

FOR IMMEDIATE RELEASE

Complaint Seeks Redress for Abusive U.S.-Funded Biomass Project in Liberia

Jan. 22, 2014—Today, hundreds of Liberian farmers, charcoal producers and workers filed a complaint with a U.S. federal agency demanding redress for its funding of a biomass project that caused serious human rights, labor and environmental abuses, including sexual abuse by company employees of local women. The federal agency—the Overseas Private Investment Corporation (“OPIC”)—approved a total of US\$216.7 million in financing for the project, operated by Buchanan Renewables.[1] The Liberian victims seek redress for these abuses and call on the U.S. government to investigate and take responsibility for its role.[2]

The biomass project proposed cutting down rubber trees for biofuel, rejuvenating family farms and creating sustainable energy for Liberia. Instead, the project harmed its intended beneficiaries. As Alfred Brownell of Green Advocates International, a Liberian organization representing the victims, explains, “Buchanan Renewables failed to deliver on its promises of permanent jobs, green energy, poverty alleviation, and economic development, and instead left behind a legacy of abuse.”

“Buchanan Renewables destroyed our property,” said farmer Sam Bonwin. “They brought rotten woodchips from the port, saying they were fertilizer. Now you can’t even drink the water—it’s too polluted.” The project also left many farmers who had subsisted on income from their rubber trees struggling to satisfy their basic needs. “This so-called development project destroyed livelihoods and drove communities deeper into extreme poverty,” explains Francis Cole of Green Advocates.

Charcoal producers also suffered abuses when they were forced to compete with the company for the rubber trees on which their livelihoods depend. Company employees demanded bribes, and sex from women, for leftover wood that the company had promised to give local producers for free. This situation drove desperate charcoal producers to degrade nearby natural forests, turning OPIC’s allegedly climate-friendly investment into a project with negative climate impacts.

Labor rights violations were also rampant. Sam Yeadieh, a representative for the former workers, said “We were forced to work under terrible conditions without safe drinking water or proper safety equipment, leading to illness and serious injuries. We were not paid what we had earned, and women were abused on the job.”

Buchanan Renewables abruptly abandoned the project in early 2013 without providing adequate redress to farmers, charcoal producers or workers. “This was a high-risk investment,” explains Tim Steinweg, a senior researcher investigating the project for the Dutch organization SOMO. “It is unconscionable that, as an OPIC-financed development project, there was not a proper exit strategy in place to mitigate the harmful impacts of the project’s failure.”

“OPIC’s due diligence rules, which were flouted in this case, were designed to avoid this type of harm,” said Sarah Singh of Accountability Counsel, a legal organization representing victims. “OPIC must immediately investigate its involvement and take responsibility for its role in funding these abuses, which continue to cause suffering today.”

Note for editors

1. During the period in which most of the abuses occurred, Buchanan Renewables was owned by Swiss-based Pamoja Capital, the investment arm of the McCall MacBain Foundation.
2. The complaint to OPIC’s President, a detailed report documenting these abuses, and a video is available at <http://www.accountabilitycounsel.org/communities/current-cases/liberia-biomass-project-of-buchanan-renewables/>

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