

---

## [World Bank paving the way for a national biodiversity offset strategy in Liberia](#)

*In March 2015, the World Bank presented a report that will help mining companies operating in Liberia present themselves as saviours of biodiversity even though their operations will continue to destroy some of the country's most biodiverse forests. The report "explores the feasibility of implementing a national biodiversity offset scheme in Liberia", and the World Bank sees potential for profiting from such a plan not only for the mining industry but also for oil palm and forestry corporations. Whether the authors of the report consulted with local communities who risk losing access to the land that provides their livelihoods not only through the mining operations but also from the biodiversity offset areas that are meant to compensate for the mining companies' destruction, is not known. What is known, however, is that they consulted international conservation NGOs and mining and oil palm corporations: They are explicitly thanked for their contributions in the report.*

The World Bank has been a central player in the development of carbon offsets. The idea behind carbon offsets is that polluting industries can continue to do so as long as they “compensate” their pollution through the implementation of some “offset” project that claims to reduce an equivalent amount of pollution elsewhere. The Bank manages 10 “carbon funds” that help industrialized countries buy carbon credits. These credits allow them to continue burning fossil fuels in their own factories and refineries and claim this has no negative impact on the climate because they have paid someone else to supposedly reduce an “equal” amount of greenhouse gas emissions for them. But these fossil fuel emissions in industrialized countries are the principal cause of climate change, and it is in those countries that the excessive use of fossil fuels must stop.

The World Bank is experimenting on how to expand the flawed idea of carbon trading. Its Carbon Unit is managing five funds that aim to expand carbon markets, for example by including emissions from deforestation and from agriculture into carbon markets (see [WRM Bulletin of January 2014](#) and (3) for the problems with this idea). And the World Bank sees potential in offset markets far beyond the carbon market. Since 2012, the International Finance Corporation – the arm of the World Bank which lends money to corporations in the private sector – requests that companies it funds show how they will “offset” the damage their activities will cause for biodiversity. (4) As long as a company can show a plan that explains how what is destroyed in one place will be recreated elsewhere, the destruction can continue. Offsets need destruction! WRM has documented extensively what is wrong with this concept, how the impacts of industrial land use on communities are ignored in the offset idea and how many carbon offset initiatives have caused harm to communities and resulted in conflict (see among others WRM report [REDD: A Collection of conflicts, contradictions and lies](#)). Because the idea of offsets is flawed - it justifies more destruction or pollution on the promise that the damage can be undone elsewhere and therefore does nothing to stop the mining and the destruction it causes in the first place - offsets are as much a false solution to the biodiversity crisis as they are for the climate and forest crises.

This does not stop the World Bank, however, from proposing that Liberia implement a national biodiversity offset strategy – and the World Bank has already worked out for Liberia what such a plan

---

should look like. In March 2015, the Bank presented "A National Biodiversity Offset Scheme: A Road Map for Liberia's Mining Sector", a report "which explores the feasibility of implementing a national biodiversity offset scheme in Liberia to help minimize adverse impacts on biodiversity and ecosystem services resulting from mining." The two consultants who had written the report summarised their proposal during an online seminar on 27 March 2015, hosted by BBOP. (1) BBOP stands for 'Business and Biodiversity Offsets Programme'. (2)

The report looks at different ways in which money from the mining sector can be used to fund "protected areas" in Liberia. What the report does not mention is that the mining concessions are located in the most biodiverse region of Liberia and will destroy not only forests rich in biodiversity but also the livelihoods of the communities who depend on those forests and the biodiversity they contain. Instead, the report describes biodiversity offsets as "an opportunity for the private sector to contribute to an underfunded protected areas network" – possibly leading to communities losing access to land they rely on for their sustenance not just to the mining but also to the biodiversity offset that is meant to compensate the destruction from the mining.

There is little information in the report about how local communities were consulted in the preparation of the World Bank proposal for a national biodiversity strategy for Liberia. By contrast, the report's authors thank among others individuals from international conservation NGOs Flora Fauna International and Conservation International, the International Council on Mining and Metals, mining corporations ArcelorMittal Liberia, BHP Billiton, Vedanta, Putu Iron Ore Mining, oil corporation Exxon Mobil, and oil palm corporation Golden Veroleum Liberia for their contribution. One of the authors also proudly commented during the online seminar that during the report's launch at a meeting in the Liberian capital Monrovia the day before the online seminar, they "had every single mining company operating in Liberia present at the workshop, as well as the minister." She further explained that "a couple of mining companies in Liberia [...] would like to offset inside protected areas," and that this had contributed to the idea of developing the proposal for a national biodiversity offset plan for Liberia. The discussion that followed the online presentation of the report also revealed the World Bank's intention to explore how other industries that rely on destruction of biodiversity to carry out their business could be included in the national biodiversity offset plan.

Asked about the possibilities for other sectors, one of the report authors commented that "the oil palm sector would be an obvious one." Oil palm companies, Sime Darby and Equatorial Palm Oil PLC (EPO) in particular (see action alert [Support the Jodbahn Clan in Liberia: Tell Equatorial Palm Oil NO means NO!](#) and [WRM Bulletin of April 2014](#)), have faced severe opposition from communities in Liberia and caused significant conflict with their plans to expand oil palm plantations onto land that communities rely on. Without any reference to this history of conflict, one of report's authors considers the "high-conservation value forest" areas that an oil palm company like Sime Darby might set aside to comply with the RSPO standard as possible biodiversity offset sites. (5) By dedicating such "high-conservation value forests" as biodiversity offset, the oil palm company that spares this piece of forest from destruction for oil palm plantations can still generate a profit from the land by selling the biodiversity as an offset to a mining company!

Jutta Kill, [jutta@wrm.org.uy](mailto:jutta@wrm.org.uy)

*International Secretariat of the World Rainforest Movement (WRM)*

1. [http://bbop.forest-trends.org/documents/files/liberia\\_webinar.pdf](http://bbop.forest-trends.org/documents/files/liberia_webinar.pdf)
2. The BBOP initiative was set up by Forest Trends, an organisation promoting markets in 'ecosystem services'. BBOP members include companies, financial institutions, government agencies and conservation NGOs. Their aim is "testing and developing best practice on

---

biodiversity offsets and conservation banking worldwide.

["http://bbop.forest-trends.org/pages/about\\_bbop](http://bbop.forest-trends.org/pages/about_bbop)

3. Report about the World Bank Forest Carbon Partnership Facility by FERN and Forest Peoples Programme (2014): Implement in haste, repent at leisure.  
<http://www.fern.org/implementinhaste>
4. IFC Performance Standard 6 on 'Biodiversity Conservation and Sustainable Management of Living Natural Resources'.
5. For more information on the Round Table of Sustainable Palm Oil, RSPO, and how it helps companies greenwash their expansion of oil palm plantations, see <http://wrm.org.uy/books-and-briefings/12-replies-to-12-lies-about-oil-palm-monocultures-plantations/>. One of the RSPO requirements is for companies to agree on a map with NGOs about what areas are considered 'high-conservation-value-forests' within the concession, and spare these from conversion to plantations. Many communities, however, consider the whole of their territory 'high value'.