



## **WILMAR REFUTES ALLEGATION OF LAND GRAB IN UGANDA**

Singapore, 25 February 2015 – Wilmar refutes allegation made by Friends of the Earth (FoE) in its press release of 19 February “Ugandan palm oil firm, part-funded by UK Government, taken to court over land-grab claims”.

Based on the tripartite agreement dated 28 April 2006 and signed between the Government of Republic of Uganda (GoU), Oil Palm Uganda Limited (OPUL) and Kalangala Oil Palm Grower Trust, the GoU is responsible for the acquisition of both private and public land.

To ensure the land acquisition process is conducted in a proper and rigorous manner, the GoU set up a Land Acquisition Task Force (LATF) representing all relevant stakeholders. The role of the LATF was to identify land for purchase, ensure there were no encumbrances or environmental sensitivity; inspect and value it; recommend for purchase, facilitate agreement signing and ensure that the land was protected from future encroachment.

During the process of land acquisition, land identified for leasing which had existing settlements on it were delineated as social enclave. For private land, generally the government would buy the land from its legal owner on a willing seller-willing buyer basis. These private land owners would in turn compensate the occupants of their land for any cultivated land/crop. The terms of compensation were usually negotiated privately and directly between the owners and the occupants.

These processes were followed duly before the land was leased to OPUL. Neither OPUL nor Wilmar had a part in the land acquisition process.

The land in question is part of the Buguzi estate in an area called Bumanji and it was leased to OPUL on 24 June 2011 by landowner Ms Sylvia Gloria N.K Sempa, daughter of the original owner Mr Amosi Kalule Sempa. The private land of about 330 acres was leased to OPUL for a period of 50 years.

Mr John Muiyisa is occupying the land on the eastern part of the Buguzi estate in Bumanji which belongs to Ms Sempa. We understand from Ms Sempa’s representative that Mr Muiyisa is not able to produce the land title certificate or any proof of tenancy rights as its lawful landowner.

As part of Wilmar’s No Deforestation, No Peat and No Exploitation Policy (“Policy”) commitment, the Group is working with its partner The Forest Trust (TFT), an organisation with expertise in sustainable supply chain management, to conduct an independent study on the level of compliance with the Policy by its subsidiaries and joint ventures such as OPUL.

To that end, TFT has conducted three field assessments on the Kalangala site over the span of 10 months to identify gaps, conduct training and monitor the progress of closing these gaps. These field visits also included dialogues with relevant multi-stakeholders in the district, including the District Government officials, development agencies, non-governmental organisations (NGOs), farmers, land owners, etc to understand and address their concerns, if any, with the objective of establishing the impact of the oil palm development project on the

communities in Kalangala vis-à-vis allegations of unfair treatment, land conflicts and exploitation of some communities in the district. In this regard, TFT also invited the National Association of Professional Environmentalists (NAPE) and FoE representatives in Uganda to be part of this study process. Wilmar recognises the value of engagement and collaboration and believes that FoE or NAPE in Uganda can contribute meaningfully to this important process.

For more information about Wilmar's sustainability endeavour, please visit <http://www.wilmar-international.com/sustainability/>