

# OUR FPIC PROCESS

Documentation of the Process and Activities to obtain the Free, Prior and Informed Consent of the Communities at the Extension Two Oil Palm Development Project at Ovia Northeast and Uhumwonde Local Government Areas, Edo State, Nigeria



OCTOBER 2016



THE OKOMU OIL PALM COMPANY PLC

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## **LIST OF ABBREVIATIONS AND ACRONYMS**

FFB	-	Fresh Fruit Bunch
FPIC	-	Free, Prior and Informed Consent
HCV	-	High Conservation Value
HSE	-	Health Safety and Environment
JIC	-	Joint Implementation Committee
NIFOR-		Nigerian Institute for Oil Palm Research
NPP	-	New Planting Procedure
NSE	-	Nigerian Stock Exchange
OOPC	-	Okomu Oil Palm Company
PAT	-	Profit After Tax
RSPO	-	Roundtable on Sustainable Palm Oil
TCPC	-	Technical Committee on Privatization and Commercialization

# **OKOMU OIL PALM COMPANY PLC OUR FPIC PROCESS**

## **Report on the Free, Prior and Informed Consent Process of Extension Two Oil Palm Development Project October 2016**

### **Okomu Oil Palm Company Plc – Company Profile**

The Okomu Oil Palm Company was established in 1976 as a Federal Government pilot project aimed at rehabilitating oil palm production in Nigeria. At inception, the pilot project covered a surveyed area of 15,580 hectares out of which 12,500 hectares could be planted with oil palm. It was incorporated on December 3, 1979 as a limited liability company.

As part of efforts to shore up its revenue base, the company acquired and installed a 1.5-tonne fresh Fruit Bunches /hour mill in 1985 to begin to process its FFB. Prior to the installation of the mill, the company derived its revenue from the sale of FFB.

By December 31, 1989, 5,055 hectares of the estate had been planted. The company also began infrastructural developments on the estate at that period. The facilities included office blocks, workshops/stores, staff quarters, a petrol station, a powerhouse and a primary school for children of the company's staff members.

In 1990, the Technical Committee on Privatization and Commercialization (TCPC) privatized The Okomu Oil Palm Company on behalf of the Federal Government of Nigeria. It has since grown to become Nigeria's leading oil palm company with 8,800 ha of mature palm, a young extension of 4,000 ha of rubber, and a palm oil mill of 30 tons per hour capacity.

The privatization of the Okomu Oil Palm Company Plc has been a great success and a huge encouragement for the Nigerian agricultural sector for the future, with profound positive consequences of stable socioeconomic growth for the region where it is implanted. The success of the company was further exemplified by the strong increase of its net income which allowed doubling of its dividend.

Okomu has consistently posted profits in the last 10 years, a period during which most other agricultural initiatives in the country had either folded –up or were performing sub-optimally.

What is most inspiring is not just the growth and profitability of the company but the fact that

The Okomu Oil Palm Company Plc is ranked 10th among listed companies with the largest turnovers quoted on the Nigerian Stock Exchange (NSE). It is the only agribusiness in the NSE's top 16 companies with the largest turnovers. According to the June–July issue of the Bottom line magazine, The Okomu Oil Palm Company Plc is the ninth company with the highest profits before tax among companies quoted on the NSE, and the only agro-business on the Exchange's top 16.

Today, what is now known as The Okomu Oil Palm Company Plc has transformed into an economic success, earning presidential commendation and recording over 300 percent rise in profit after - tax (PAT) from the preceding year.

The excellent quality of oil produced by Okomu guarantees good selling price on the local market, which absorbs the whole production.

Just as its expanding in size, its corporate environment is also expanding. Currently, the company employs over 800 permanent staff and several independent sub-contractors. All these have added up to place it on top in the burgeoning oil palm business and to position it as an emerging leader in rubber production.

Okomu benefits from the quality management provided by its main shareholders and technical partner (SOCFINAF). With a 53.32% share in Okomu Oil Palm Plc, SOCFINAF is the biggest single shareholder in the company. SOCFINAF brings into Okomu Oil Palm Plc a little under a century of sound acclaimed technical expertise in the world stage. SOCFINAF (Luxemburg) is a global player in the cultivation of oil palm, rubber, coffee and tropical flower. SOCFIN S. A. founded in 1912 was the first industrial company to plant oil palm in Africa and Indonesia. It has ongoing plantation operations in Cote D'Ivoire, Liberia, Guinea, Cameroon, Congo DR, Sierra Leone, Ghana, and Indonesia.

### **Executive Summary**

As part of the Socfin group of companies, OOPC intends to ensure all of its existing oil palm plantations and yet to be established plantations including the palm oil processing facilities conform to the international standards and requirements of the Roundtable on Sustainable Palm Oil (RSPO) including Free, Prior and Informed Consent (FPIC) in order to be able to service the domestic, regional and international markets.

Okomu acquired what is now known as Extension Two in November 2014 as a going concern with planted palms and an oil mill. We initiated the FPIC process with initial visits to the communities starting from 2014 and concluded it with the FPIC Agreement signing ceremony on 29 July 2016.

There are no settlements inside the Extension Two project land but there are ten main communities located within 3-10 km from the closest boundaries of the project land. These communities are located within two Local Government Areas of Ovia Northeast and the Uhumwonde Local Government Areas. There are five communities located within the Ovia Northeast Local Government area namely: Agbanikaka, Owan, Uhiere, Odiguetue and Odighi, while the remaining five communities including Ekpan, Oke, Umuokpe, Irhue and Orhua are located within Uhumwonde Local Government Area. We thus considered these communities as having customary and/or user right over the project land and therefore need to obtain their free, prior and informed consent.

The FPIC Guide for RSPO members (2015) guided our approach and methodology, which focused on ensuring that consent is free, consent is prior, consent is informed and consent is given. We started the FPIC process in 2014 with initial visits and consultations with the communities' leadership and stakeholders, and followed it up with provision of information about the proposed project. The communities seemed satisfied and liked to continue with the project. The communities then appointed their representatives from the different organizations in the communities. Each community later selected those very experienced on land matters to represent them in the participatory mapping that followed. The outcome of the participatory mapping revealed that there are no overlapping boundary issues.

The communities wanted equal treatment and agreed to a neutral and central meeting point. They also agreed to a common legal representation. Iterative meetings were held followed by negotiations. The communities' legal representative and the company legal representative drafted the consent based agreements. The consent based agreement was signed by the representatives of each community at a public ceremony on 29 July 2016. The signed agreement has provision for Joint Implementation Committee and Grievance and dispute resolution mechanism.

## **1.0 Introduction**

Free, Prior and Informed Consent (FPIC) is the right of indigenous peoples and other local Communities to give or to withhold their consent to any project affecting their lands, livelihoods and environment.

