest has resulted in 2'200 metric tonnes of rice and in 2013 in 1'875 metric tonnes of rice.**

Overstated figures

During the field work conducted during the 2013 harvest, SiLNoRF and Bread for All observed the weighing and threshing process of the FDP harvest on the invitation of Addax. SiLNoRF and Bread for all could observe that **Addax put a lot of effort to monitor the harvest. However, the rice was weighed directly at the farm gate and still contained all the moisture and the husks.** Taking into account that after drying and cleaning a 50 kilo bag of husk rice the quantity remaining is only 40 kilo of clean rice, the **figures released by Addax are overstated and have to be reduced by 20%.**

²⁵ VinMart is a security company owned by Vincent Kanu, a former Ministry of Oil and now a business man connected with Jean-Claude Gandur (the owner of Addax & Oryx Group, the mother company of Addax Bioenergy) and Honorable Martin Bangura, Member of the Parliament, who “served the role of an advocate for Addax Bioenergy” (Source: Independent Study Report on Addax Bioenergy, Mike Anane and Cosmos Abiwu, 2011, p. 46).

²⁶ “WHO IS BENEFITTING”? The social and economic impact of three large-scale land investments in Sierra Leone: a cost-benefit analysis. A study commissioned by ALLAT, SiLNoRF, Christian Aid, and Bread for all (among others). July 2013.



Food security baseline not achieved in two Chiefdoms

Addax published the details of the per capita production in the table²⁷ below:

	Malal Mara	Bombali Sebora	Makari Gbanti	Mean
<i>Av Yield 2012 (kg/ha)</i>	1,168	1,242	1,105	1,171
<i>Av Yield 2013 (kg/ha)</i>	1,263	1,180	705	1,049
<i>Per Capita 2012 (kg/person)</i>	180	181	159	173
<i>Per Capita 2013 (kg/person)</i>	148	93	63	120

Addax refers to a “**food security baseline of about 100 kgs per person per year²⁸**”. In the table above, one can notice that the food security baseline has not been achieved for the Chiefdoms of Bombali Sebora and Makari Gbanti, while the Malal Mara Chiefdom is well above. Moreover, it has to be noted that these figures still have to be reduced by 20% (see above).

Reasons for good and poor yields

SiLNoRF and Bread for all interviewed many farmers in the entire Addax area who indicated that their **FDP harvest was poor**. The reasons indicated by the farmers for the failure of the FDP were the following:

- The FDP rice is planted on the same land every year. This intensive mode of cultivation reduces the soil fertility quickly and leads to poor yields²⁹.
- Since the Addax area is huge, Addax sometimes fails to prepare all the fields on time. In some villages, fields are prepared too late to have good yields.
- In many cases, the weed on the FDP rice plots is uncontrollable due to late plot allocation to the particular households, the big size of the plots, or the quality of the soil (clay).
- Partly, it is also due to weather condition and flooding in some places.

Some villages however had **good FDP harvests**. In these villages, people were satisfied and made their fertile soil responsible for the success of the FDP. Some farmers said that the variety of rice (the company offers three different ones) they were given by Addax were adapted to the quality of their soil.

²⁷ Addax Bioenergy. 2014. Implementing a large land based investment in Sierra Leone: Land grab or real development? Presentation of Clive English at the World Bank Conference on Land and Poverty, Washington.

²⁸ African Development Bank. 2011. EXECUTIVE SUMMARY OF THE ENVIRONMENTAL, SOCIAL AND HEALTH IMPACT ASSESSMENT of Addax Bioenergy.

²⁹ Addax is disputing this: “Mulch is ploughed in and not burned as before – there is plenty of scientific evidence to show the decline in fertility is not as significant as when the mulch is burned (as traditionally practiced).” Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



Farmers excluded from the FDP

In the beginning of the first year of the FDP, Addax provides 50 kg of rice per acre. People have to pay back a part of the harvest as input for the following year. If the farmers don't manage to pay back the whole input, Addax still prepares the plots for them. **Addax only excludes farmers who are not willing to pay back any inputs** on the assumption that they no longer wish to participate.

However, **some farmers said they did not harvest any rice at all because they were allocated an infertile plot; hence they were unable to pay back the input.** Other farmers reported having eaten the rice before Addax weighed it because they didn't have rice to eat³⁰. Consequently, they were excluded from the FDP.



Picture: Farmers excluded from the FDP programme

General problems of the FDP

- Addax **established a concept of farming that doesn't correspond to traditional methods of farming** and expects the farmers to adapt to it in a very short period of time. According to Addax, "this is indeed an issue but part of development. Production figures before were extremely low and there was food insecurity pre-Addax – villages confirm the so – called hungry months – pre Addax³¹."
- The Addax area is huge and **Addax doesn't manage to prepare all the fields on time (although they try very hard to)**. Agriculture is time bond and late land preparation has direct consequences for the harvest. Addax however is denying this and states that "almost all land preparation is on time and well ahead of the traditional farmers in the planting calendar³²".

