

January 24, 2023

Topic: Impacts of Mining Concession on local Communities -Case of Solway Investment Group (Zor , Sehyi and Gba Clans)
Historical background of Land Grab in Liberia and Impacts

Liberia has a long history of land grab and exploitive trade with foreign companies to harness the benefits of its many natural resources including fertile land, valuable timber and minerals. As early as 1926 Liberia granted 99-year lease to Firestone for up to one million acres that is covered by rubber plantation. Unfortunately, this approach of land leasing (land grabbing) has yielded benefits only to the investors while the original landowners and citizens suffer abject poverty, pollution and disease.

With complete inconsideration of its experience of exploitation of its natural resources by foreign company Liberia government again placed renew emphasis on concessions after the war in as strategy of recovery to generate revenue, create jobs and improve service to its citizens. Beginning 2005 to present the government has given dozens of concessions to foreign investors for either large-scale oil palm plantation expansion, logging, iron ore mining and mineral extraction. To a larger extend these investments perceived to create jobs, generate revenue and improve citizens wellbeing have made little or no impacts as was perceived.

Land grab has largely forced Liberians particularly rural citizens who are mainly natural resource dependent into abject poverty and destitution to the extend where rural communities are becoming slaves to foreign firms on their own land.

For the purpose of this paper land grabbing is defined as a large-scale acquisition by corporate investors through buying, leasing or accessing land for extractive purposes including, mining and logging. They make these

acquisitions for the purpose of increasing and expanding their foreign market or making favorable returns on investment at the detriment of the local communities. The FAO definition of land grabbing also added that these acquisitions undermine food security and force communities into poverty.

Rural communities across Liberia who largely rely on the natural resources particularly forest and ecosystem services continue to lose their livelihoods, income, medicines, and other social cultural benefits as foreign companies grab community land with little or no participation of the communities in decision-making about what benefits come to communities, what environmental offset programs are crafted leaving communities in complete destitute and at the mercy of the concessionaires.

Purpose of the Policy Brief

This policy brief presents the situation analysis and assessment of community rights as Solway advance its exploration of Iron Ore within in the Blei, Sehyi, and Gab forest in Gbehlay Geh District, Nimba County. The brief focuses on the violation of community's rights during the awarding of concession license and the impacts of Solway exploration on local communities. The brief highlights the absent of Free Prior Informed Consent process in decision -making about the awarding of license to Solway, the grabbing of community land designated for conservation to concession and the aftermath of pollution and destitution of communities as Solway advance its operation. The brief aims to inform policymakers, development partners, and CSOs to review existing MDA and address community concerns including restoration of social and environmental effects caused by the operation.

In October 2019, the Government of Liberia, by and through the Ministry of Mines and Energy, awarded Solway Mining Inc. a three-year Mineral Exploration License (MEL). The MEL 8000119 gives Solway Mining Inc. the

right to explore the Mt. Detton and Mt. Blei tenements which are situated approximately 7 kilometers Northeast of Sanniquellie, Nimba County.

In 2019, the people of Blei and Sehyi Kodoo districts in Nimba County agreed to allow Solway Investment Group to explore for iron-ore deposits in their territory in the Nimba mountain range. Solway exploration impacts covered Zor, Sehyi and Gba with land area of 152 hectares in Blei Community Forest and 70 hectares of land in the Delton forest.

The decision made mainly by the local leaders came after massive pressure from top officials of government including local county leaders who made the communities abandon management Plan developed by the Community Forest Management Committee with support from FDA and conservation partners that prioritized conservation over concession of their community forest due to its proximity to the ENNR including the presence of rich biodiversity. Though with high disagreement from the Joint Forest Community Forest Management Bodies (JCFMB), Forestry Development Authority (FDA), and the local communities the governments manipulated communities' leaders and veto the decision that natural resources belong to government for development purposes and communities have no objection to government decision.

Solway began its operation of exploration in 2019; the promises of job creation for local community members, social services and infrastructures are not forthcoming. The communities have complained of pollution of water sources used for drinking with adverse effects on women and girls who are traditionally responsible to provide water in their homes. These and many other failures of Solway in meeting its obligation has weakened communities' interest and hope of a better life which was a key reason for the community abandoning the conservation plan to multiple use regime. The communities have expressed anger over the poor infrastructures including mud houses and makeshift

structures erected for staff housing and offices. Mostly, the community's expectation was to benefit modernized housing units for offices which could bring advancement in the local infrastructure as compared to the usual mud housing that are locally dominant

The 2009 Community Rights Act empowers communities to fully engage in the sustainable management of the forests of Liberia. The Act defines the rights and responsibilities of communities to own, manage, use and benefit from forest resources whether by customary, statutory or other tenure systems and aims at establishing mechanisms to promote Free Prior Informed Consent (FPIC) in matters related to as community forest resource management. The decision for Solway certification denied communities the rights of ownership and participation to control their resources and to make informed decision about how their resources are utilized. Though there appear to be a form of agreement predominantly by community leaders, their agreement to allow Solway exploration of their mines was manipulated and did not follow the Free Prior Informed Consent (FPIC) process. Free Prior Informed Consent is a specific right that pertains to indigenous peoples and is recognized in the United Nations Declaration on the Rights of Indigenous peoples (UNDRIP). It allows communities to give or withhold consent to a project that may affect them or their territories. Further FPIC enables communities to negotiate the conditions under which the project will be designed, implemented, monitored and evaluated. This means the consent is free, given voluntarily and without coercion, intimidation and manipulation and is self- driven by communities; the consent is sufficiently sought in advance of authorization and adequate information about benefits and effects are given prior to consent including a collective decision made by the right holders. The absence of such process is a violation of the rights of the communities and must be reviewed and

remodeled. The Solway exploration award contravenes the CRL of 2009 and disregards FPIC protocols and is therefore in violation of communities' rights.

