

SUMMARY REPORT FOR HCV ASSESSMENT

FOR

Olam Oil Palm Plantation Development in Gabon

Prepared by

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Executive Summary

Introduction and general background

Olam International is one of the leading global supply chain managers and processors of agricultural products. With presence in about 64 countries across the world, Olam International operates in the cocoa, coffee, cotton, teak, cashew, rubber and palm oil sectors. While much of its operations have in the past focused on the supply chain side, Olam International set up Olam Palm, a Joint Venture Company with the Gabonese government in Gabon, as a subsidiary of Olam International to focus mainly on the establishment of oil palm plantations development and processing of palm oil for both local and international markets. On 26th November 2010, Olam Palm was granted a total of 51,920 ha of concessions for a 50-year period. These concessions consist of three Lots located in the provinces of Estuary and Middle Ogooue areas in the forest zone of Gabon, for agro-industrial oil palm plantation development. The three Lots include **“Lot 8”** at 20,030 ha located in the Department of Komo Kango **of the Estuary province**, **“Lot 9”** covering an area of 18,530 ha located in the Department of Abanga-Bignie in the province of Moyen-Ogooue and **“Lot 11”** at 13,360 ha lying between the Department of Abanga-Bignie and Department of **“Ogooue et les Lacs”** also in the Moyen-Ogooue province (Figure 16).

Lots 8 and 9 have been heavily exploited and are known to have been exploited several times over the last few decades and are reported to be going through their 7th to 10th rotation (F. Legault pers. comm.). This region of Gabon is recorded to have been one of the first areas to be exploited for timber mainly because of its proximity to Libreville, the national capital and the main ports for exports. Timber exploitation in this region was bolstered by the presence of major rivers that allow easy transportation of logs to the port for shipment overseas. In addition to the successive commercial industrial exploitations, several timber permits have over the years been granted to local companies and individuals in this degraded forest landscape for removal of the remaining mature economic trees even before the concessions were granted to Olam Palm. Some of these permits are still active, particularly the permit Gré à Gré (referred to as PGG) for which holders are expected to harvest no more than 50 trees during the duration of the permit. Besides the official and legally recognised operations, there is also a substantial number of informal timber harvesting operations by local communities in the region. Timber products from these informal activities serve as a cheaper source of wood for local construction as well as providing income to some local people. Although Lot 8 is about 5 km from the nearest communities, a handful of local farmers are actively using some areas of this concession for small-scale agricultural activities. In addition to this is the granting of mining and petroleum **permits to other companies including Oil India. Although Oil India’s permit overlaps with** some areas of Lots 8 and 9, officials of Gabonese government confirmed that it is legally acceptable since both permits have rights over different layers of the soil in any overlap area.

Primary forest in the assessment area

There are no primary forests in the three concessions. Information from the Gabonese Ministry of Forests and the field investigations suggest that the forests of these concessions have been exploited many times although some areas of Lot 11 (the south-eastern parts) consists of closed canopy forests. This area of Lot 11 also overlaps with the Intact Forest Landscape (IFL) defined by the World Resources Institute and Greenpeace along with several other organisations involved in the mapping of the IFL.

Areas required to maintain or enhance HCVs

Generally, most parts of the northern triangle of Lot 8 and most parts of Lot 9 are required to maintain or enhance biological HCVs, besides Lot 9 being in Ramsar sites. Additionally, patches of areas in both the southern end of Lot 8 and north-western end of Lot 9 are

required to maintain both biological and social HCVs. In defining areas required to maintain or enhance HCVs, the various types of HCVs identified in the two Lots and their locations are presented below.

HCV 1.1 in Lot 8



Figure 1: Map of Lots 8 and 9 with the nearest National Parks

The north-western boundary of Lot 8 is about 15 km from a wetland park, the Pongara National Park. Although this concession is not within the boundaries of the national park, the conversion of this part of Lot 8 into oil palm plantation with significant use of fertilizers and agrochemicals could affect the quality of water from the Komo estuary which borders Lot 8 and drains through the park. Given that most parts of Lot 8 near the Komo estuary are hilly with slopes of above 20 degrees, there is potential risk of erosion and siltation if this area is converted. Considering this risk within the framework of the precautionary principles and proximity of the concession to the park, specific recommendations for slope management, rivers buffering and soil management have been made for any conversion activities in northern triangle of Lot 8 so as to avoid or reduce the potential impact of agrochemicals from the plantation on Pongara National Park.