³⁰ Addax is denying that these farmers did not have enough rice to eat stating they "have evidence to show this is not true". Source: Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

³¹ Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

³² Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



- Farmers don't seem to understand Memorandum of Understanding of the FDP and often consider the FDP as a charity programme and do not do their part (such as weeding).

Duration of the FDP and continuation of the FDP through the FDS

The Farmer Development Programme (FDP) lasts for three years. From the 4th year onwards, the FDP finds its continuation in the form of the Farmer Development Service (FDS): Under the FDS, Addax provides the following services at cost price to registered farmers:

- Contract ploughing and harrowing;
- Threshing;
- Provision of seed and seed storage;
- Transportation.

The FDS was opened in October 2013 and farmers of the 22 villages in the final FDP year were asked to register. It costs SLL 50'000 (USD 11.4) to plough one acre of land. Farmers complain that these prices are the same as before when they rented tractors from other farmers. **Many farmers reported they did not have enough cash to pay for the services** and demanded lower prices. **The big uncertainty is how many farmers will be able to benefit from the FDS.** If farmers do not apply for the FDS (or if they apply too late), there is a **significant risk that the rice production will decline significantly after the FDP support is over.** In April 2014, Addax stated that it is overwhelmed with (late) requests for the FDS. This has to be monitored very closely in 2014 and in the next years.

Recommendation:

- **Addax has to make sure the FDP fields are ploughed and allocated on time so that the farmers are able to get good harvests on their community fields.**
- **Addax should shape the FDS in such a way that does not affect the ability of farmers to produce enough rice.**
- **Addax should closely monitor the rice production after the FDP support is over.**

Farmer Field and Life Schools (FFLS)

The Farmer Field and Life Schools (FFLS) is a component of the Farmer Development Programme (FDP) and is a 30 week training programme to train smallholder farmers in better agricultural practices.

Many **graduates from the FFLS reported that they have difficulties in putting into practice what they have learnt during the FFLS because they lack the productive resources.** They were taught 'improved methods of farming' that require the application of herbicides and fertilizers, something that is not affordable for most farmers. Many FFLS graduates demand credit loans in order to put their knowledge into practice. Up to now, FFLS graduates were not able to mobilize their community members. In only four villages, agricultural groups evolved out of the FFLS.



Recommendation:

- **Addax should ensure that farmers can put the knowledge of Farmer Field and Life Schools (FFLS) into practice in an effective manner.**
- **The communities must organise themselves into Farmers Based Organisations (FBO) so that the graduates can have a community platform to put their skills into practice.**

Bollilands taken by Addax

SiLNoRF and Bread for all made an assessment of the type of soil Addax took for its pivots. While in some region, we could observe that Addax was avoiding bollilands and taking uplands, in the villages of Robis Waka and Kiampkakolo, **13 pivots (out of a total of 21) are on bollilands**. These bollilands were previously used by the Ministry of Agriculture, Forestry and Food Security (MAFFS) to cultivate rice. When asked, Addax was unable to disclose the area of bollilands it took for its 150 pivots.

Conclusion on food security

The farmers should not be held responsible for mitigating the effects of aggravating food insecurity caused as a result of the operations of Addax. They should instead be supported to overcome these effects.

If this is a mitigation measure, Addax has the obligation to keep it in place all time in so far as the operations will aggravate food insecurity in the communities. As SiLNoRF has already discussed with Addax itself through several engagement meetings, the ownership of the FDP is questionable and therefore its sustainability through the FDS is not guaranteed.

Recommendation:

- **Addax should provide support to the farmers not just during the first three years but as long as the impact of the Addax operations on food insecurity is there.**
- **Addax should design ways of ensuring sustainability of the FDP. But shifting the responsibility of the costs to the affected populations is not an option.**
- **Addax should ensure community ownership of the FDP through participation in decisions, providing the required labour, etc.**



Water issues

Water well in Romaro

Addax altered and partially destroyed the water source of the Romaro community in May 2011 ('the Maromaro') to make space for a sugarcane field. Addax claims that when water sources are destroyed they will build water wells as a mitigation measure. **In June 2013, this means two years after the destruction of the water source, the water well for this community has been completed.** However it broke down after two months and was not repaired up to the publication date of this report. Addax however said that "a review of procedures and issues is underway³³".

Recommendation:

- **In future Addax should properly screen local contractors (with good track record) and award contracts to those who can deliver.**

Water source in Madrisa

Addax Bioenergy altered and partially destroyed the water source of the Madrisa community in May 2011 (The Maromaro) to make space for a sugarcane field. Addax claims that when water sources are destroyed they will build water wells as a mitigation measure. **The village relies on milky water from a water source dug close to the village.**

Recommendation:

Addax has to provide water well as soon as possible to the Madrisa community.



Picture: Milky water for the Madrisa village.

Water source in Makama Bana

Addax Bioenergy destroyed a water source in Makama Bana to make space for an irrigation canal. Addax claims that they will build water wells as a mitigation measure, whenever water sources are destroyed. Up to now, no water well was constructed for the village as a compensation for the destroyed water well. According to Addax, "a functioning well is already

³³ Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



in place in the center of the village. Access to water in the canal via access steps has been constructed³⁴.”

