

INTERNATIONAL FINANCE CORPORATION

SECOND MANAGEMENT PROGRESS REPORT

ON

**IMPLEMENTATION OF THE
MANAGEMENT ACTION PLAN**

FOR

SALALA RUBBER CORPORATION

**LIBERIA
PROJECT NO. 26510**

February 6, 2026

I. OVERVIEW OF MAP IMPLEMENTATION

1. This Management Progress Report constitutes the International Finance Corporation (IFC) second update on the implementation of the Management Action Plan (MAP) in response to the Compliance Advisor Ombudsman (CAO) Compliance Investigation Report of IFC's investment in Salala Rubber Corporation (SRC).

2. In 2008, IFC approved a \$10 million loan to SRC in Liberia to support the rehabilitation and expansion of a rubber plantation, creating jobs and boosting the local economy in a post-conflict setting. The loan was repaid in full by SRC in March 2020. In August 2024, Socfin, SRC's previous owner, announced it had sold SRC to Jeety Rubber LLC (Jeety), a Liberian company with previously no ownership of or shareholding in SRC.

3. On March 13, 2025, the Board approved IFC's MAP, which commits to implementing a Community Development Program focused on improving community livelihoods, women's economic empowerment, and sexual and reproductive health services for communities living on the SRC plantation. It also proposed support to SRC in strengthening E&S risk management. Following a first Progress Report in June 2025, IFC committed to the Board to provide an update on the feasibility of MAP implementation by December 2025.

4. While the security situation appears to have stabilized in recent months following the violent protests that broke out at the SRC plantation in 2024, safety at the plantation and in the surrounding area remains a primary concern.¹ IFC is mindful of the volatile and uncertain environment these events have created and will continue to monitor the situation as it assesses feasibility of MAP implementation.

A. Update on implementation of Project-level MAP actions

5. Since June 2025, IFC has continued to review developments in SRC's operating context that are relevant to the implementation of its MAP. This includes monitoring publicly available information and considering with relevant local stakeholders how existing or planned community development initiatives in this context may intersect with the priorities set out in the MAP. IFC remains actively engaged and committed to working towards identifying and cultivating local relationships to advance MAP objectives.

B. Next Steps

6. IFC will continue to assess potential approaches for advancing its MAP objectives. IFC may further assess possible pathways to deliver MAP-aligned outcomes. This includes consideration of implementation models, roles, and operational requirements consistent with its policies and procedures, as appropriate.

C. Conclusion

¹ On June 27, 2024, violent protests broke out at the SRC plantation. The protests were motivated by SRC workers' demands to improve benefits and working conditions. Media reports indicate that the upheaval saw looting, threats, and violence towards SRC management and staff, and company property burned and destroyed.

7. IFC believes there are opportunities to implement actions that are consistent with IFC MAP objectives in coordination with local stakeholders.
8. IFC will continue to engage with key stakeholders over the coming months to explore the feasibility of MAP implementation.
9. IFC will report on the status of such efforts in a third progress update to the Board in six months. As IFC gains clarity on the feasibility of MAP implementation, an update will be provided to the Board on the timeline for implementing MAP actions.