HCV 1.1 in Lot 9



Figure 2: Map of Lot 9 showing the boundaries of the Bas-Ogooué Ramsar site. Lots 9 and 11 were identified to be located within the newly designated Bas-Ogooué Ramsar site (Figure 2) which is an internationally recognised conservation priority area under the intergovernmental Ramsar Convention¹. Although the classification of an area as a Ramsar

¹ Officially, “The Convention on Wetlands of International Importance especially as Waterfowl Habitat”

site does not preclude all development activities within its boundaries, it is important that any economic activity that is undertaken in such area is consistent with the objectives for which the area was designated. Given that the areas around the two lakes, Nguene and Azougué are important areas for species of conservation importance such as those listed on CITES appendix I and II including gorillas and elephants (CITES appendix I) and manatees and hippopotamus (*Hippopotamus amphibious*) (Cites appendix II), this is one of the reasons for designating the area as Ramsar, the entire Ramsar area is considered as HCV 1.1.

HCV 1.2 in Lot 8

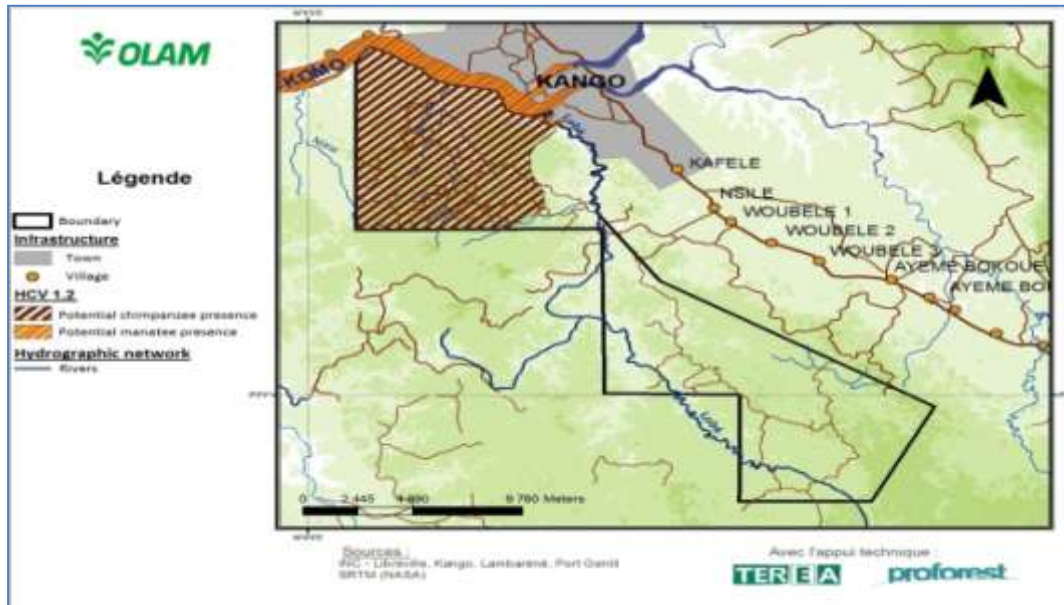


Figure 3: Map of Lot 8 indicating where HCV 1.2 is potentially present

Manatees are under high hunting pressure in Gabon and their distribution area is very restricted compared to most species of conservation concern in Gabon. This species was sighted during the assessment in rivers in the northern parts of Lot 8 as indicated in Figure 3. There is currently a Memorandum of Understanding (MOU) between the Provincial governors and local communities in the region to protect populations of manatees in this region. Furthermore, signs of great apes were seen in this part of the concession although there was limited information to support that there are significant concentrations of great apes in this area. Since this assessment was conducted during the rainy season, it is important that another mammal survey (for example in dry season) is carried out in this area with the aim of identifying the significance of the concentration of great apes in the area. By invoking the precautionary principle, we have decided to classify those populations as potential HCV 1.2 until further studies are carried out or adequate data is available.