Consultation meeting with affected communities / Findings

On November 18, 2022, RICCE held consultation with communities' members in Gbobayee, one of the affected communities. Participants at the meeting include women groups, elders, farmers, youths and the Community Forest Management Body (CFMB). Participants at the meeting expressed dissatisfaction over Solway operations which include environmental and social effects as followed:

- The process of awarding exploration certificate to Solway was marked by fraud, intimidation and coercion; community leaders were manipulated and bribed to consent.
- Solway exploration has polluted streams used for domestic activities including drinking posing suffering to women and girls with traditional responsibility to fetch water. Solway MOU calls for construction of hand pumps in the affected communities to provide safe drinking water to local communities. Since its inception a single hand pump has not been erected and the streams providing drinking water have been polluted by Solway mining operation resulting to public health problem for local communities.
- Solway MOU did not spell out benefits that are due to communities, communities do not know what to hold Solway accountable for because there was no specification made in the MOU about what and how the benefit to community will be received. For example: the MOU states that SOLWAY will provide 10% of land rental fees but what constitute land rental fees and how the payment will be made was not explained.

- SOLWAY MOU is ambiguous; it is seen that Solway took advantage of the few inexperienced communities' representatives drafting the MOU and escaped to provide details of its deliverables. For example, Solway committed to employ skilled and unskilled citizens especially youth without stating the number of persons to be employed per affected communities. Gbobayee is one of the most affected communities given its proximity to the Blei Mountain has receive no benefit from Solway, yet their water sources are all polluted by the mining. Additionally, SOLWAY commitment to provide socio-economic services to including Zorgowee community poultry farm, Microfinance, skill training programs and hospital among others have not been met and no information have been provided to the communities over the delays or failure.
- SOLWAY MOU promised skills training centers in affected communities; one center was constructed in Gbarpa which far away from the rest of the communities; they have informed interested citizen to move to Gbarpa for the training disregarding the distance and transportation cost to the communities.

Solway operation Worldwide

Across the world, Solway investment Group, which is parent to Solway Inc is accused of tons of malpractices including environmental crimes. For example, in Guatemala Solway has a partnership with Guatemala-based Company Pronico, whose mine has caused an environmental disaster with emissions of high levels of nickel in Guatemala's largest lake. This tragedy found to have caused multiple health issues for nearby communities and local employees.

There are also reports of aggressive tactics towards communities including attacking investigative journalists.

Solway has demonstrated a history of bribery, corruption, and environmental crimes; based on secret internal documents sent to the journalistic association "Forbidden Stories" led by French journalist and founder, Laurent Richard. (Admin Independent, June 13, 2022).

Cheating with filters in the chimneys has also been revealed as a result of diseases and eczema among the local Maya people around the lake.

In recent days, the United States Treasury Department has issued sanctions on two companies and a Russian national linked to the Solway Investment Group engaged into mining in Liberia for allegedly leading bribery and corruption schemes showcasing the Russian involvement in the Guatemalan nickel sector.

These records of malpractices in Solway operation worldwide raises a red flag for Solway operation and further validates the complains from local communities about its malpractices including pollution of water sources in the Blei and Gba communities as expressed by the local communities. It reasonable that their operation in Liberia is put under deep scrutiny or halted to launch investigation and background check on Solway Investment Group operation worldwide for the general safety of the environment and the people.

Conclusion and Recommendations

Given the findings from consultation and history of SOLWAY operation across the world, the following recommendations are made for immediate action by the Nimba County Authority and the government of Liberia to address the situation with urgency:

- Solway operation be halted to review the existing MOU to make clear benefits packages to local communities including the land rental fees.
- The process of Free Prior Informed Consent (FPIC) protocol is instituted to provide local communities the opportunity to scrutinize Solway proposal should there be intent for extension of Solway license
- Immediate environmental and social impact assessment of Solway operation including the investigation of water pollution to establish the chemistry and potential harm to biodiversity and local communities caused by the water pollution. This investigation should also consider the possible development of mitigation plan, offset program or institution of loss and damage.
- Immediate construction and or provision of safe drinking water to the affected communities
- That government in its intent to renew Solway license conduct extensive background check on Solway operation worldwide to inform its decision and to involve the local communities inclusive of women, youths, men and persons with disabilities; feed them with the necessary information to inform their full participation and decision.

Signed: O. Garkpah Date: 27/2023 Attested: [Signature] Date: 27/01/23
Oretha Garkpah
Women Chair lady - 0775564667 FDA-Park - 0770165731

Approved: [Signature] Date: 01/27/23
Nathaniel Kermue
CFMB - 0777937112