

# Liberian communities still suffering from failed bioenergy project

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**Shortly after the exit of Swedish companies Vattenfall and Swedfund from a bioenergy venture in Liberia 2012, the project collapsed. Promised development effects never materialized and today local communities still suffer from the human rights impacts, with no remedy in sight.**

In 2006, while Liberia was recovering from a devastating civil war, renewable energy company Buchanan Renewables Energy (BRE) began operations in the country. BRE's business idea was to produce biomass from old rubber trees, some of which were bought from local farmers. The biomass was to supply the capital of Monrovia with electricity, while surplus biomass was to be exported to Europe. A subsidiary company, Buchanan Renewables Fuel (BRF), was to harvest the trees and provide assistance to farmers by rejuvenating their farms. The project was expected to create significant development effects.

In 2010, Swedish state-owned energy company Vattenfall together with Development Finance Institution (DFI) Swedfund acquired 30 percent of BRF. Only two years later, they exited the project as they perceived it to be economically unviable. Shortly after, operations were shut down. About 600 BRF employees were dismissed and the contracts that the company had signed with 34 farmers were terminated.

The project, and its shutdown, led to several human rights challenges for local communities. As concluded in the 2013 report [Cut and Run](#) by Swedwatch, SOMO and Green Advocates, the investors left without an exit strategy and without conducting adequate human rights due diligence (HRDD) in line with the UN Guiding Principles on Business and Human Rights (UNGPs).

This briefing builds on a revisit to the former project area by Swedwatch in November 2017. The results of interviews conducted show that local communities are still struggling to cope with the consequences of the project and its shutdown. Farmers who sold their trees to BRF state that they are not able to sustain themselves since the promised assistance did not materialise. Workers who were disabled due to injuries incurred while working in the project say they have not been compensated, and women who were allegedly forced to have sex with BRF employees claim they have had to raise children born out of such abuse on their own.

Furthermore, according to an interview with the National Charcoal Union of Liberia, the lack of old rubber trees is contributing to deforestation in the area as local charcoal producers in search for wood are now cutting down trees in nearby threatened natural forest\*.

[Interview with National Charcoal Union of Liberia](#) from [Swedwatch](#) on [Vimeo](#).

Swedwatch's dialogue with Vattenfall and Swedfund during 2018 shows that six years after their exit from the project, the investors have implemented general improvements in their HRDD processes. However, they have not yet assessed the adverse impacts or discussed how they may contribute to remedy for the affected rights holders in Liberia.

The findings in this briefing add to Swedwatch's previous research on responsible investments. It reinforces some of the main conclusions from the 2017 Swedwatch report [\*No business, No Rights\*](#), including that human rights impacts tend to increase in the event of an unexpected shutdown of land-related projects. Without responsible exit strategies in place, communities face high risks of having to cope with adverse impacts on their own with limited access to remedy.

According to the UNGPs, both states and businesses have a role to play in realising access to remedy for affected people and communities. It is therefore regrettable that neither Vattenfall nor Swedfund have seized the opportunity to visit the area to assess the human rights impacts and possible ways of contributing to remedy.

In post-conflict countries such as Liberia, there is a heightened risk that business activities lead to adverse human rights impacts. The withdrawal of the UN Mission in Liberia in 2018 marks the beginning of a new era in the country's history. In order to contribute to development and sustainable peace, human rights risks need to be properly identified and addressed by new investors, in line with the UNGPs.

\*In the video, BRF is referred to as "BRE" which is common in the former project area.