HCV 1.2 in Lot 9

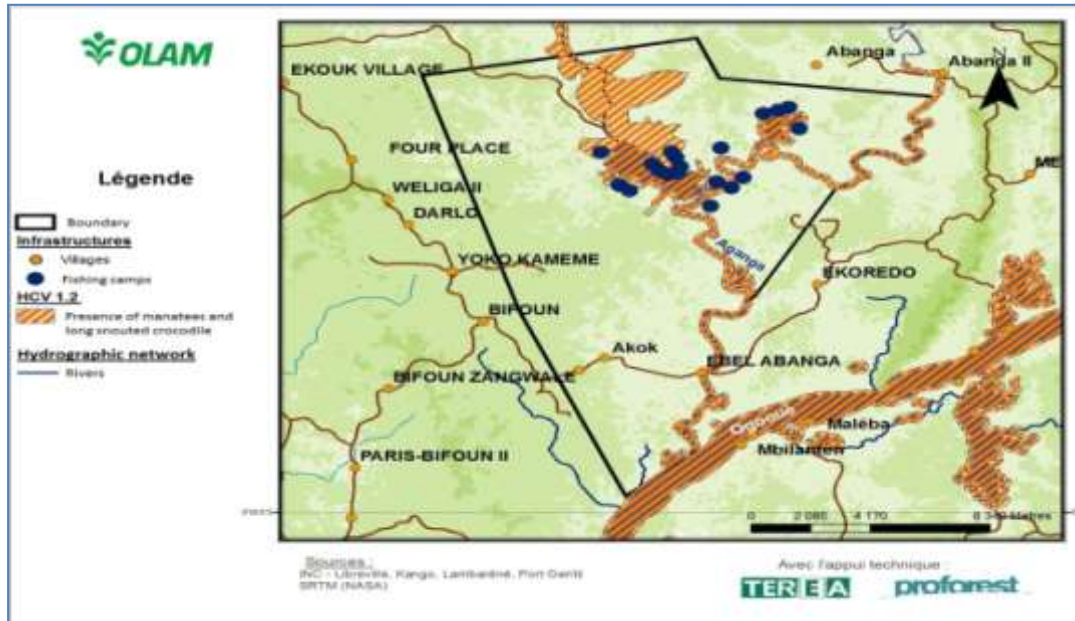


Figure 4: Map of Lot 9 indicating HCV 1.2 areas

In addition to the Manatees, the slender-snouted crocodile which is protected under the Convention on Migratory Species is also present in the lakes in this concession. Given that the two lakes host a significant concentration of Manatees and by invoking the Precautionary Principle, the lakes and the associated wetlands are considered to support concentration of RTEs and hence classified as HCV1.2