Annex 1. MAP ACTIONS

Project-Level Recommendations/Actions			
CAO RECOMMENDATION	ACTION/ACTIVITY	RESPONSIBLE ENTITY	DELIVERABLES / TIMELINE
A. Gender-based Violence and Harassment			
<p>CAO Recommendation 4: IFC should <u>work with SRC</u> on the following measures:</p> <p>Preventative Actions</p> <ul style="list-style-type: none"> • Salala should conduct a GBVH risk assessment in its plantations. • Based on this assessment, Salala should update its sexual harassment policy to ensure the policy aligns to IFC’s 2020 Good Practice Note on Addressing Gender-Based Violence and Harassment, Emerging Good Practice for the Private Sector. Importantly, this should include an independent grievance mechanism, and a process for investigating reported incidents of GBVH. These investigations should be conducted by qualified individuals. The policy should stipulate services SRC can refer to GBVH survivors. • Salala should have a GBVH code of conduct for its staff and contractors. The code of conduct should explain how workers are expected to behave when going about their work and when interacting with service users and community members. • Salala should publicize the policy, code of conduct, the grievance mechanism to all staff and contractors, and within the local communities. • Salala should keep confidential records of 	<p>Preventive Actions</p> <p>A1. SRC Policies and Procedures</p> <ol style="list-style-type: none"> 1. IFC reviews SRC’s updated policies, procedures and practices for managing risks of SEAH, including a Code of Conduct for all workers and Zero Tolerance Statement towards Reprisals, in its operations and recommends improvements and good practices. 2. IFC reviews SRC’s updated grievance mechanism and process for investigating reported incidents of GBVH and recommends improvements and good practices. 3. IFC provides recommendations to SRC on the development of a referral pathway for communities to enable access to survivor-centered services such as healthcare, counselling and legal advice. 4. IFC provides recommendations to SRC on the development of an integrated GBVH awareness and prevention program. See also Action B1. 5. IFC provides recommendations to SRC on the development of an E&S Capacity Action Plan. The plan will include IFC trainings for SRC staff on GBVH, stakeholder engagement and grievance response, aligned with GBVH good practices and other MAP actions (B3). 	<p>SRC, SRC Implementing Partner</p>	<ol style="list-style-type: none"> 1. Summaries of IFC reviews and recommendations 2. Revised SRC GBVH Policy and Procedures applicable to all SRC workers (employees and contractors) / March 2025 3. SRC GBVH Grievance Mechanism and Referral Procedure / March 2025 4. SRC E&S Capacity Action Plan / March 2025. 5. SRC GBVH Awareness and Prevention Program / March 2025 6. Anonymized and aggregated records of IFC training to SRC workers.
	Remedial Actions		

<p>all GBVH grievances received and any follow-up actions taken upon them.</p> <ul style="list-style-type: none"> • Salala should sign agreements with those individuals and organizations that can provide specific services to the company for training, investigation, expert guidance, and survivor counselling and assistance. • Salala should conduct periodic worker surveys to collect workers' views on the effectiveness of the company measures to prevent and respond to GBVH. <p>Remedial Actions</p> <p>Establish a facility to support a claims process for survivors to receive remedy. The facility should, at a minimum, provide the following for survivors:</p> <ul style="list-style-type: none"> • Short-term/long-term counselling for survivors and their families • Healthcare support, including sexual and reproductive health services and treatment of sexually transmitted diseases • Community and workforce reintegration support • Funding and referrals to legal services for survivors seeking legal redress • A mechanism that allows survivors come forward, identify themselves if they wish, and consent to any remedial action that is made available to them • Financial compensation, as appropriate. <p>Remedial measures should safeguard claimants' confidentiality and protect claimants and their families against any risk of threats or reprisals. In developing the</p>	<p>A3. IFC Community Development Program for GBVH</p> <ol style="list-style-type: none"> 1. IFC directly funds timebound community services for priority needs for survivors of sexual exploitation and abuse (SEA) in the communities within and surrounding the Salala plantation in the Margibi and Bong counties. IFC will explore and support the delivery of the following components: <ul style="list-style-type: none"> • women's economic empowerment activities for survivors and their families. This includes women and girls' livelihood support activities, financial and numeric literacy and psychosocial activities. • sexual and reproductive health (SRH) services, as the greatest health needs facing survivors in the affected communities. <p>The program will be designed and implemented in a participatory and culturally appropriate manner over a 3-5 year period. Where possible, IFC closely coordinates and harmonizes activities with SRC and its implementing partner.</p>	<p>IFC will partner with and build on established SRH and women's economic development programs led by relevant international agencies and/or reputable international or local NGOs.</p>	<p><u>Planning phase: March 2025</u></p> <ol style="list-style-type: none"> 1. Situational analysis 2. Selection of local implementation partner/s 3. Inception report including participatory processes with communities. 4. Community Services Implementation Plan <p><u>Implementation phase: June 2027</u></p> <ol style="list-style-type: none"> 5. Definition of measurable targets for service delivery 6. Safe and Ethical Service protocols <p><u>Transfer and Exit Phase: June 2027</u></p> <ol style="list-style-type: none"> 7. Transition and Exit Plan
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<p>facility, CAO encourages IFC to consider partnering with nongovernmental organizations that have the appropriate local knowledge, capacity and community trust to effectively implement the claims process.</p> <p>Further, Salala should take action to ensure that survivors are not intimidated, including public statements at CRC-organized meetings.</p>			
B. Stakeholder Engagement, Grievance Handling, and Threats and Reprisals against Complainants			
<p>CAO Recommendation 3. In an effort to deescalate tensions within communities and between the company and communities, <u>IFC should work with SRC</u> to find a mutually acceptable mediator to restart dialogue and aim for mutually acceptable solutions. The selection of a mediator should be a consultative, inclusive, and participatory process involving the representatives from the 22 affected communities and their supporting organizations.</p>	<p>B1. Stakeholder Engagement</p> <ol style="list-style-type: none"> 1. IFC reviews SRC’s updated stakeholder engagement and grievance mechanism policies, plans and procedures and recommends improvements to SRC. This includes harmonization with GBVH processes, as laid out in MAP Actions A1, where appropriate. 2. IFC shares its zero-tolerance statement against reprisals and provides recommendations to SRC on processes to put in place that allow Complainants to raise grievances without fear of threats or retaliation. 3. IFC trains SRC’s staff in the effective implementation of the companies updated policies and procedures, including on managing the risk of reprisals. 	<p>SRC, SRC Implementing Partner</p>	<ol style="list-style-type: none"> 1. Summaries of IFC reviews and recommendations 2. Updated SRC Stakeholder Engagement and Grievance Mechanism Policies, Plans and Procedures 3. Grievance Mechanism procedures that allow complainants to raise grievances without fear of retaliation (anonymous and confidential). 4. Anonymized and aggregated records of IFC training to SRC workers.
C. Physical Displacement, Economic Displacement, and Loss of Livelihood			
<p>CAO Recommendation 1: <u>IFC should work with SRC</u> to:</p> <ul style="list-style-type: none"> • Retroactively enhance the compensation rates to meet full replacement costs and 	<p>Retroactive Actions</p> <p>C1. Retroactive Crop Compensation</p> <ol style="list-style-type: none"> 1. IFC reviews SRC’s established process to receive and assess crop compensation 	<p>SRC, SRC Implementing Partner</p>	<ol style="list-style-type: none"> 1. Summaries of IFC reviews and recommendations

