



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 Muyiisa 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 Muyiisa is not able to produce the land title certificate or any proof of tenancy rights as its lawful landowner. *(Update: A copy of the letter from Mr Horatius Sempa, brother of Ms Sylvia Gloria Sempa, is appended.)*

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/>

**RESPONSE TO FRIENDS OF THE EARTH ALLEGATIONS OF LAND GRABBING
ON BUGALA ISLAND IN KALANGALA DISTRICT, FOR OIL PALM
DEVELOPMENT**

My name is Mr Horatius Sempa, with powers of attorney from my sister Ms. Sylvia Gloria Nakitto Kijjwa Sempa, who is the registered proprietor of land located on plot 1 Block 49, on Bugala Island, Kalangala District at Kyabwima. The total land on the title is 429.0 acres. I leased a total of 330 acres of this land on 24th June, 2011 to Oil Palm Uganda Limited for oil palm production.

It has come to my knowledge that some other people are claiming to own this same land and have or are planning to sue the lessee of my land. This has caused a lot of discomfort to the lessee who is now doubting the authenticity of the land ownership.

Before leasing my land to the lessee, I went through a detailed process of consultations with local leaders and opinion leaders in the area to establish the number of encroachers on the land/those who were using my land. None of the people on the land was given user rights by my sister who is the registered owner or by myself. However, even when these people had illegally encroached on our land; we still went ahead and held discussions with them and agreed to compensate them for their crops on the land, although we could have chosen to sue them because they did not have any authority from us to use our land.

I could have leased all my land to benefit from it because it belongs to our family, but I did not do so, in fact I leased only 330 acres so that the members of the community could use the rest to improve their lives. We encouraged them to participate in the project so that they get an income and eventually legalise their stay on our land by getting a lease from us or out rightly buying the land.

In the process of determining which land to lease to the lessee, I considered the area that was not encroached on to the extent possible. I involved the communities in deciding which areas were to be set aside for the community. These facts can be verified with documentation and even consultation with the district authorities. The district and village structures like the area land committee, the LCI leadership and opinion leaders in the area were consulted on the matter and they kindly requested me to spare some land for the communities to which I obliged. I am aware that while the people who were on my land were illegal, they happen to be Ugandans and I am humane and would not kick them off the land or even ask them to pay because they could not afford to pay me for the land at that time.

Below is the list of the squatters on the portion of the land earmarked for leasing.

1. Mr. Semwogerere Zaverio:

Mr Semwogerere had encroached on the land. He was given 3 acres on my land with authority to go ahead and secure a title for the 3 acres; in compensation for the kibanja he had in the area earmarked for leasing.

2. Mr Silili Zavug:

He was given 4 acres with authority to go ahead and secure a certificate of title to the land as compensation for the area falling in the portion earmarked for leasing.

3. Mr Kyambazi Emmanuel:
He was compensated Ush 100,000/- for the crops in the area that fell in the portion earmarked for leasing and continues to stay on the part of my land that was set aside for the community to occupy.
4. Mr Sentamu Boniface:
He was compensated Ush 600,000/= for freshly planted coffee on learning that the land was going to be handed to the lessee. He continues to stay on my land set aside for the community to continue using.
5. Mr Nsamba Desire:
He was compensated Ush 250,000/= for abandoned and bushy coffee area. He continues to stay on part of the land that was not leased out. He is currently participating in the Oil palm project and has planted 10 acres of oil palm.
6. Mr. Kyambadde Vincent:
He was compensated for the area that was within the earmarked portion for leasing out. He was paid Ush 200,000/= for crops on the land. He continues to live on the remaining part of the land.
7. Kasozi Joseph Mary and Hon Badda.
They bought themselves out because they were willing to do so and now have a title to their part of the land.
8. Kitagambwa Longino
He settled on the land that was left for use by the community. He uses about 3 acres.
9. Ntanda Francis son of Mr. Silili.
He was compensated together with his father and now lives on part of the land that was not leased out.
10. Ms. Nakamya Magdalena and Ms. Namwandu Kizito.
These claim that their husbands had kibanja on my land but they were not among those identified during the time of field assessment of the land. They came up recently when Friends of the Earth appeared on scene.
11. Mr Bazilio is a son of Mr Silili.
He was compensated with land equivalent to the land on which he was growing crops.
12. Mr. Mwesigwa Anthony
He was a charcoal burner brought by Mr Semwogerere. He was not compensated because he did not have kibanja.
13. Mr. Kyambazi Emmanuel
He was compensated Ush 100,000 for the crops on the land.
14. Mr. Muiyisa John.
This squatter was uncooperative. He claimed 40 acres of land in a forested part of the land which does not qualify to be kibanja. About 7.5 acres where he was cultivating crops was left for him to continue deriving livelihood. He however refused and continued to demand for the 40 acres. Meetings were held with him and the district leadership including the local leaders to sort out the impasse. I wanted to take him to court for criminal trespass but because the district leadership intervened, they suggested alternatives for him to choose from which included:
 - Be given 6 acres on same land but in another area and authority to process a land title and therefore be a landowner as opposed to being a squatter. In addition he was to receive Ush 500,000 thousand to settle.

- Be paid Ush 2.4 million and he vacates the land earmarked for leasing. He could then continue using the area that was not leased out.

Instead, Muiyisa demanded that he be paid Ush 200,000,000/= (two hundred million) which was more than the amount paid for all the land that was leased. This was a very unfortunate situation given that I had done everything possible to be accommodative of the requests made by the community. Since he has taken the case to Court, I am left with no alternative but to withdraw my offer until we sort out the matter in court.

The magnitude of my offer to these tenants and especially to Mr Muiyisa should be considered in comparison to the average size of landholding in the area which is about 3 acres. My offer to him is double the landholding in the area against 1.5 acres of abandoned kibanja. His claim for Ush 200 million as compensation which is far higher than the total compensation received by me for the total area shows the greediness of the person. Also his claim for 40 acres as kibanja is unrealistic and laughable.

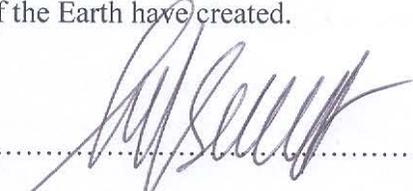
From the article by the Ecologist, I feel like my generosity has been abused by Muiyisa.

The article quotes 100 people that were affected in the lease. Who are these people that I do not know about?

This is my personal property and I leased it as I saw fit. If one wants to help the illegal squatters on my land he or she should go ahead and buy for them land elsewhere or better still, pay for them to get ownership on my remaining land which they are still encroaching on.

For the information of all those interested in this case, there is no communal or customary land in Kalangala. All the land is surveyed with title and belongs to some body. To be an owner in this part of Uganda, you have to show documentation to that effect with a title. Where people have tenancy rights or have 'kibanja' one has to be known by the land owner and must have been allowed to settle on the land by the landowner. This person must have receipts showing payment of Busuulu (tenancy fee). If any of these claimants have my receipts, let them show their receipts. If they are bonafide occupants, they must have lived on the land since 1982. Kibanja is the area where one has dug and managed and not an abandoned area.

In future, I suggest that the reporters consult widely and report objectively on such matters. My lessee now has doubted the authenticity of me being the legitimate owner of the land and the lessee now does have the option to sue me because of these unnecessary issues that Friends of the Earth have created.

Signed:.....

Horatius Sempa (Mr)

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With Powers of Attorney to the land

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