Indigenous Peoples' right to free, prior and informed consent (FPIC) has been recognized by a number of intergovernmental organizations, international bodies, conventions and international human rights law in varying degrees and increasingly in the laws of State.

The right to FPIC is enshrined in international law (in particular, the United Nations Declaration on the Rights of Indigenous Peoples) and jurisprudence and national legal frameworks and constitutions generally support the right of people to be consulted and given a choice in decision-making when it comes to their lands, livelihoods and environment. Even where national laws do

not require FPIC in those particular terms, companies that have subscribed to certification standards, such as the RSPO, are expected to go beyond domestic law to uphold the higher international standards by seeking community consent.

International human rights laws and business best practices, recognize that – even where national legal frameworks may provide weak or absent protections of customary rights to land – plantations should not be established on indigenous peoples’ lands without recognition of their prior rights to the land and of their right to control what happens on that land.

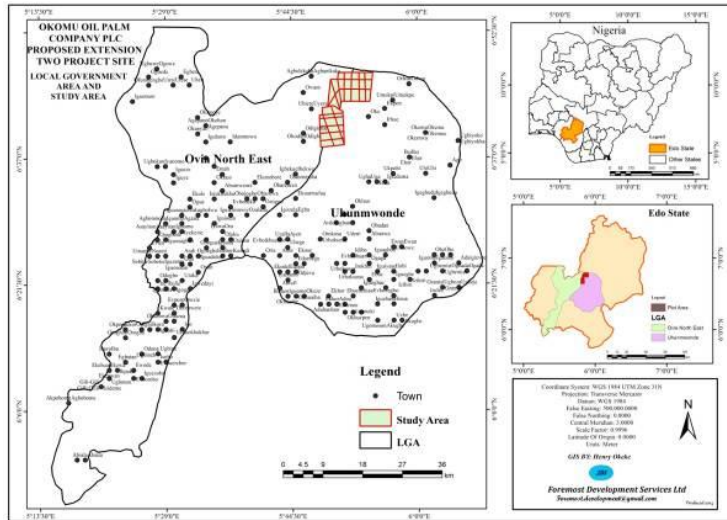
As a subsidiary of the Socfin group of companies, OOPC intends to ensure all of its existing oil palm plantations and yet to be established plantations including the palm oil processing facilities conform to the international standards and requirements of the Roundtable on Sustainable Palm Oil (RSPO) in order to be able to service the domestic, regional and international markets. In this regard therefore, the development of the Extension Two project is designed to follow the new planting procedure (NPP) of RSPO, thus making the obtaining of the Free, Prior and Informed Consent of all the Extension Two communities a condition precedent.

Okomu acquired what is now known as Extension Two in November 2013 as a going concern with planted palms and an oil mill from A and Hatman Limited; a local Nigerian plantation company. We initiated the FPIC process with initial visits to the communities starting from 2014 when the impact assessments started and concluded it with the signing of the FPIC Agreement signing ceremony on 29 July 2016. The entire process was undertaken and managed by our FPIC team led by the Managing Director. The other team members included the Agriculture Coordinator, HSE Manager, Community Liaison Officer and Communications Manager. In addition, the RSPO National Interpretation Facilitator in Nigeria provided the necessary guidance and mediatory assistance to the process. The following presentation summarizes our Extension Two FPIC process.

## **2.0 Proposed Extension Two Project**

Extension Two is our latest acquisition in our expansion drive. It was acquired on 28 November 2013 from A & Hatman Limited. The total land area of Extension Two is 11,416 ha assigned for a period of 99 years and covered with a Certificate of Occupancy Number EDSR 15666 dated 3rd May 2006 and registered as No 40 at Page 40 in Volume B. 237 in the Land Registry at Benin City, Edo State, Nigeria. Of the 11, 416 ha, about 760 ha was planted with oil palm by the previous owners.

We plan to fully develop the land to oil palm including provisions for infrastructure over a period of four years and install a state of the art palm oil mill of 60 tons per hour capacity to process the fresh fruit bunches.



Map 1: Location Map of Extension Two Project

### 3.0 Extension Two Communities

There are no settlements inside the Extension Two project land but there are ten main communities located within 3-10 km from the closest boundaries of the project land. These communities are located within two Local Government Areas of Ovia Northeast and the Uhumwonde Local Government Areas. There are five communities located within the Ovia Northeast Local Government area namely: Agbanikaka, Owan, Uhiere, Odiguetue and Odighi, while the remaining five communities including Ekpan, Oke, Umuokpe, Irhue and Orhua are located within Uhumwonde Local Government Area.

We have thus considered the following communities as being within the area of influence of the proposed Extension Two project and having customary and/or user right over the project land:

#### 3.1 Agbanikaka Community

Agbanikaka, which translates to “The Land of Peace”, is an Uhobe community in Ovia North East Local Government Area in Edo State, Nigeria. The community is in the North-West of the Extension and shares boundaries with Sabogida, Ijagba, Owan, and Sobe in the North, South, East and West respectively.

#### 3.2 Owan Community

Owan, which translates to “The land that protects its children”, is an Uhebe community in Ovia North East Local Government Area in Edo State, Nigeria. The community is in the North-West of Extension Two, and shares boundaries with Sabongida, Ofutabe, Uhiere, and Agbanikaka in the North, South, East and West respectively.



### **3.3 Uhiere Community**

Uhiere, which translates to “The Land of Peace”, is an Ishan community in Ovia North East Local Government Area in Edo State, Nigeria. The community is in the West of the project site and shares boundaries with Oke, Ofutabe, Odigwetue and Owan, in the North, South, East and West respectively.

### **3.4 Odigwetue Community**

Odigwetue, which translates to “The Land of dignity”, is an Edo community in Ovia North East Local Government Area in Edo State, Nigeria. The community is in the South-West of the project site and shares boundaries with Okokhuo, Oke, Uhiere and Odighi in the North, South, East and West respectively.

### **3.5 Odighi Community**

Odighi, which translates to “The Land of honey”, is an Ozoguo community in Ovia North East Local Government Area in Edo State, Nigeria. The community is in the South-West of the project site and shares boundaries with Idunmowo, Oke, Osasimoba, and Uhiere in the North, South, East and West respectively.

### **3.6 Ihrue Community**

Ihrue, which translates to “The Land of evil blood”, is a Benin community in Uhumwonde Local Government Area in Edo State, Nigeria. The community is in the East of the project site and shares boundaries with Oke, Irukepe, Ekpan and Ikhua in the North, South, East and West respectively.

### **3.7 Oke-Irhue Community**

Oke, translates to “The Land surrounded by hills”, is a Benin community in Uhumwonde Local Government Area in Edo State, Nigeria. The community is in the East of the project site and is one of the oldest communities based on oral history.