<p>provide the affected people with the outstanding payments.</p> <ul style="list-style-type: none"> Establish a Retroactive Resettlement Action Plan (RAP) in line with the requirements of PS5. To regain the confidence of the local communities, this Retroactive RAP needs to be highly participatory and include consultations and agreements with the affected people at each stage (ToR, Selection of Contractor, Surveys, Reporting) In addition, in consultation with the affected people, define the livelihood restoration measures needed to improve or restore the livelihoods and living conditions of the affected households. <p><u>IFC should work with SRC</u> and the representatives from the 22 affected communities and their supporting organizations to identify and secure the technical assistance necessary to supervise the development and implementation of the Retroactive RAP and conduct stakeholder engagement, monitoring, and reporting.</p>	<p>grievances and provides recommendations to SRC and its implementing partner on the process going forward.</p>		<p>2. Updated SRC Grievance Mechanism Policies, Plans and Procedures for Crop claims.</p>
Livelihood Restoration Actions			
	<p>C2. IFC Community Development Program</p> <ol style="list-style-type: none"> IFC directly funds a community development program focused on livelihood activities for affected communities within and surrounding the Salala plantation in the Margibi and Bong counties. IFC will support the delivery of a Community Development Program providing for example, improved agricultural techniques, skills training, financial and numeric literacy. <p>The program will be designed and implemented in a participatory and culturally appropriate manner over a 3-5year period. Where possible, IFC closely coordinates and harmonizes activities with SRC and its implementing partners.</p>	<p>IFC, IFC Implementing Partner (see A.3)</p>	<p>1. See Deliverables A.3.</p>
D. Historical Land Claims			
<p><u>IFC should work with SRC</u> to commission an independent assessment of historical land claims. The selection of a consultant should be discussed with representatives from the 22 affected communities and their supporting organizations.</p>	<p>D1 SRC Policies and Procedures</p> <ol style="list-style-type: none"> IFC provides recommendations to SRC on the development of a procedure to assess, record and resolve grievances related to historical land claims. The procedure will take into account any identified gender dimensions. 	<p>SRC, SRC Implementing Partner</p>	<p>1. Summaries of IFC reviews and recommendations New or updated SRC Historical Land Claims Procedure / December 2025.</p>
E. Destruction of Ancestral Graves and Sacred Sites			
<p>CAO Recommendation 6. Together with a qualified and experience expert, <u>IFC should work with SRC</u> to engage with the aggrieved</p>	<p>E1. SRC Policies and Procedures</p> <ol style="list-style-type: none"> IFC reviews SRC’s procedures and processes to assess, avoid, minimize and mitigate 	<p>SRC, SRC Implementing partner</p>	<p>1. Summaries of IFC reviews and recommendations</p>