Recommendation:

Addax has to provide water well as soon as possible to Makama Bana.

Water well maintenance in Woreh Yeamah

Addax Bioenergy destroyed the water source of the Woreh Yeamah community to make space for a sugarcane field³⁵. As a mitigation measure, Addax Bioenergy constructed a new water well in 2012 in this community. However, **the community asked for a written agreement from Addax obliging the company to maintain and repair the water well anytime. In 2012 and 2013, the water well broke down several times and Addax repaired it after a few months.** The community claims that, as Addax destroyed their water well, Addax should provide a functioning water well as a mitigation measure during the entire duration of the Land Lease Agreement (50 years) and should guarantee their access to water at all times. Addax said that no such guarantee could never be provided by anyone – including government. Furthermore, Addax stated they are reviewing the water situation of all villages post development and an audit is underway³⁶.

Recommendation:

- **Addax should provide a functioning water well as a mitigation measure for every destroyed water source during the entire duration of the Land Lease Agreement (50 years) and should guarantee access to water for the local population at all time.**

Comment on water issues

It is important for companies, development banks, International Finance Corporation (IFC) and other interest groups to work with civil society organisations to come up with a clear definition of mitigation (mandate, period, limitation). **Mitigation should not be confused with corporate social responsibility or charity.** This seems to be the case in the Addax case at the moment.

Moreover, SiLNoRF is concerned that Clauses 4.4 and 4.6 of the Land Lease Agreement signed between the Chiefdom Councils and Addax Bioenergy Limited **giving the right to the latter to alter or divert the course of water sources** that fall within their operational areas has resulted in barely four years of operation to the alteration of perennial water sources and there are fears that more water sources would be altered in the near future as the company's work progresses.

It is also noted by SiLNoRF and the AFLUAs that in June 2011 the Environmental Protection Agency (EPA) visited the affected communities to verify claims of independent study commissioned by SiLNoRF and their findings were not different from that of the independent study report. Even though the **EPA instructed Addax to provide boreholes for the**

³⁴ Email from Clive English, Addax FDP and Social Manager, June 9, 2014.

³⁵ Independent Study Report on the Addax Bioenergy Sugarcane-to-Ethanol project in the Makeni region in Sierra Leone, Anane, Mike, Abiwu, Cosmos Yao, p. 39.

³⁶ Email from Clive English, Addax FDP and Social Manager, June 9, 2014.



affected communities, it is evident that the company has still not fully responded to this concern.

As of April 2014, Addax stated it is **planning to conduct an assessment of the water situation in the project communities and to provide water wells in some project communities**³⁷.

Recommendation:

- **The Environmental Protection Agency should continue monitoring the access to water of affected communities.**

Recommendation for Development Banks:

- **Development banks, IFC and other interest groups should work with civil society organisations to come up with a clear definition of mitigation (mandate, period, limitation). Mitigation should not be confused with corporate social responsibility or charity.**

Clearing of bush areas and impact on forests

SiLNoRF could witness large tracks of bushes being cut by Addax trucks. Indeed, even if Addax claims to avoid forests with its project, **4,000 hectares of bush (mainly lophira scrubland) are being cleared to make space for the sugar cane monoculture**³⁸. SiLNoRF could witness that many charcoal producers are producing charcoal in the area using the trees cut by Addax. When Addax will be finished with the land clearing of these 4'000 hectares of bush for its sugarcane fields, it is likely that **the charcoal producers will turn to the remaining forests and/or bushes in and outside the project area to produce charcoal**. This means that the Addax project will have significant indirect impacts on forests and bushes in and outside the project area.



Cleared palm trees close to a pivot; Addax truck clearing land

³⁷ Direct communication with Clive English, Social and FDP Manager, Addax Bionergy (Sierra Leone) Limited, April 15, 2014.

³⁸ African Development Bank. 2010. Executive Summary of the Environmental, Social and Health Impact Assessment. Tunis. p. 1 and 7.



Limited access to firewood and sticks

Many community members living in villages where Addax has leased a relatively large share of their land stated **their access to bushes to fetch firewood and sticks was limited**. Community members mentioned the following consequences:

- Either **they have to walk longer distance to fetch firewood or cut sticks**,
- Or **they now have to buy them**. This causes additional expenses as villagers were previously able to collect firewood and sticks for free in the surrounding bushes.

This will **likely increase the pressure on remaining bushes and/or forests in and outside the project area**.

Gender issues

The Northern Province of Sierra Leone where the Addax project is located is a region where women are traditionally marginalised and discriminated in both the use and ownership of land. **Women are not allowed to own land in this part of the country but they have some limited access to use the land. This situation could be aggravated by the Addax project.**

Women do not receive land lease agreement payments (as only male land owners receive these payments). Many women interviewed stated the **male land owners kept the Land Lease money for them without sharing it with women.**

Moreover, only a small minority of women are employed by the company. SiLNoRF witnessed that **a small minority of Addax workers are women (less than 10%). This figure was confirmed by Addax³⁹.**

Recommendation:

- **Addax should monitor its impact on women and put measures in place to ensure that they are not negatively impacted by the project.**

Water pollution measures in 2013

Many community members reported their **fear of contamination of their water streams and sources by the fertilizers and the herbicides used by Addax** on their sugarcane fields. Indeed, there is a risk that fertilizers and herbicides are washed away during heavy rains or when Addax irrigates the fields (as excess irrigation water flows into small water streams that are then used by community members for drinking purposes).