### **3.8 Ekpan Community**

Ekpan, which translates to “The Land of Peace”, is a Benin community in Uhumwonde Local Government Area in Edo State, Nigeria. The community is in the East of the project site. The community which is about 2 square kilometers in size (in-dwelling) is made up of four quarters namely Dumeso, Idueke, Ukpoka and Egohie. It shares boundaries with Isa West, Owan, Irhue and Umukpe-Irhua in the North, South, East and West respectively.

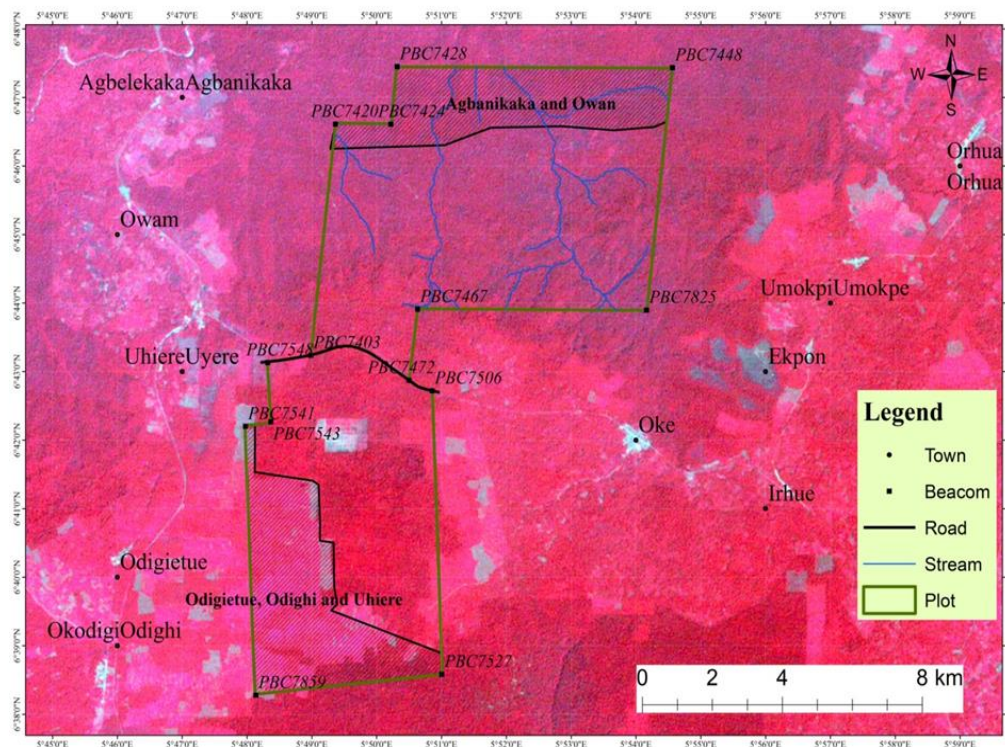
### **3.9 Umuokpe Community**

Umuokpe, which translates to “The Land of Prosperity”, is a Benin community in Uhumwonde Local Government Area in Edo State, Nigeria. The community is in the North-East of Extension Two. It is about 2 square kilometers in size (in-dwelling) and is made up of three quarters and

seven compounds. The community shares boundaries with Orhua, Ekpan, Isan West and Owan in the North, South, East and West respectively.

### 3.10 Orhua Community

Orhua, which translates to “The Land of humility”, is a combination of Ishan and Benin community in Uhunmwonde Local Government Area in Edo State, Nigeria. The community is in the North-East of the project site and shares boundaries with Iruokpen, Umuokpe, Isan West and Owan in the North, South, East and West respectively.



Map 2: Location of Extension Two Communities

### 4.0 Free, Prior and Informed Consent

Free, Prior and Informed Consent (FPIC) is the right of indigenous peoples and other local Communities to give or to withhold their consent to any project affecting their lands, livelihoods and environment.

This consent should be given or withheld freely, meaning without coercion, intimidation or manipulation, and through communities’ own freely chosen representatives such as their customary or other institutions. It should be sought prior to the project going ahead, meaning sufficiently in advance of any authorization or commencement of activities and respecting the time requirements of indigenous consultation processes. It should be informed, meaning that communities must have access to and be provided with comprehensive and impartial information on the project, including the nature and purpose of the project, its scale and location, duration,

reversibility, and scope; all possible economic, social, cultural and environmental impacts, including potential risks and benefits, resulting from the project and that the costs and benefits of alternative development options can be considered by the community with, or offered by, any other parties who wish to do so, with whom the community is free to engage.

Key to respecting consent are iterative processes of collective consultation, the demonstration of good faith in negotiations, transparent and mutually respectful dialogue, broad and equitable participation, and free decision by the community to give or withhold consent, reached through its self-chosen mode of decision making.

**5.0 RSPO and FPIC Requirement**

Respect for FPIC has been a central requirement of the RSPO Principles and Criteria since they were first adopted in 2005. It seeks to ensure that RSPO certified sustainable palm oil comes from areas without land conflicts or ‘land grabs’ and that oil palm expansion takes place in ways that do not destroy High Conservation Values (HCVs) or cause social conflict. FPIC is thus a principle of best social practice and of best environmental practice, ensuring just land acquisition and use.

The principle of Free, Prior and Informed Consent is central to the RSPO’s Principles and Criteria and guides the way companies deal with local communities (including indigenous peoples), provide information, carry out impact assessments, acquire land, agree payments and benefits, settle differences and resolve conflicts and pay compensation.

The key RSPO Principles & Criteria relating to FPIC provide that:

<p><b>Criterion 2.2</b></p> <p>The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>	<p><b>Indicators:</b></p> <p>2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.</p> <p>2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained.</p> <p>2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).</p> <p>2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.</p> <p>2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).</p> <p>2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p>
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	<p><b>Specific Guidance:</b>  For 2.2.2: Plantation operations should cease on land planted beyond the legally determined area and there should be specific plans in place to address such issues for associated smallholders.</p> <p>For 2.2.6: Company policy should prohibit the use of mercenaries and Paramilitaries in their operations. Company policy should prohibit extra-judicial intimidation and harassment by contracted security forces (see Criterion 6.13).</p>
<p><b>Criterion 2.3</b></p> <p>Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.</p>	<p><b>Indicators:</b></p> <p>2.3.1 Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p>2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <ul style="list-style-type: none"> <li>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</li> <li>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</li> <li>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</li> </ul> <p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p><b>Specific Guidance:</b>  For 2.3.4: Evidence should be available from the companies, communities or other relevant stakeholders.</p> <p><b>Guidance:</b>  All indicators will apply to current operations, but there are exceptions for long-established plantations which may not have records dating back to the time of the decision making, in particular for compliance with Indicators 2.3.1 and 2.3.2.</p>