HCV 1.4 in Lot 8

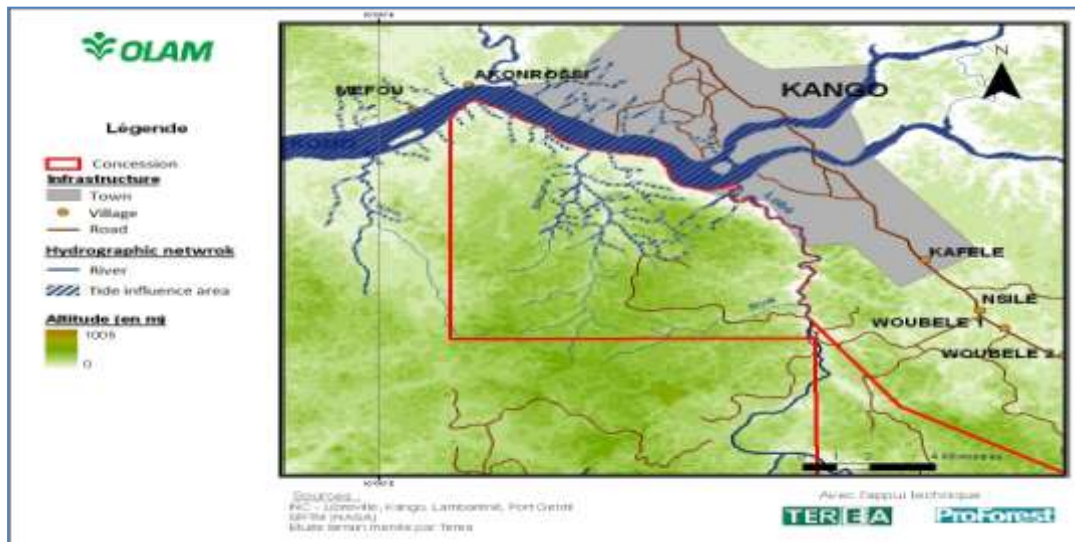


Figure 5: Map of Lot 8 and HCV 1.4 areas

Several migratory fish species were identified in the rivers of in the northern part of Lot 8. Examples of species identified in the area are the euryhaline fish species, “mulets” (*Liza falcipinnis*), “machoirons” (*Chrysichthys auratus auratus* and *Chrysichthys nigrodigitatus*), “capitaines” (*Polydactylus quadrifilis*), “bossus” (*Pseudotolithus elongatus*), and “rouges” (*Lutjanus dentatus*). Additionally, large population of shrimps such as “missala” shrimps (*Macrobrachium macrobrachion* and *Macrobrachium vollenhovenii*) are found in this area. The shrimps are heavily dependent on the mangrove patches, marsh and flooded forests that are under tidal influence in this area. All of these species migrate during the rainy

season for reproduction purposes and lay their eggs in the forest streams linked to the Bikoume and Lobé rivers. These habitats are therefore of great importance for maintenance and continuous replenishment of fish stocks which are critical for the livelihoods of the local population.

HCV 1.4 in Lot 9

The whole watershed comprising Lakes Nguene and Azougué and their tributaries including River Abanga and the flood plains are considered as HCV 1.4.

The reason is to maintain viable habitats for three major migratory groups of species including:

- Manatee (*Trichechus senegalensis*): These are aquatic mammals that migrate at the onset of the rainy season (in general from October to December) from the Ogooué to the Lakes Nguene and Azougué to feed on aquatic plants and foliage of trees in the flooded forests. They then return to the Ogooué during the short and the mainly dry seasons (Louembet, 2009).
- Fishes: Given that most parts of Lot 9 are aquatic ecosystems, fish species are more abundant and diverse in this concession. The alternation of dry and rainy seasons which are associated with dryness and floods respectively drives a migratory system for the fish species in the area. During the dry season, fish species predominantly live in the River Ogooué or the Abanga. Those rivers are characterized by a low level of available nutrients. The water level rises during the raining season resulting in increased concentrations of organic material. The rivers and lakes flood the adjoining forests, causing fast decomposition of leaves and litter by micro-organisms and become the source of food for aquatic species (Mbega, 2004; Mvé pers. comm.). The life cycle of the fish species follows the different seasons and the water cycle. The rainy season is the reproductive season for all the fish species: predators (such as *Hepsetus odoe*) are the first to arrive and to lay their eggs, then **followed by the herbivorous species. This cycle of “lateral migrations” from the main river Ogooué to the Abanga and the lake system is therefore essential for the survival of all the fish species of the area** (Mbega, 2004; Leveque, 1999).
- Birds: Species of birds observed in the area are mainly those that feed on fish (piscivores). Although there are different types of species found in the area, available literature and consultation with experts suggest that piscivorous species in the area follow the rainy and dry seasons of the year. During the rainy season species such as the African Fish Eagle and the Hamerkop, which can feed on fish as they swim in rivers, are commonly found in the area. However, during the dry season when the flood recedes, other fish-eating birds migrate to the area to feed on trapped fish in small ponds and pools of water near the lake. The species described under HCV 1.4 are mainly fishing birds such as terns (*Sterna hirundo* and *Sterna albifrons*), herons (*Ardea purpurea*, *Ardea cinherea*, *Ardea goliath*, *Butorides striata*), egrets (*Egretta alba*, *Egretta intermedia*, *Egretta garzetta*) and anhingas (*Anhinga rufa*). We also consider European migratory species with prey birds such as osprey (*Pandion haliaetus*) and honey buzzard (*Pernis apivorus*).