In April 2013, SiLNoRF and Bread for all **took two water samples in two water streams** that flow out of sugarcane fields close to Mabilafu and Maronko. Water samples were taken when the sugarcane fields were being irrigated, i.e. when excess irrigation water flowed out of the fields into the water streams. The water samples were analysed by a laboratory in Switzerland. The results of toxicological analysis showed that:

³⁹ Direct communication of Derek Higgs, then Health, Safety, Social and Environment (HSSE) Manager of Addax on May 15, 2013.



- The surface **water was polluted by an herbicide called Diuron** (0.4 µg per Litre in Maronko and 20 µg per Litre in Mabilafu). It is to note that **Diuron is forbidden in France due to its toxicity and ecotoxicity** (it can affect ecosystems, habitats and species in several manners⁴⁰). The **European Union banned Diuron in 2007 but allowed it in 2008 in spite of its toxicity but considers it as being part of dangerous substances that will be progressively banned**⁴¹. Another herbicide found was **Metolachlor** that a derivative of Aniline and is a member of the chloroacetanilide herbicides. It is highly effective toward grasses but its application is also controversial⁴².
- The surface **water was polluted by phosphate** (between 0.06 mg per Litre in Maronko and 0.3 mg per Litre in Mabilafu, thus **exceeding for instance the guideline value of <0.05 mg/l for drinking water applied in Switzerland**). Phosphates are coming from chemical fertilizers. Addax is using NPK-fertilizers made of phosphate, nitrate and calcium.

Water pollution measures in 2014

In February 2014, SiLNoRF and Bread for all commissioned French environmental consulting company SAFEGE⁴³ to conduct a water quality analysis in the region. 20 water samples were taken. **Three herbicides were found in 7 water samples** (5 samples in water wells and 2 samples in stream water). The concentrations ranged from 0.036 µg/l to 0.847 µg/l. The herbicides were the following:

1. **Ametryn**, a herbicide which inhibits photosynthesis and other enzymatic processes. Ametryn is forbidden in the European Union⁴⁴.
2. **Aminomethylphosphonic acid (AMPA)**, a degradation product from **Glyphosate**, which is sold by Monsanto under the brand name of "**RoundUp**". While glyphosate and formulations such as Roundup have been approved by regulatory bodies worldwide and are widely used, concerns about their effects on humans and the environment persist.⁴⁵
3. **Diuron** (see above).

Even if the **concentrations do not threaten human health at the moment, this shows that the quality of the drinking water and the likely impact of the massive use of pesticides and fertilizers in the region have to be further monitored.**

⁴⁰ <http://en.wikipedia.org/wiki/Diuron> and <http://fr.wikipedia.org/wiki/Diuron#Toxicologie>.

⁴¹ <http://en.wikipedia.org/wiki/Diuron> and <http://fr.wikipedia.org/wiki/Diuron#Toxicologie>.

⁴² <http://en.wikipedia.org/wiki/Metolachlor>

⁴³ SAFEGE 2014. Report on the water quality in the Addax Bioenergy project region. May 2014.

⁴⁴ <http://fr.wikipedia.org/wiki/Am%C3%A9tryne>

⁴⁵ Graves L (24 June 2011). "[Roundup: Birth Defects Caused By World's Top-Selling Weedkiller, Scientists Say](#)". *Huffington Post*.



Designation	Type	Date	Hour	Ametryn µg/l	AMPA µg/l	Diuron µg/l
Makombi	Rokel river	14/03/06	11:00	0.090	-	-
Mamaria	Well	14/03/06	12:00	-	-	0.036
Mamaria	Steam water	14/03/06	12:30	-	-	-
Maroki	Steam water	14/03/06	13:00	-	-	-
Maroki	Well	14/03/06	15:00	-	-	-
Robung	Rokel river	14/03/06	15:30	-	0.083	-
Mara	Steam water	14/03/06	16:00	-	-	-
Mara	Well	14/03/06	16:30	-	0.203	-
Masetheleh	Well	14/03/07	16:30	-	-	-
Outside 1	Well	14/03/07	9:00	-	0.369	0.029
Makombi	Rokel river	14/03/07	9:30	-	-	-
Manewa	Well	14/03/07	10:00	0.397	-	-
Man Man	Steam water	14/03/07	10:20	-	-	-
Woreh Wampa	Well	14/03/07	10:40	-	-	-
Wampa	Steam water	14/03/07	11:00	-	-	-
Nursery Aval	Steam water	14/03/07	11:30	-	-	-
Robung	Rokel river	14/03/07	12:00	-	-	-
Romaro	Well	14/03/07	12:30	-	-	-
Woreh	Steam water	14/03/07	13:00	-	-	-
Woreh	Well	14/03/07	13:30	-	-	0.170
Maronko	Steam water	14/03/07	14:00	-	0.059	0.032
Maronko	Well	14/03/07	14:30	-	-	0.847
Outside 2	Steam water	14/03/07	15:00	-	-	-
Romaro	Steam water	14/03/07	16:00	-	-	0.090
Limit of quantification (LOQ)				0.020	0.050	0.020