	<p>Where there are legal or customary rights over land, the grower should demonstrate that these rights are understood and are not being threatened or reduced. This Criterion should be considered in conjunction with Criteria 6.4, 7.5 and 7.6. Where customary rights areas are unclear these should be established through participatory mapping exercises involving affected parties (including neighbouring communities and local authorities).</p> <p>This Criterion allows for sales and negotiated agreements to compensate other users for lost benefits and/or relinquished rights. Negotiated agreements should be non-coercive and entered into voluntarily, carried out prior to new investments or operations, and based on an open sharing of all relevant information. Their presentation of communities should be transparent and in open communication with other community members. Adequate time should be given for customary decision making and iterative negotiations allowed for, where requested. Negotiated agreements should be binding on all parties and enforceable in the courts.</p> <p>Establishing certainty in land negotiations is of long-term benefit for all parties. Companies should be especially careful where they are offered lands acquired from the State by its invoking the national interest (also known as ‘eminent domain’).</p> <p>Growers and millers should refer to the RSPO approved FPIC guidance (<i>‘FPIC and the RSPO: A Guide for Companies’, October 2008</i>)</p> <p><b>For National Interpretation:</b> Any commonly encountered situations should be identified.</p>
<p><b>Criterion 7.5</b></p> <p>No new plantings are established on local peoples’ land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.</p>	<p><b>Indicators:</b></p> <p>7.5.1 Evidence shall be available that affected local peoples understand they have the right to say ‘no’ to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed and ratified by these local peoples.</p> <p>Refer also to criteria 2.2, 2.3, 6.2, 6.4 and 7.6 for Indicators and Guidance on compliance.</p> <p><b>Guidance:</b> This activity should be integrated with the Social and Environmental Impact Assessment (SEIA) required by Criterion 7.1.</p> <p>Where new plantings are considered to be acceptable, management plans and operations should maintain sacred sites.</p> <p>Agreements with indigenous peoples, local communities and other stakeholders should be made without coercion or other undue influence (see Guidance for Criterion 2.3).</p> <p>Relevant stakeholders include those affected by or concerned with the new plantings.</p> <p>Free, prior and informed consent (FPIC) is a guiding principle and should be applied to all RSPO members throughout the supply chain. Refer to RSPO</p>

	<p>approved FPIC guidance (<i>'FPIC and the RSPO; A Guide for Companies'</i>, October 2008).</p> <p>Customary and user rights will be demonstrated through participatory user mapping as part of the FPIC process.</p>
<p><b>Criterion 7.6</b></p> <p>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</p>	<p><b>Indicators:</b></p> <p>7.6.1 Documented identification and assessment of demonstrable legal, customary and user rights shall be available.</p> <p>7.6.2 A system for identifying people entitled to compensation shall be in place.</p> <p>7.6.3 A system for calculating and distributing fair compensation (monetary or otherwise) shall be in place.</p> <p>7.6.4 Communities that have lost access and rights to land for plantation expansion shall be given opportunities to benefit from plantation development.</p> <p>7.6.5 The process and outcome of any compensation claims shall be documented and made publicly available.</p> <p>7.6.6 Evidence shall be available that the affected communities and rights holders have access to information and advice, that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.</p> <p><b>Specific Guidance:</b></p> <p>For 7.6.1: This activity shall be integrated with the social and environmental impact assessment (SEIA) required by Criterion 7.1.</p> <p>For 7.6.6: Growers and millers will confirm that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the new issuance of a concession or land title to the operator.</p> <p><b>Guidance:</b></p> <p>Refer to Criteria 2.2, 2.3 and 6.4 and associated Guidance.</p> <p>This requirement includes indigenous peoples (see Annex 1). Refer to RSPO approved FPIC guidance (<i>'FPIC and the RSPO; A Guide for Companies'</i>, October 2008).</p>

**6.0 Approach and Methodology**

In 2014 when we initiated our FPIC, we were guided by the 2008 RSPO guide for companies. However, in the course of the FPIC process, the RSPO issued the FPIC Guide for RSPO members (2015). The two publications formed the reference documents that guided our approach and methodology. It was focused at ensuring that consent is free, consent is prior, consent is informed and consent is given. The process and steps are outlined below.

## 7.0 Our FPIC Steps and Process

### 7.1 Initial Visits, Consultation and Engagement with Community Stakeholders

We kick-started the FPIC process with initial visits to all the communities to introduce the company and the proposed project. In all, we visited ten communities that were thought to have long time relationship with the project land including customary and user rights. The ten communities included to the east; Ekpan, Oke, Umuokpe, Irhue and Orhua, and to the west; Agbanikaka, Owan, Uhiere, Odiguetue and Odighi.

We followed up on the initial visits with identifying and engaging with community stakeholders especially the community based organizations including the traditional and elders' councils, community development associations, women and youth associations. We introduced RSPO to them and the requirement for and their rights under FPIC, especially, the right to say no if they don't like the proposed oil palm development.

In this particular instance, the communities welcomed the proposed development. They felt that they were better off compared to the former owners and operators that did not accord them such rights and consultations.





Photo 1: Initial visits and consultations with the communities by the Managing Director, Agriculture Coordinator, Community Liaison Officer and other staff of the company.

## 7.2 Providing information.

We started providing information in earnest for us to comply with the FPIC principle that decision-making and consent should be informed. We provided specific relevant information based on the different stages of the project development including pre-construction, construction, operational and decommissioning phases of the project and ensured that all information met the following guidelines:

- Open and transparent
- In locally-appropriate languages and forms
- Delivered in culturally-appropriate ways

It was further ensured that all the relevant and mandatory studies such as Environmental Impact Assessment (EIA), Social Impact Assessment (SIA), High Conservation Value (HCV) Assessment were carried out with the full participation of the communities, thus ensuring that the communities further received the following information:

- Balanced treatment of potential positive and negative impacts
- An assessment of costs and benefits, and their distribution
- Alternatives and outcomes of different scenarios
- Information on community's legal rights and legal implications of the proposed project.
- Benefit sharing





Photo 2: Project Information and Notice Boards at Extension Two Communities

### 7.3 Representative Organizations

The communities appointed their own representatives from their different community based organization, ensuring that women and youth were included. The community representatives thus came from organizations such as Community development Association, Elders Council, Youth Association, Market Women Association etc. The representatives participated in the iterative meetings and negotiations between the communities and OOPC Plc.

### 7.4 Power of Attorney

For all the communities, their representatives obtained the power of attorney to represent them duly signed by the respective heads of the communities.

