

June 2024

The Board of Directors

U.S. International Development Finance Corporation

1100 New York Avenue, NW

Washington DC 20527

Re: Written Submission for DFC Public Hearing on June 4, 2024

Dear Board of Directors,

Please see below the written statement of Accountability Counsel for the June 4, 2024 public hearing.

Best,

Stephanie Amoako

Policy Director

Accountability Counsel

1400 16th St NW, Suite 210

Washington, DC 20036

stephanie@accountabilitycounsel.org

202-909-1121

**A DECADE
LATER,
COMMUNITIES
HARMED BY U.S.
INVESTMENT
NEED REMEDY**

BUCHANAN RENEWABLES

Accountability Counsel
Green Advocates International

A green project gone wrong

10 years ago, communities in Buchanan, Liberia filed a [complaint](#) to the Overseas Private Investment Corporation (OPIC) concerning OPIC's investment in the disastrous [Buchanan Renewables](#) (BR) project. The BR project, which received three loans from OPIC (totaling \$216.7 million) set out to transform old rubber trees into sustainable, renewable biofuel to aid in the electrification of Liberia and replant rubber farms for the rejuvenation of smallholder farms and the sector.

The communities' complaint, which was investigated by OPIC's accountability mechanism, the Office of Accountability (OA), asserted that instead of achieving these goals, the project left the communities worse off - it damaged the livelihoods of the smallholder farmers by not replanting and maintaining the rubber farms as promised, abused workers' rights, contaminated water sources, and damaged the livelihoods of charcoal producers, who had relied on the old rubber trees. In early 2013, BR abandoned its project and terminated its contractual relationship with OPIC, which further exacerbated the harm.

The OA's investigation [report](#), which was issued in September 2014, confirmed the credibility of these allegations of harm and found defects in OPIC's approach to assessing and addressing human rights concerns and monitoring project impacts. Although OPIC [committed](#) to strengthening its due diligence processes and taking other steps to prevent harm in future projects in response to the OA's investigation, it did nothing to address the confirmed harms to the communities in Buchanan.



Accountability Counsel, 2013

Ten years later, communities are still suffering

In October 2023, Green Advocates International and Accountability Counsel, who originally supported the communities to file the complaint to the OA, conducted interviews with community members and workers who had been harmed by the BR project. Everyone that we spoke to continues to feel the harmful effects from OPIC's investment in Buchanan Renewables, and the harm has generational effects.

Smallholder Farmers

To this day, many smallholder farmers who contracted with BR for the harvesting and replanting of rubber trees are unable to use their farms. As their farms were either never replanted or maintained after replanting, they are now overgrown with bush and are unproductive. Prior to the BR project, these farmers were able to produce some rubber with the older trees, which enabled them to support their families. With that source of income gone, they struggle to send their kids to school and feed their families.

Marthaline, a leader in the farmer community, has noted that the damage to livelihoods has caused social problems to the youth in the community, including drug use and prostitution.



Accountability Counsel, 2023

“What is spoiling most is our children. Most of our girl children... [BR] killed us here. Slowly. Like somebody don't want to kill you. But they poison you. And you can't die soon. But you are just there with the sickness. That is what [BR] did to us.”

- Marthaline, farmer, pictured in front of her overgrown rubber farm

Women Charcoal Producers

Prior to the BR project, women charcoal producers would access fallen rubber sticks to transform them into charcoal. BR workers severely limited these women's access to the sticks, and several women were forced to trade sex in order to access sticks. Today, these women continue to suffer from this abuse, with some reporting ongoing gynecological problems. The children born of the abuse suffer stigma in the community. Like others in the community, their livelihoods still haven't recovered.

"They abandoned the women. They abused the women's rights and turned their back and abandoned."

- S, charcoal producer

Workers

Workers for the BR project experienced wage theft, inadequate provision of protective equipment, workplace injuries, and racial discrimination. Today, the workers we spoke to still struggle to support their families and send their children to school. Workers who were injured still have not received adequate medical treatment.



Accountability Counsel, 2013 (left) and 2023 (right)



Accountability Counsel, 2013 (left) and 2023 (right)

"We won a case. We won something! In Africa, we won a case! And what did we get from it? Nothing. Our living conditions continue to go down... [Filing the complaint was] a waste of time for us. Because if you do something, no benefit, no results, then your time has been wasted."

- Sam, former BR agriculture technician

Remedy is needed now

Under international law, financial institutions that contribute to harm to communities must also contribute to the remediation of the harm. The communities in Buchanan should have been made whole after the OA investigation confirmed their allegations of harm. Unfortunately, OPIC washed its hands of its responsibility, and the harm to the communities has compounded over the last decade, during which time the communities have also had to face crises including the Ebola and COVID-19 pandemics.

Since supporting the project, OPIC has been subsumed into a new institution, the U.S. International Development Finance Corporation (DFC), whose aim is to facilitate sustainable economic growth, poverty reduction, and development, particularly in low income countries such as Liberia.

The communities in Buchanan are calling on OPIC's successor, the DFC, and the U.S. government to remedy the harms caused by its investment. This remedy should be designed with the community and could include livelihood training, educational support, and other measures to address the devastating impacts to generations of families affected by the project. Responsible development finance requires redress when unintended harm happens, and the DFC has the opportunity to address the harm to these communities and thus fulfill its mandate for sustainable development.



Contact

Stephanie Amoako, Accountability Counsel • stephanie@accountabilitycounsel.org

Francis Colee, Green Advocates International • francis.colee@greenadvocates.org