Addax employee working with fertilizers



Addax worker spraying herbicides



Taking a water sample close to a sugarcane field



Water consumption

According to the African Development Bank, the quantity of water required for the project will peak at up to $7\text{m}^3/\text{s}$ in the driest months (February to April)⁴⁶. Moreover, the outflow from Bumbuna Dam (upstream of Addax) in February-April is $27\text{-}28\text{ m}^3/\text{s}$. This means that the project can theoretically use **25% of the river flow during the driest months** (February to April), raising concerns on the ability for downstream users to withdraw water from the river.

In March 2014, SiLNoRF and Bread for all commissioned French environmental consulting company SAFEGE⁴⁷ to conduct discharge gauging in the Rokel River to estimate the impact of the water consumption of Addax on the Rokel River.

The following table summarizes the results. The uncertainty of measurement is estimated between 5 and 10%.

	Station	04/03/2014		05/03/2014	
		min	max	min	max
SL1	ADDAX Project Upstream	38	42	38	42
SL2	Factory Upstream	36	40		
SL3	Factory Downstream	30	34		
SL4	ADDAX Project Downstream	26	28	19	21

Table : Discharge gauging results in cubic meter per second

⁴⁶ African Development Bank. 2010. Executive Summary of the Environmental, Social and Health Impact Assessment. Tunis.

⁴⁷ SAFEGE 2014. Report on the water consumption of Addax Bioenergy. May 2014.

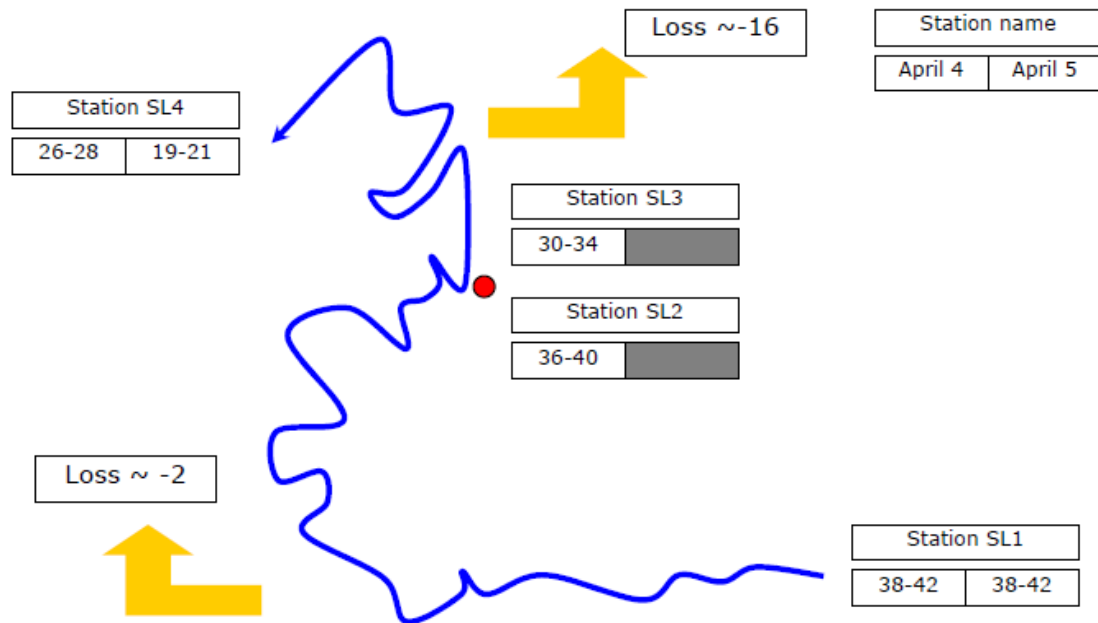


Figure : Schematic representation of results (in cubic meter per second).

Conclusions regarding issues and impact on water resources

Between the stations SL1 and SL2, the discharge of the Rokel River is constant. Between the stations SL2 and SL4, the discharge of the Rokel River decreases significantly. There is a water loss from the river to the groundwater. The geological setting is probably the cause of these losses. The upstream river discharge is greater than the downstream discharge of about 10 to 20 cubic meters per second. The downstream discharge of the river varied about -7 cubic meters per second between March 4 and March 5, 2014.

Gauging of the main pumping station (close to factory site in Mabilafu)

The factory pumping station is composed of 3 pumps, set in motion during the measurement. It has a maximum pumping capacity of 1.5 cubic meters per second. Taking into account the uncertainty of measurement, gauging made seem to highlight the impact of pumping.