HCV 2 in Lot 11

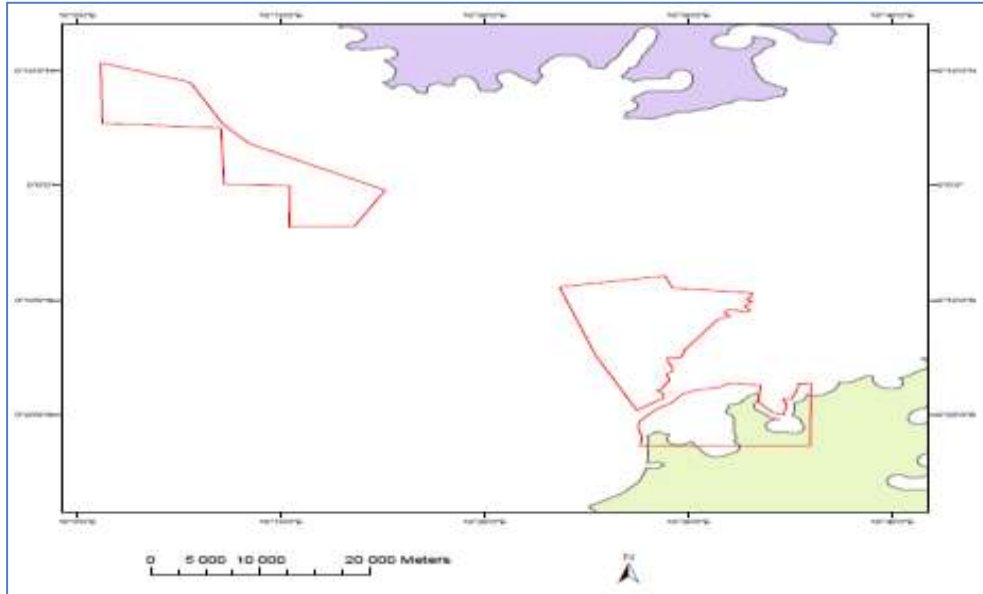


Figure 6: Map of Olam Palm Concessions and an Intact Forest Landscape

Lot 11 has about a third of its area, the south-eastern part, overlapping with an Intact Forest Landscape (indicated light green in Figure 6). Lot 11 was also observed to be minimally disturbed with most parts consisting of closed canopy forests. Lot 11 was therefore considered as HCV2 since it forms part of a large landscape level forest.

HCV 4.1 in Lot 8

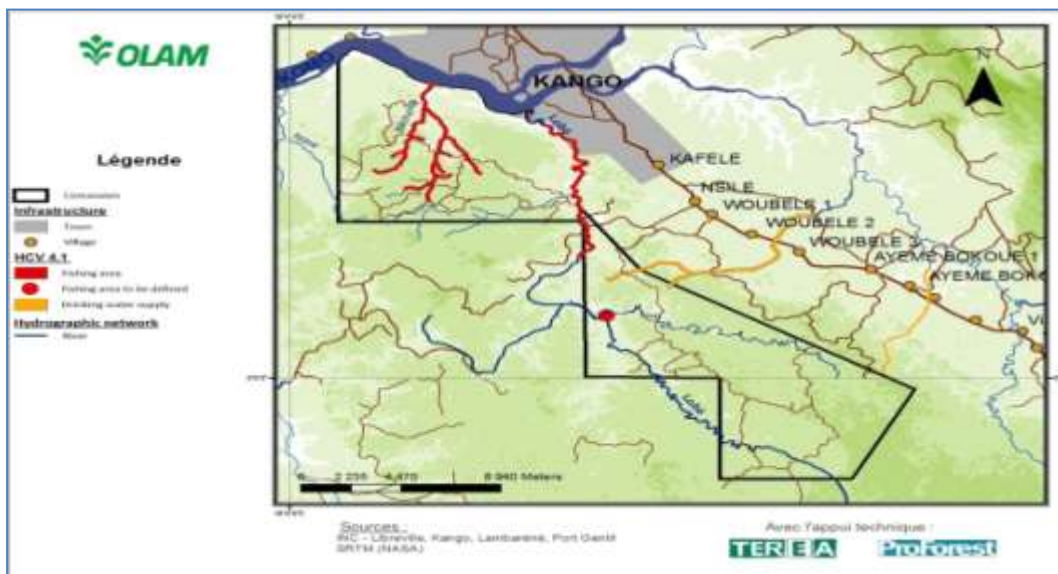


Figure 7: Map of Lot 8 showing HCV 4.1 areas

The main areas identified as critical to water catchments (HCV 4.1) are the watersheds of Awala and Bikoume rivers and the banks of Komo estuary. This also includes riparian forest protecting River Woubele which is a major source of drinking water for the local communities. The River Woubelé is a source of drinking water for the Woubelé and a number of villages and takes its source from Lot 8. It is therefore classified HCV 4.1. Another smaller river (orange colour in Figure 7) passing through the village of Ayeme Bokoué is generally used by the people of the village and was identified as taking its source from the concession and is therefore classified as HCV.

