

Golden Veroleum Liberia (GVL) Liberia

Sectors: agriculture - palm oil

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Last update: Aug 2 2018

Golden Veroleum Liberia (GVL) is Liberia's **largest** palm oil company and one of Liberia's largest investors. GVL started its operations in Liberia in 2010, when it was granted a 65 year concession by the Liberian government. GVL's contract with the government allows it to convert 2,600 km² of land into palm oil estate. The company is backed by the world second largest palm oil producer, **Golden Agri-Resources (GAR)**, based in Singapore.

Headquarters	17th Street Monrovia Liberia
CEO/chair	Patrice Lobet Director
Website	http://goldenveroleumliberia.com/
Ownership	Golden Veroleum is owned by the U.S.-based Verdant Fund LP, whose sole investor is Singapore-listed palm oil giant Golden Agri-Resources , the world's second-largest palm oil plantation company.
Subsidiaries	

Issues

Environmental issues

A 2018 report by Friends of the Earth, in which mapping was conducted between September 2017 and April 2018, revealed that GVL is clearing and fragmenting areas it had identified as High Carbon Stock (HCS) forest patches and High Conservation Value (HCV) areas. HCS forests and HCV areas are the forest areas of greatest importance for carbon sequestration, biodiversity and community livelihoods. GVL is a member of the HCSA Steering Group—a body whose sole function is to establish best practices in the preservation of HCS forests—making its destruction of HCS forest patches especially troubling. Since 2015, GVL has cleared at least 380 hectares of High Carbon Stock (HCS) forest patches and some 320 hectares of High Conservation Value (HCV) areas, which include chimpanzee habitats. As of April 2018, GVL continues to clear the area.

According to **Friends of the Earth**, GVL's forest clearance has included several cases of destruction of riparian buffer zones. Destruction of riparian buffer zones can result in the pollution of drinking water due to erosion and chemicals used on the plantation, as well as drying out of streams and loss of aquatic biodiversity. These activities contravene **RSPO Principles and Criteria**, as well as GVL and GAR's policies.

In 2016, Sync Consultants Limited published an **assessment of the impacts** of GVL's concession on communities. The assessment found "an increased risk of food insecurity and of water source pollution as a result of the concession" and confirmed testimonies regarding drinking water contamination. The study found evidence that "GVL operations had resulted in pollution of drinking water sources and even though the company had agreed to replace them, the communities had not yet been compensated for this pollution through the building of alternative water sources."

Human rights

Since GVL began operations in Liberia, communities and civil society organizations have filed multiple complaints to the RSPO. The first **complaint**, in 2012, alleged that GVL was non-compliant with FPIC standards and RSPO Principles and Criteria for new planting procedures. The complaint stated that community members had been subject to intimidation and arbitrary arrest and that the company had destroyed community wetlands, sacred areas and drinking water sources. Subsequent RSPO complaints stated that GVL cleared land without receiving communities' consent and did not conduct comprehensive, participatory social and environmental impact assessments.

A February 2018 decision by the Roundtable on Sustainable Palm Oil (**RSPO**) confirmed a series of ongoing violations by GVL, including failure to implement adequate free, prior and informed consent (FPIC) procedures, destruction of sacred sites, coercion and intimidation of community members to sign agreements with the company, and continued development of disputed land. The RSPO Complaints Panel ordered GVL to cease operations in multiple locations in its concession area. GVL has rejected the 2018 RSPO ruling and appealed the Complaints Panel decision. On July 13, 2018, **the RSPO rejected GVL's appeal** stating it had no merit.

The RSPO Complaints Panel decision confirmed that GVL had engaged in coercive methods to pressure members of the Butaw, Tarjuowon/Blogbo, Du Wolee, Nyennue and Numopoh communities to sign MoUs, withdraw official complaints and appoint new groups to represent the communities. The RSPO decision, contested by GVL, highlighted instances where MoUs were signed under the coercive presence of heavily armed troops.

Other issues

According to the Liberian Extractive Industries Transparency Initiative (LEITI) and auditing firm Moore Stephens, the concession awarded to GVL by the Government of Liberia did not follow correct legal procedures and did not go through a proper competitive bidding process. GVL was granted its concession for 65 years, in contravention of section 70 of Liberia's Public Lands Law, which states that no such lease shall exceed 50 years. GVL's tax optimization strategy, which allows GVL to withhold tax payments for 65 years, may be in violation of Liberian tax code, which authorizes tax stabilization "for a period not to exceed 15 years."

Governance

Applicable norms and standards

[Roundtable on Sustainable Palm Oil \(RSPO\)](#)

Updates

Financiers

GVL is a **subsidiary** of the Verdant Fund LP, a private equity fund, of which **Golden Agri-Resources (GAR)** is the lead investor. **GAR's largest international creditors and investors** include the U.S. firms Vanguard, BlackRock, Kopernick Global Investors, Dimensional Fund Advisers, Northern Trust and CitiGroup, the Dutch firms Robeco and Rabobank and the Asian firms CMB Bank, Maybank Indonesia and Bank Mandiri, among others.

Banks

China Development Bank

[Details](#) ▼

Debt – corporate loan

USD 500 million

13 March 2013 - 13 March 2028

15 years term loan for the development of oil palm plantation and related infrastructure in the Liberia Project

source: Africa Outlook

[link](#)