Impact of the project

The maximum pumping capacity is 5.5 cubic meters per second, if all pumps are running at the same time. In view of the loss of discharge observed in the downstream of the project, the geological context role is 2 to 3 times more significant than pumping stations role in the river discharge (10 to 20 cubic meters per second).

However at the reference station SL1, the **maximum pumping capacity represents 18% of the discharge of the Rokel River** measured during the present mission. At the station SL4,



the maximum pumping capacity represents 35% of the discharge of the Rokel River measured during the present mission. As a reminder, **two pumping stations are still under construction which could increase the maximum capacity for future sampling at 7.5 cubic meters per second if four new pumps are installed.**



Picture: water pumping station on the Rokel river.

Workers strikes

There were **several strikes by workers** of Addax in 2012 and at the beginning of 2013, **some of which became violent and led to the arrest of some of the striking workers.** The reasons of the strikes were the following:

- **wages:** workers were struggling for wage increases;
- **conditions of service:** workers were struggling for better conditions of service,
- **discrimination** between national workers and expatriates; Sierra Leonean workers complained that they have to drink water from a well while expatriates were provide with bottled water.

It has to be noted that **since the beginning of 2013 up to the date of the publication of this report, no other strike took place**

Compensation for economic trees

Considering the long term economic value of some tree crops such as palm tree, **SiLNoRF and affected communities are concerned that the amount paid by Addax as compensation for such tree crops is inadequate**, moreover when it is a one-off payment. **Addax pays a compensation of SLL 35'000 (about USD 8) as compensation for one palm tree, but in reality a palm tree can have a productive life of between 30 and 35**



years. A study⁴⁸ estimated that the value of palm oil and nut oil alone that is produced from one palm tree is SLL 83'300 (about USD 19) per year! This estimate has been corroborated by officials of the Ministry of Agriculture in Bombali and Tonkolili Districts where Addax is operating.

Furthermore, many project affected people believed to receive the compensation for economic trees every year as it is the case with the Land Lease fees and the Acknowledgment Agreement Payment. They spent the entire amount right away because they thought it to would be a regular annual payment.

Recommendation:

- Addax should increase the compensation for destroyed palm trees.



Picture: Palm trees.

⁴⁸ "WHO IS BENEFITTING"? The social and economic impact of three large-scale land investments in Sierra Leone: a cost-benefit analysis. A study commissioned by ALLAT, SiLNoRF, Christian Aid, and Bread for all (among others). July 2013.



Environmental impact

Addax only analyses the Greenhouse Gas (GHG) balance of biofuels, when comparing them with petrol. However, GHG emissions are only one environmental impact among many others, like surface and ground water pollution, air and soil pollution, waste production, biodiversity destruction and resource consumption. Taking into account all environmental impacts gives a more accurate view of the overall impact of a project or a product. A study conducted by the EMPA⁴⁹, a Swiss research institute, calculated that **ethanol from Brazilian sugarcane has a 30% resp. 200% higher environmental impact than low sulphur petrol depending on the impact assessment method used** (“ecological scarcity method” and “Eco Indicator 99”⁵⁰ respectively).

Cumulative impacts on food security

In Sierra Leone, many other land lease agreements have been or are being signed by investors. The area covered under these agreements **represent in total up to 1.2 million hectares (or 21% of Sierra Leone’s land suitable for cultivation)**⁵¹. A study on land availability in Sierra Leone states that **“there is no remaining potential to significantly enlarge the area under cultivation anywhere in Sierra Leone”**⁵².

The **cumulative impact of these land deals on Sierra Leone’s food security and food sovereignty has still to be analysed.**

Cumulative impacts on the Rokel river

The **cumulative impact of these land deals on Sierra Leone’s water availability has not been analysed by the auditors of the RSB.** Other land investment projects are located along the Rokel river, the largest river in Sierra Leone, where they pump water for irrigation. There are concerns that downstream users will be impacted negatively because of the cumulative impact of these projects.

⁴⁹ Zah, Rainer, et al. 2007. Life Cycle Assessment of Energy Products: Environmental Assessment of Biofuels. St-Gallen. EMPA, p. V and IX. Accessed here: <http://www.news-service.admin.ch/NSBSubscriber/message/attachments/8514.pdf>

⁵⁰ The “ecological scarcity” method permits impact assessments of life cycle inventories according to the “distance to target” principle. Eco-factors, expressed as eco-points per unit of pollutant emission or resource extraction, are the key parameter used by the method. Source: Swiss Federal Office of the Environment FOEN (2009). The Ecological Scarcity Method Eco-Factors 2006 *A method for impact assessment in LCA*. Berne.

<http://www.bafu.admin.ch/publikationen/publikation/01031/index.html?lang=en>. The Eco Indicator 99 method is a damage oriented method for Life Cycle Impact Assessment. Source: Goedkoop, M. and R. Spriensma, The Eco-indicator 99: A damage oriented method for Life Cycle Impact Assessment. 2001, PRé Consultants B.V., Amersfoort, NL.

⁵¹ Bread for all and SiLNoRF. 2012. Concerns of civil society organisations and affected land users on Addax Bioenergy.