HCV 4.1 in Lot 9

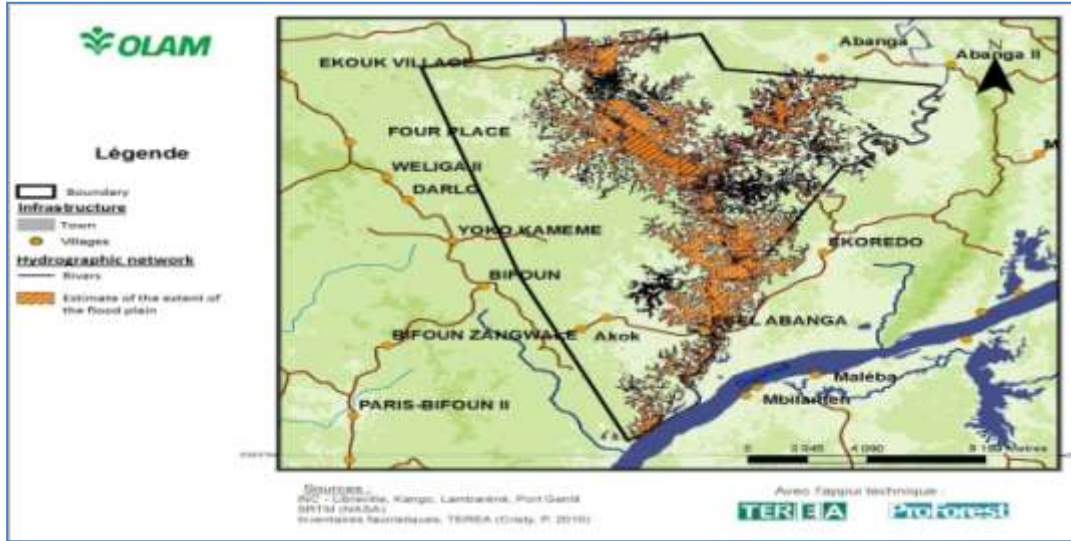


Figure 8: Map of Lot 8 and HCV 4.1 areas

The hydrological network of Lot 9 is far more complex. It associates two main rivers (Ogooué and Abanga) with two lakes (Nguene and Azougue), their watershed and an associated flood plain that floods heavily during the rainy season. Based on the importance of the water bodies in Lot 9, the Lakes Nguene and Azougue, the Ogooué, the River Abanga and their tributaries as well as the associated flood plains have all been classified as HCV 4.1.

HCV 4.2 in Lot 8

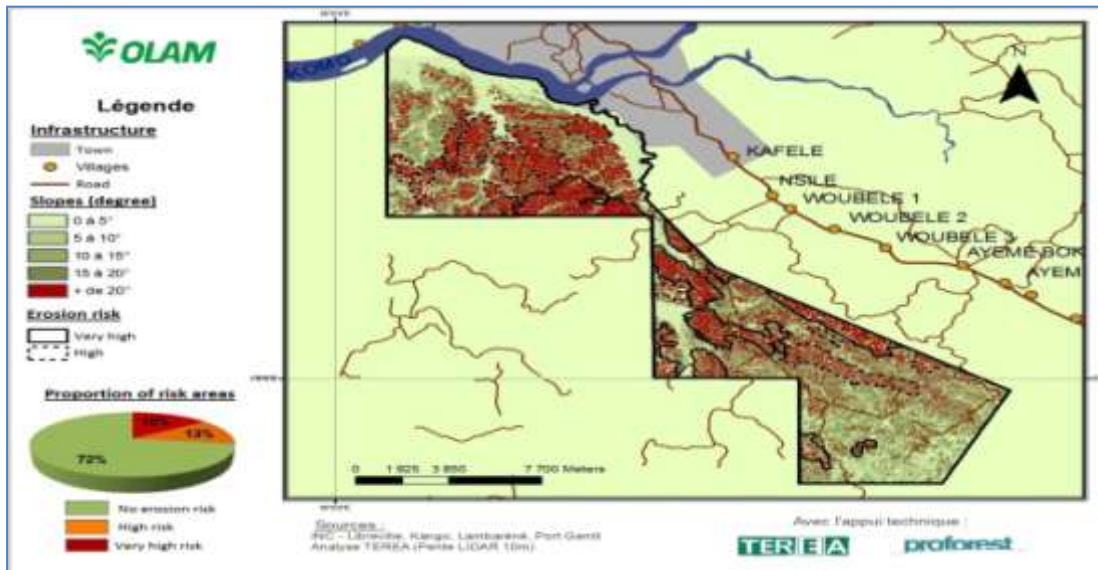


Figure 9: Map of Lot 8 and HCV 4.2 areas