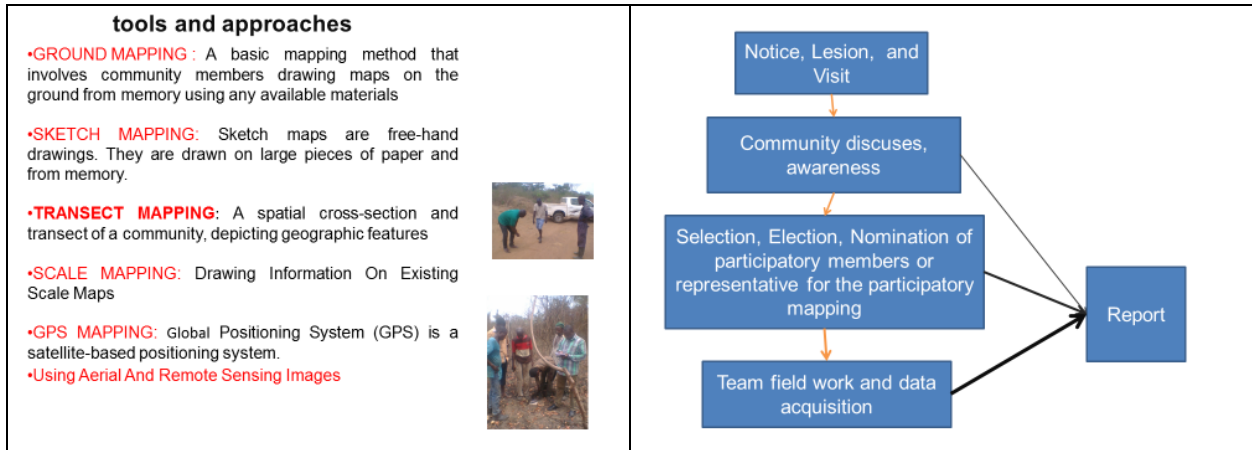
### 7.5 Participatory Mapping

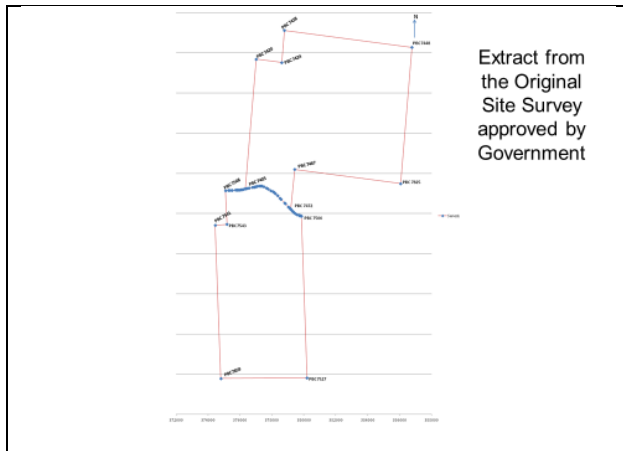
Each community appointed their members who have good knowledge of the community user rights within the project area and the extent of their lands. The community representatives and company surveyors worked together to delineate the boundaries and identify areas of possible boundary overlaps between the project and community's land. In all the communities, no issues of boundary overlap were raised during the participatory mapping exercise. However, the outcome of the participatory mapping revealed that two communities namely Umuokpe and Orhua are about 10 kilometers away from the boundary with insignificant claim to user right and also outside of the project's area of direct and indirect influence. They became disinterested and opted out of the FPIC

process, thus leaving us with eight communities to deal with. We documented the process and approach of the participatory mapping. The illustrations are shown below. Each community kept the record of their respective GPS Coordinates and Attribute information that were acquired during the participatory mapping exercise.

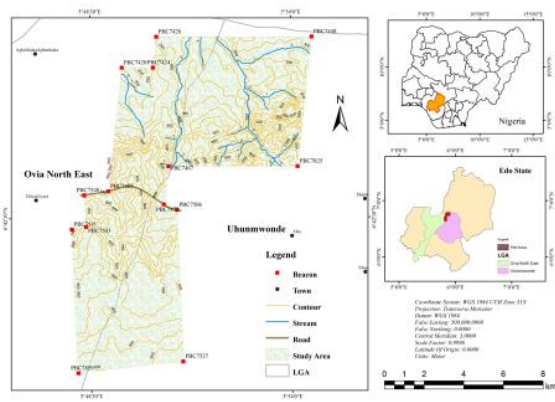


Photo 3: Community Representatives involved in Participatory Mapping





Extract from the Original Site Survey approved by Government

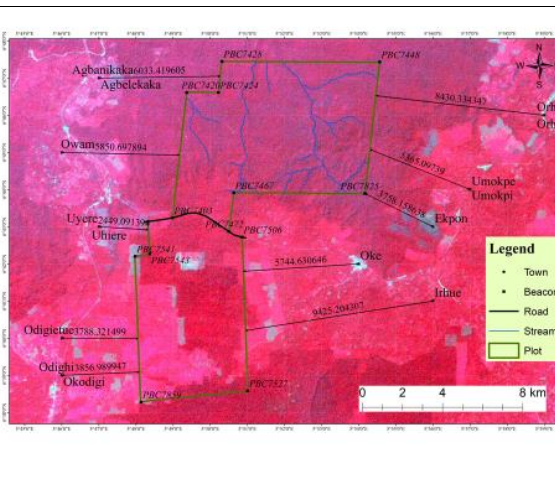
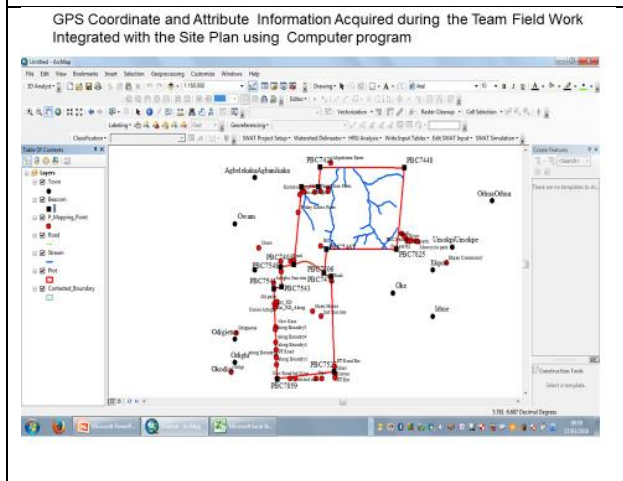