Accessed under:

http://www.brotfueralle.ch/fileadmin/deutsch/2_Entwicklungspolitik_allgemein/C_Wirtschaft%20und%20MR/Landgrab/CSO_Concerns_Addax_120925.pdf

⁵² Bald, Joachim and Schröder, Peter. March 2011. Study on Rural and Agricultural Finance in Sierra Leone: Product Innovation and Financial Access. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and German Federal Ministry for Economic Development and Cooperation (BMZ). Cited in : Green Scenery Briefings: Land Investment Deals in Sierra Leone September 2011. Accessed under: www.greenscenery.org.



Indirect impacts on bushes and forests

SiLNoRF could witness large tracks of bushes being cut by Addax trucks. Indeed, even if Addax claims to avoid forests with its project, **4,000 hectares of bush (mainly lophira scrubland) are being cleared to make space for the sugar cane monoculture**⁵³. SiLNoRF could witness that many charcoal producers are producing charcoal in the area using the trees cut by Addax. When Addax will be finished with the land clearing of these 4'000 hectares of bush for its sugarcane fields, it is likely that **the charcoal producers will turn to the remaining forests and/or bushes in and outside the project area to produce charcoal**. This means that the Addax project will have **significant indirect impacts on forests and bushes in and outside the project area**. The indirect impacts on bushes and forests still have to be assessed.

Assessing the level of food insecurity in Sierra Leone

When assessing the Addax project, one should bear in mind that Sierra Leone is not **food self-sufficient**. Sierra Leone is a net rice importer, with imports of 80'000 tonnes in 2013, about 15 percent of requirements⁵⁴. **Sierra Leone is a country where malnutrition affects one third of the population**⁵⁵. Moreover, according to the Global Hunger Index 2013, Sierra Leone is ranked 66th out of 78 countries⁵⁶. **In countries that are net food importer and with high food insecurity, emphasis should be put in increasing food production and improving food sovereignty, instead of producing biofuel for export.**

Impact of biofuels on world food prices

The Addax project intends to **transform food (sugarcane) into ethanol for cars in the EU**. The EU's biofuel target has created a large demand for biofuels and many projects, like the Addax one, have started as a response to the biofuel demand created by the EU target. This EU's biofuel target has however many negative consequences on the Global South.

Among these, the following consequences are the most worrying:

- The EU's biofuels policies alone could push up **oilseed prices by up to 33%, maize by up to 22%, sugar by up to 21% and wheat by up to 10%**, between now and 2020⁵⁷.
- Achieving a 10 per cent biofuels share in transport fuel globally by 2020 **could put an extra 140 million people at risk of hunger**, with the poor urban population, subsistence farmers and the landless in developing countries particularly at risk⁵⁸.

⁵³ African Development Bank. 2010. Executive Summary of the Environmental, Social and Health Impact Assessment. Tunis. p. 1 and 7.

⁵⁴ FAO GIEWS Country Brief <http://www.fao.org/giews/countrybrief/country.jsp?code=SLE>.

⁵⁵ Bread for all and SiLNoRF. 2012. Concerns of civil society organisations and affected land users on Addax Bioenergy.

Accessed under:

http://www.brotfueralle.ch/fileadmin/deutsch/2_Entwicklungspolitik_allgemein/C_Wirtschaft%20und%20MR/Landgrab/CSO_Concerns_Addax_120925.pdf.

⁵⁶ International Food Policy Research Institute. 2013. Global Hunger Index 2013. Accessed under:

<http://www.ifpri.org/sites/default/files/publications/ghi13.pdf>.

⁵⁷ ActionAid. Fuel for thought. Addressing the social impacts of EU biofuels policies. April 2012.

Accessed under: http://www.actionaid.org/sites/files/actionaid/fuel_for_thought.pdf.

⁵⁸ Oxfam International. EU renewable energy strategy ignores impact of biofuels on food security. June 2012. Accessed under:

<http://www.oxfam.org/fr/node/26506>.



- **Biofuels may drive more than 50% of large-scale land acquisitions globally, and 66% in Africa⁵⁹.**
- **The planned increase in biofuels use could cost European consumers an extra EUR 94 to EUR 126 billion between now and 2020⁶⁰.**

The **problem of competition (direct and indirect) between the production of crops for food and for biofuels** still has to be assessed in details.

Very favorable contacts

A Human Rights Impact Assessment of the Land Lease Agreement (LLA) has been made by a human right lawyer in Sierra Leone. It highlights that, according to Land Lease Agreement (LLA) signed by Paramount Chiefs and the Company, **all disputes have to be referred to an arbitration tribunal in London**. This amounts to a **denial of justice** given the financial impossibility for landowners to fund their travel and legal representatives⁶¹.

Addax received an **exemption to comply with any new law that has a “material adverse effect”** on itself and its contractors (“**change in law clause**” of the Memorandum of Understanding⁶² signed with the Government of Sierra Leone). BFA and SiLNoRF concerned about this clause which **prevents the Government of Sierra Leone from ensuring that Addax complies with all laws in Sierra Leone⁶³**.