<p>members of sacred societies to assess impacts and agree on the rituals to address any harm caused by the destruction of sacred sites and ancestral burial sites.</p>	<p>impacts on cultural heritage, including a Chance Finds procedure.</p> <ol style="list-style-type: none"> IFC provides recommendations to SRC on the development of an inventory of impacted ancestral graves and sacred sites in a participatory manner, through consultations with affected communities (when impacts are related to SRC's operations between 2008 and 2020). IFC provides recommendations to SRC on the development and implementation of a plan to mitigate past impacts on cultural heritage. Chance Finds Procedure will be used going forward on any new expansion, if mapping does not identify a site. 		<ol style="list-style-type: none"> New or updated SRC procedure on Cultural Heritage / June 2025 SRC Inventory of impacts between 2008 and 2020. / December 2025 Implementation Plan with mitigation actions, timeline and budget.
F. Water Supply and Pollution			
<p>CAO Recommendation 7. <u>IFC should work with SRC</u> to include those water points claimed to be polluted in the 2013 Green Advocates report and 2019 Bread for All report into SRC's annual water testing program, to be conducted by an independent laboratory. The result shall be disclosed to the Liberia Environmental Protection Agency (EPA) and the local communities on a quarterly basis.</p> <p>SRC should ensure that at least one secure access point to potable water is operational in each of the settlements in the plantation and all affected communities outside the plantation per the Ministry of Health and Social Welfare Standards and environmental permit.</p>	<p>F1. Water Supply and Pollution</p> <ol style="list-style-type: none"> IFC provides recommendations to SRC on the development of a Participatory Surface Water Monitoring Program (PSWMP), a Potable Water Access Plan with communities within and surrounding the Salala plantation in the Margibi and Bong counties, and the establishment of Water Management Committees (WMC), with a gender focus, to access, manage and maintain adequate water sources in communities. IFC trains SRC's staff in the effective implementation of the PSWMP and WMC. 	<p>SRC, SRC Implementing partner</p>	<ol style="list-style-type: none"> Summaries of IFC reviews and recommendations SRC Participatory Surface Water Monitoring Program Plan / June 2025 SRC Potable Water Access Plan / June 2025 SRC Guidelines for Water Management Committees / December 2025 Anonymized and aggregated records of IFC training to SRC staff.
G. Poor Employment Conditions and Labor Rights Violations			
<p>CAO Recommendation 8. IFC should commission a PS2 review of SRC operations</p>	<p>G1. SRC Policies and Procedures</p> <ol style="list-style-type: none"> IFC reviews SRC Labor and Working 	<p>SRC, SRC Implementing</p>	<ol style="list-style-type: none"> Summary of IFC Reviews and

<p>to confirm compliance with PS2/international core labor standards. <u>IFC should work with SRC</u> directly or commission an audit firm to review company documentation and hold engagements with workers to understand instances where workers had their salary deducted for personal protective equipment and ensure that such workers are refunded these deductions.</p>	<p>Conditions Policies, including employee grievance mechanism, wages and benefits, contractor management, use and handling of personal protective equipment (PPE) as well as adequate facilities for women employees, and provides recommendations on improvements to SRC. This action also supports the delivery of A1, B1, F1 MAP actions.</p>	<p>partner</p>	<p>Recommendations / continuous 7. New or updated SRC Labor and Working conditions / June 2025</p>
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