GPS Coordinate and Attribute Information Acquired during the Team Field Work

S/n	Stagire	Min	Second	Y	X	Attribute			
1	0	41	11.8	6.686911	5	49	35.1	5.820285	Guest House
2	0	38	34.1	6.648306	5	45	49.1	5.763839	Ofigi
3	0	40	15.7	6.671028	5	46	3.8	5.767722	Odiguetue
4	0	43	36.8	6.731444	5	47	12.5	5.786806	here
5	0	40	31.5	6.675417	5	46	4.2	5.801167	New Cofe
6	0	39	14	6.653288	5	46	5.4	5.805107	Road
7	0	38	17.48	6.638189	5	48	7.9	5.801214	New Road
8	0	38	48.9	6.649917	5	51	2.5	5.850639	PT Road Ext
9	0	38	31.1	6.641972	5	51	3.1	5.850861	Moist
10	0	38	22.2	6.63395	5	51	3.5	5.850972	PT Ext
11	0	38	18.5	6.635817	5	51	2.5	5.850889	Corner
12	0	38	17.9	6.638306	5	50	23.2	5.839778	
13	0	38	17.7	6.63825	5	49	2.5	5.817506	second moat
14	0	38	17.9	6.638306	5	50	5.9	5.834872	Tree
15	0	38	17.5	6.638194	5	46	47	5.813095	rd Moat
16	0	38	53.9	6.646306	5	48	6.8	5.801759	long Boundary1
17	0	39	11.4	6.653187	5	46	5.6	5.801554	long Boundary2
18	0	39	32.1	6.658917	5	46	4.6	5.801274	long Boundary3
19	0	39	51.7	6.664361	5	46	3.7	5.801021	long Boundary4
20	0	40	24.5	6.673417	5	46	2.5	5.800639	long Boundary5
21	0	41	22.7	6.688498	5	46	0.6	5.800167	20
22	0	41	31.5	6.692083	5	46	0.2	5.800056	rd Along
23	0	41	32	6.692222	5	48	7.2	5.801944	cornr Adigbo
24	0	41	36.5	6.692472	5	46	7	5.801944	oil palm
25	0	42	25.6	6.707111	5	47	97.6	5.799335	Adigbo Junction
26	0	42	34.6	6.715167	5	46	19.7	5.805472	
27	0	42	22.1	6.723806	5	48	18.5	5.801139	
28	0	42	24.5	6.723472	5	48	58.6	5.816278	

GPS Coordinate and Attribute Information Acquired during the Team Field Work.....Cont

Oshin_AGB1	0	45	28.7	6.757972	5	49	12.2	5.820056	Friday Okoro Farm
Oshin_AGB2	0	46	15.1	6.770861	5	49	17	5.821389	
Oshin_AGB3	0	46	23.5	6.775894	5	49	24.5	5.823472	Local/Brigde
Oshin_AGB4	0	46	22	6.772778	5	49	30.5	5.825083	Okoko Camp
Oshin_AGB5	0	46	21.5	6.773689	5	50	1.5	5.838976	
Oshin_AGB6	0	46	24.6	6.7735	5	50	19.8	5.838694	Mkiki Farm
Oshin_AGB7	0	46	31.4	6.775389	5	50	43.2	5.845333	
Oshin_AGB8	0	47	37.7	6.793806	5	50	50.6	5.847389	Ajibosoma Farm
Oshin_AGB9	0	46	24.7	6.773528	5	50	42.6	5.845222	Mosa Farm
Oshin_AGB10	0	44	2.6	6.734056	5	50	20	5.838899	hill
Oshin_AGB11	0	41	0.1	6.683361	5	50	20.7	5.839083	2nd Junction
Oshin_AGB12	0	43	22.7	6.722972	5	48	48.5	5.813899	road
Spign1	0	42	18	6.721667	5	50	41.2	5.844778	
Spign2	0	42	31.2	6.708667	5	50	35.2	5.844111	Bush
Spign3	0	44	21	6.739167	5	54	39.7	5.911028	uphill
Spign4	0	44	25.8	6.7405	5	54	34.8	5.909528	part uphill
Spign5	0	44	34	6.742778	5	54	25.1	5.906972	PBC Beacon
Spign6	0	44	14.9	6.737472	5	54	41.5	5.911528	river
Spign7	0	44	14.6	6.737389	5	54	47.6	5.913206	part path
Spign8	0	44	14	6.737378	5	54	35.5	5.913206	part path2
Spign9	0	44	14.2	6.737378	5	55	9.2	5.916222	part path3
Spign10	0	44	13.4	6.737056	5	55	14	5.920566	motorcyclic park
Spign11	0	43	17.8	6.721611	5	56	41.4	5.944033	Epian Community



Slide 1: Extracts of the process and outcome of Participatory Mapping presentation to the communities

### 7.6 Legal Representation

The remaining eight communities were availed the rights of technical and legal representation. Whereas they felt no need for technical representation, they however chose to appoint one legal representative, who is a member of one of the communities to provide legal advice and guidance

for all the communities. The communities thus procured and engaged the services of F. A. Osifo & Co. (Solicitors), as their legal representative. The communities' legal representative participated in the iterative meetings and negotiations. He subsequently drafted and finalized the FPIC Agreement in conjunction with the OOPC Plc.'s legal representative.

### 7.7 Iterative Meetings

The communities requested that all of them be treated equally and to ensure fairness and equity they agreed that the iterative meetings be held in a central location. Iterative meetings were thus held at the auditorium of the Nigerian Institute for Oil Palm Research. Reasonable time was allowed in between the meetings for the community representatives to feedback and consult with the larger community members. Most of the issues raised, discussed and resolved were cross-cutting issues, while peculiar community issues were left for the negotiation meetings. The iterative meetings were also recorded on video.



Photo 4: Iterative Meetings held at the auditorium of NIFOR

We also used the opportunity of the iterative meetings to provide and share additional information about the company and the proposed project with the communities. The profile of the company, its current plantation holdings, status of the high conservation values and the examples of benefit

sharing with communities at other locations that the company operates. Extracts from the presentations are provided below.

### OKOMU HISTORICAL BACKGROUND

- 1976 – OKOMU established as a Federal Government pilot project for rehabilitation of oil palm production in Nigeria.
- At inception, the pilot project covered a surveyed area of 15,580ha
- 1989 - the company began infrastructural developments on the estate.
- The facilities included office blocks, workshops/stores, staff quarters, a petrol station, power house and a primary school for children of the company’s staff

### OKOMU HISTORY AND BACKGROUND

- The company also boasts ISO 9001 and ISO14001 certifications for quality and environmental management
- Okomu is due for ISO18001 certification for health and safety in 2016.
- RSPO and FSC certification is also ongoing in an effort to ensure best practices in the industry and total stakeholder satisfaction with the company.