Conflicts of interest

Land investment projects are known for high corruption risks. According to the UN Special Representative on the Right to Food, Olivier de Schutter, “there is no doubt that, in many cases, corruption is involved in such land deals⁶⁴” This is especially true in Sierra Leone, a country which is ranked under the most corrupt countries. In this context, this report strongly questions the **compensation system of Addax: it might have ensured the “cooperation” of every level of national and regional authorities**, as the District Council and the Chiefdom Administrators receive annual lease fees without suffering any damage⁶⁵. **The Chiefdom Councils headed by Paramount Chiefs who sign the Land Lease Agreement on behalf of the land owners receive an average of USD 14’600 per year⁶⁶**

⁵⁹ International Land Coalition. Land Rights and the Rush for Land. Findings of the Global Commercial Pressures on Land Research Project. January 2012. Accessed under:

http://www.landcoalition.org/sites/default/files/publication/1205/ILC%20GSR%20report_ENG.pdf.

⁶⁰ Oxfam. 2012. <http://www.oxfam.org/fr/grow/node/26506>

⁶¹ Bread for all and SiLNoRF. 2012. Concerns of civil society organisations and affected land users on Addax Bioenergy.

Accessed under:

http://www.brotfueralle.ch/fileadmin/deutsch/2_Entwicklungspolitik_allgemein/C_Wirtschaft%20und%20MR/Landgrab/CSO_Concerns_Addax_120925.pdf.

⁶² Memorandum of Understanding between Addax Bioenergy and the Government of Sierra Leone. 2010 (p. 12). Accessed under: <http://farmlandgrab.org/uploads/attachment/ADDAX%20MOU0001.pdf>

⁶³ Bread for all and SiLNoRF. 2012. Concerns of civil society organisations and affected land users on Addax Bioenergy.

Accessed under:

http://www.brotfueralle.ch/fileadmin/deutsch/2_Entwicklungspolitik_allgemein/C_Wirtschaft%20und%20MR/Landgrab/CSO_Concerns_Addax_120925.pdf.

⁶⁴ Swiss Television, 20.06.2011. Schweizer Firma lässt afrikanische Bauern verzweifeln. Accessed under:

<http://www.videoportal.sf.tv/video?id=2cba21ec-d555-44f6-8bcb-371f17597c6a>

⁶⁵ Bread for all and SiLNoRF. 2012. Concerns of civil society organisations and affected land users on Addax Bioenergy. .

⁶⁶ Calculation of Bread for all. The District Councils and Chiefdom Councils will receive USD 1.44 per acre (40% of USD 3.6) (or USD 3.56 per hectare as one hectare is 2.47 acre). Addax stated it will use 24’600 hectare. The total land lease fees for the 3



during the next 50 years. Thus, Paramount Chiefs have a strong incentive in entering in land lease deals with investors.

Generous tax exemptions

An analysis⁶⁷ of tax exemptions and fiscal incentives of land investment companies in Sierra Leone published in July 2013 showed the following: **about USD 135 million will be foregone by Government of Sierra Leone through tax exemptions granted to Addax for 13 years (2009-2022)**. Addax is being given generous tax exemptions and fiscal incentives at great expense to the government of Sierra Leone and the population of the country.

Support from Development Finance Institutions

In June 2011, Addax announced that it got the support of **several development banks that provide debt financing of EUR 133 million**. Moreover, the Swedish Development Fund (Swedfund) and FMO will join the mother company of Addax Bioenergy, Addax & Oryx Group, as equity partners (i.e. they will buy shares of this company). The total size of the investment is estimated at EUR 300 million.

This means that 44% of the Addax Bioenergy project is financed by development banks and 56% by the company.

Addax & Oryx Group borrows money from development banks and intends to achieve a return on investment (ROI) of 15%. **If the money is borrowed at a low interest rate, it means that Addax will be able to cash the difference.** Bringing development banks on board also means that the **project's risks are not carried only by the company but also by financing banks. This allows the company to reduce its own risks with the help of public money.**

Chieftom Councils will be as follows: 24'600 hectare x USD 1.78 per hectare per annum = USD 43'800 per annum. This means that each Chieftom Council receives an average of USD 14'600 per annum.

⁶⁷ "WHO IS BENEFITTING"? The social and economic impact of three large-scale land investments in Sierra Leone: a cost-benefit analysis. A study commissioned by ALLAT, SiLNoRF, Christian Aid, and Bread for all (among others). July 2013. P. 85.



Part III: Conclusion

While SiLNoRF acknowledges that **some positive evolutions** have taken place during the period under review, there are **several issues of concern that need to be addressed as soon as possible**. SiLNoRF will continue to monitor the positive developments and the issues of concern in the future. For some most issues, there is a need of monitoring during the entire duration of the land lease (i.e. during the next 50 years, or even 71 years).



Picture: There is a need to monitor the project for future generations.

Cover pictures:

- Above left: ethanol factory site at Mabilafu.**
- Above right: irrigation system on a sugarcane field.**
- Below left: Addax truck transporting herbicides.**
- Below right: sugarcane harvester.**

Credits of the pictures in this report: SiLNoRF and Bread for all.