### AREA STATEMENT FOR OKOMU

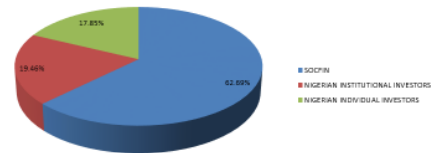
	OKOMU	EXT 1	Ext 2	TOTAL
TITLE (HA)	15,580	6,116	11,416	33,112
PLANTED AREA PALM (HA)	8,489	1,470	664	10,623
PLANTED AREA RUBBER(HA)	5,523	2,312	0	7,835
TOTAL PLANTED (HA)	14,012	3,782	664	18,458
PLANTABLE(HA)	166	1,700	9512	11,378
UNPLANTABLE(HA) *	1402	634	1240	3,276
% OF AREA PLANTED	90%	62%	6%	56%

\*UNPLANTABLE AREAS ARE HCV AREAS,BUILDINGS /VILLAGES ETC

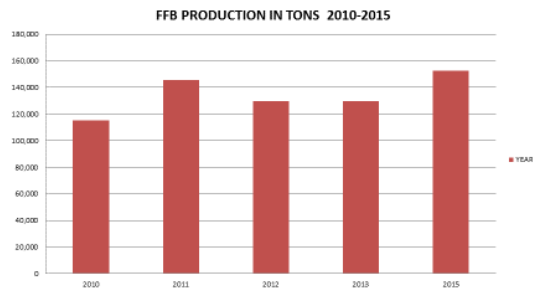
### OKOMU HISTORICAL BACKGROUND

- 1990 - the Technical committee on Privatization and Commercialization (TCPC) privatized the company on behalf of the Federal Government of Nigeria.
- In 2001, the company acquired another 6,116ha property known as Extension 1 in the Ovia SW LGA
- In 2014 Okomu acquired another 11,416 ha in Ovia NE/Uhunmwonde , LGAs known as Extension 2.
- The total current area under the company’s control according to title is 33,112ha.

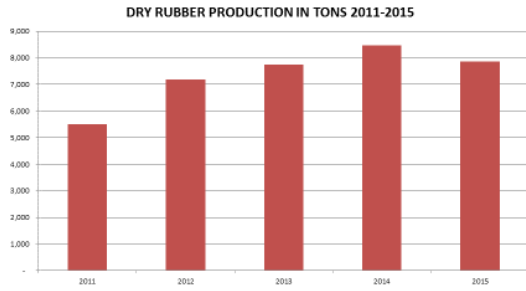
### SHAREHOLDING STRUCTURE OF OKOMU



### FFB RPRODUCTION TRENDS



## DRY RUBBER PRODUCTION TRENDS



## OKOMU OIL OLD MILL



## NEW AND OLD OIL MILL



## EMPLOYEE SERVICES – SCHOOLS & CLINICS



## EMPLOYEE SERVICES – STAFF HOUSING



## HCV IDENTIFIED

- 5 HCV IDENTIFIED
- SWAMP/SHRINE
- LIFE TREE IN CAMP
- RIPERIAN BUFFERS
- HILLY TERRAIN







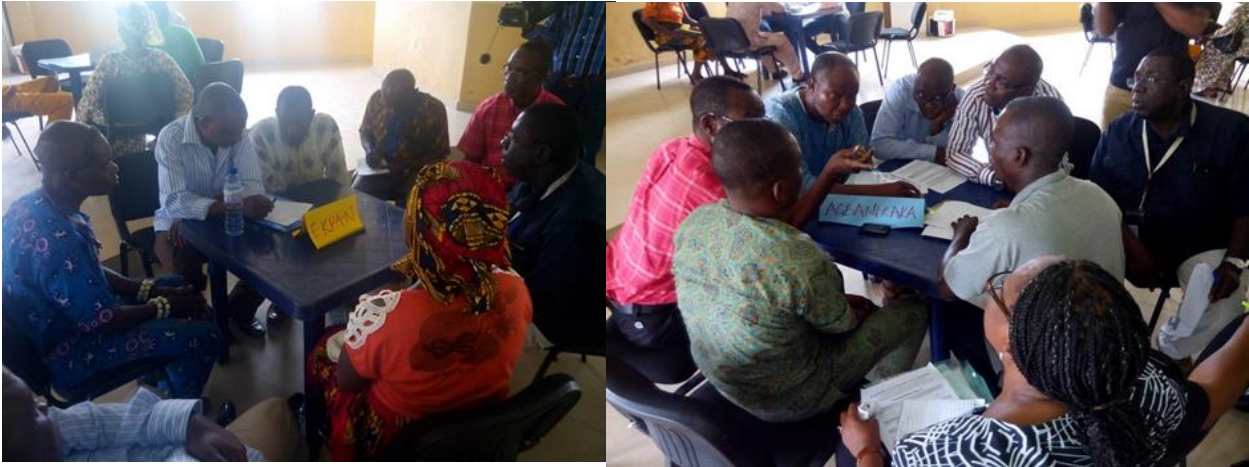


Photo 5: Community Representatives and OOPC Representatives engaged in negotiation

### **7.9 Compensation and Benefits**

The communities and OOPC Plc resolved the issue of compensation at the iterative meetings and negotiation. Both parties recalled that the former owners; A & Hatman had paid compensation to community members who submitted legitimate claims for loss of crops. An understanding was thus reached during negotiation that OOPC Plc is not liable to pay fresh compensation to individual members of the communities but rather should provide support and assistance that will benefit the entire communities. Further understanding was reached on the accruing benefits including employment and contract opportunities and capacity building for local enterprises to be able to participate in special cases requiring competitive bidding.

### **7.10 Documenting Consent-Based Agreements**

The community specific consent-based agreements were drafted jointly by the legal representatives of the communities and the company. The agreements captured all the decisions and obligations that were mutually agreed by both parties. The two legal representatives submitted the draft agreements to the communities and OOPC Plc for their comments, whereupon the final FPIC Agreements were produced and presented for signing by both parties.

### **8.0 FPIC Agreement Highlights**

The FPIC agreement has provisions for clauses including preamble, the obligations of both parties, Joint Implementation Committee, Force Majeure, Confidentiality and Grievance and Dispute Resolution Mechanisms.

### **9.0 Signing Consent-Based Agreements**

The signing of the FPIC Agreements was done in a public ceremony attended by the leadership of the communities and the management of OOPC Plc on 29 July 2016. The signing ceremony was witnessed by the Executive Director of the Nigerian Institute for Oil Palm Research (NIFOR), while the Honorable Commissioner for Agriculture represented the Edo State government. The

event also made the news in both the print and electronic media as the very first of its kind to happen in Edo State, if not Nigeria as a whole.



Photo 6: FPIC Agreement signing ceremony

## 10.0 Presentation of Signed FPIC Agreement

The signed FPIC Agreements were later notarized and delivered to the communities.



Photo 7: Notarized FPIC Agreement display at Uhiere Community



Photo 8: Notarized FPIC Agreement display at Owan Community



Photo 9: Notarized FPIC Agreement display at Agbanikaka Community



Photo 10: Notarized FPIC Agreement display at Irhue Community



Photo 11: Notarized FPIC Agreement display at Ekpan Community



Photo 12: Notarized FPIC Agreement display at Odighi Community



Photo 13: Notarized FPIC Agreement display at Odigwetue Community

### **11.0 Joint Implementation Committee**

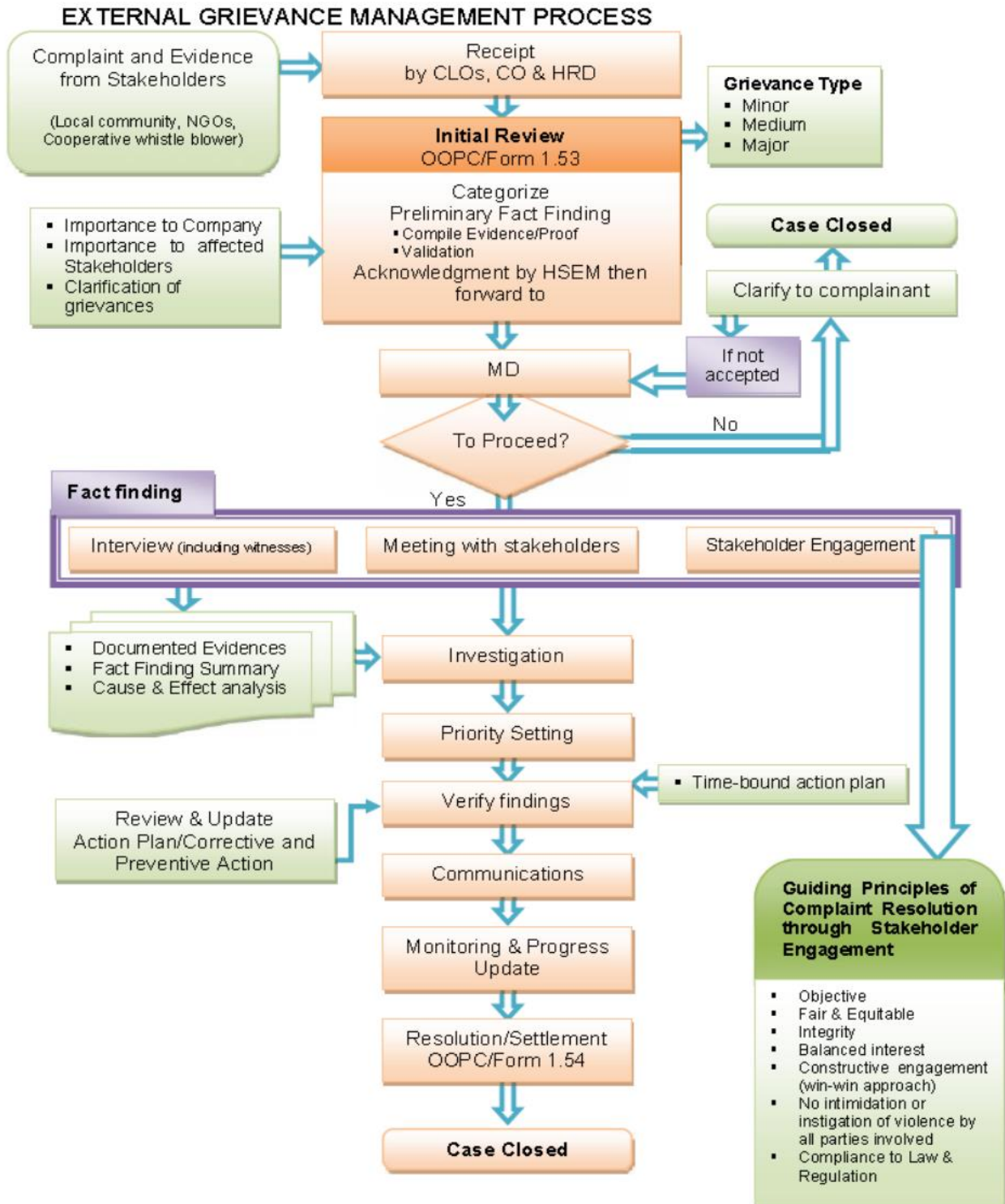
The FPIC agreement provides for the formation of Joint Implementation Committee (JIC) with membership to be drawn from the representatives of each community and OOPC Plc. The JIC is vested with the responsibility to plan, and monitor the implementation of the FPIC Agreements in their respective communities.

### **12.0 Grievance and Dispute Resolution**

A grievance and dispute resolution mechanism provides a process for resolving differences that may arise in the course of implementing the FPIC agreements. The FPIC Agreement provides for clauses defining how differences will be communicated and resolved. The FPIC Agreement specifically provides that: “Any difference or dispute arising between the Parties as to the interpretation, or additions or deletions of any of the Clauses of this FPIC pertaining to, or connected with, or arising out of the duties and obligations of any of the Parties hereto which cannot be mutually resolved amicably, then the Parties will then initially attempt to resolve the grievance through dispute resolution, as per the Company’s grievance and dispute resolution SOP’s, respectively, as amended”

The above provision is also in consonance with the company’s Grievance management procedure, which provides for Confidentiality, Internal Grievance, Collective Grievance, Individual and Collective Grievance Process and External Grievance. The external grievance procedure is

illustrated in the diagram below. It is the most relevant and guidance reference for grievance resolution under the FPIC Agreement.



### **13.0 Conclusion and Going Forward**

The Extension Two FPIC was the first of its kind in the history of our project developments. It was therefore challenging and at the same time educative for our FPIC team. The FPIC Agreement signing ceremony has gone down as an epic inclusive event in the annals of the company's community relations. Realising that the FPIC is not a one off undertaking, but an ongoing process, we are set, going forward, to establish the mechanisms to implement the agreements in earnest. Thus, our next FPIC documentation would focus on the FPIC Implementation phase.



# Acknowledgements

## **1. Traditional Institution**

HRH, Prince Osaretin Akenzua (Enoghie of Odighie)

## **2. Community Heads**

Odionweres of all the communities

## **3. Community Organizations**

Elders' Councils, CDAs, Women's Associations, Youth Associations, etc.

## **4. Government Representative**

Hon. Commissioner, Ministry of Agriculture and Natural Resources, Edo State

## **5. Host and Observer Institution**

Dr Omorefe Asemota (Executive Director; Nigerian Institute for Oil Palm Research (NIFOR))

## **6. Our FPIC Team**

Dr Graham Hefer (Managing Director)

Mr. Billy Ghansah (Agriculture Coordinator)

Mr. Mickle George (HSE Manager)

Mr. Fidelis Oliseh (Communications Manager)

Mr. IK Osunbour (Human Resources Controller)

Dr Isi Aletor (Community Liaison Officer)

## **7. FPIC Facilitator and Moderator**

Mr. Fatai Afolabi (Facilitator, RSPO; Nigeria National Interpretation)