

Agilis Partners

Mailing Address: Radiant House, Plot 20 Kampala Road, Kampala, Uganda Email: info@agilis-partners.com

29 November 2021

To: Beatriz Balbin Chief Special Procedures Branch OHCHR registry@ohchr.org

From: Philipp Prinz Managing Partner Agilis Partners

Ref: AL OTH 216/2021

Pages: 19

Subject: Reply to the Joint Communication from Special Procedures

Agilis Partners



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Beatriz Balbin Chief Special Procedures Branch OHCHR By email to Sylvain Lidome (<u>sylvain.lidome@un.org</u>)

Dear Ms. Balbin,

I write on behalf of Agilis Partners in response to your letter dated 30 September 2021.

Thank you for your communication and for taking concern in the matters impacting our community in Kiryandongo. Agilis recognizes the serious nature of the allegations. Agilis continues its commitment to adhering to UN Guiding Principles for Business and Human Rights.

Since our letter dated 4 February 2021, Agilis's investors have completed an independent review of the resettlement process by a leading social and environmental sustainability firm. Our responses below incorporate findings from the independent review. This letter proceeds by responding to the eleven requests from your most recent letter in turn.

1. Please provide clarifications and any additional information and/or comment(s) you may have on the above-mentioned allegations.

We refer you to our 4 February 2021 letter with reference AL OTH 75/2020. That letter provides clarifications to some of the concerns you have raised. In addition, we raise twelve comments below.

First, as an overarching comment, we would like to emphasize, as you have highlighted, that there are multiple firms operating on the ranchland in Kiryandongo. Most public allegations against Agilis indiscriminately associate Agilis with other firms operating in the area. This haphazard approach impugns Agilis based solely on its locational association with unassociated third parties. Agilis has no influence or "business relations", as defined in the commentary of Principle 14 of the UN Guiding Principles on Human Rights and Business, with these other firms and should not be impugned based on the wholly independent actions of these other firms. To be clear, Agilis is not business partners with, in the value chain of, or linked operationally or through our products or services to the other firms that have been accused of wrongdoing. Further, we do not share directors, officers, managers, shareholders, services or

resources with the other firms operating in the area. Put simply, Agilis has been the subject of public allegations based solely on its mere presence in an area and its physical proximity to wholly independent firms engaged in alleged wrongdoing without the knowledge of, direction from, or communications with Agilis.

Second, Agilis acquired a 2,600 hectares leasehold from Sodari Livestock Enterprises, the previous Lessor in 2017, hereinafter referred to as Ranch 20 & 21. The leasehold title is contained in Appendix 1. As evidenced by the title, we acquired Ranch 20 & 21 from a private company that purchased a leasehold interest from the Uganda Land Commission in 1976. As records reflect, we do not own a 3,850-hectare farm in Kiryandongo as mentioned in the letter we received from you.

Third, Agilis gained effective possession of Ranch 20 & 21 in early 2018. The land has since been fully converted into the largest grain and oilseed farm in Uganda.

Fourth, there were no legal or *bonafide* occupants on Ranch 20 & 21 at the time of Agilis's purchase. Agilis exceeded national legislative requirements by reaching voluntary agreements for their departure with the occupants. This is further elaborated below, however, during an extensive consultative process which included meetings with the Projected Affected Persons (PAPs), meetings with local government, meetings with the local members of Parliament, meetings with national government representatives, and a census of the PAPs, it was determined that none of the PAPs had legal claim to the land. To have legal claim to the land, PAPs would have sub-leased or rented their land from Sodari, pursuant to a rental, purchase or sub-lease agreement, or would have resided on the land uncontested prior to 1983, per the Constitution of Uganda. Please see the attached legal opinion in Appendix 2. Some illegal occupants have asserted that they had been legally settled on the land by a government authority, but these claims were debunked at various times not limited to a letter from the Cabinet Minister for Lands on 16 November 2017 which I have attached in Appendix 3.

Agilis was proactive in making a good-faith effort to achieve voluntary resettlement and exceeded both the national legislative requirements and met international best practices as identified by the IFC Performance Standards in this regard. Specifically, Uganda law provides that where none of the affected households qualify as legal occupants, Agilis had a duty to attempt to seek out the land occupier and undertake negotiations concerning his or her occupancy on the land. Agilis Partners was proactive in approaching the informal settlers, with the objective of achieving willing buyer, willing seller agreements (i.e. voluntary resettlement). This process was previously detailed in our February letter and again below.

Fraudsters in Kiryandongo District have also contributed to the misunderstandings. Based on interviews with multiple PAPs, we determined that a number of informal settlers thought they had bought or leased land from a one Nyukuri Michael—the leader of the Nyamalebe Landless Farmers—despite the fact Nyukuri Michael had no legal rights to the land himself.

Fifth, we are not aware of a determination confirming that residents were lawfully occupying the ranchland in Ranch 20 and 21. Agilis was copied on a letter from the Minister of Lands dated 16 November 2017 which stated "Ranches Nos. 20 and 21 are solely private ranches belonging to M/S Sodari Livestock Enterprises Ltd [...] Sodari has sold the whole / or part of this Ranch to Agilis Partners." We have attached this letter in Appendix 3.

Sixth, as we shared in our letter dated 4 February 2021, Agilis has not evicted anyone from its property. Rather than evicting the informal settlers, Agilis entered into voluntary agreements with the PAPs to depart the land in 2018 and early 2019. Agilis consulted extensively with the affected stakeholders before and after the establishment of our farming activities on Ranch 20 & 21. Agilis coordinated multiple meetings with national government, local government, local leaders and residents beginning in 2017. This dialogue led to free and consensual departure of more than 780 households formerly occupying Ranch 20 & 21. Nine households remain on the land peacefully because Agilis and those households have been unable to reach an agreement on the compensation package for their voluntary exit.

The Agilis consultative process has included the following:

- **A.** Consultations with government officials at the national, district, sub county and parish levels
- **B.** Discussions and information interviews with local communities, community leaders and community elders to explain and discuss the activities and proposed resettlement plans
- **C.** Field survey conducted to open boundaries of Ranch 20 & 21 to clearly indicate who the affected people and assets would be
- **D.** Detailed questionnaires were used to interview affected persons (men and women) to collect information on their livelihood source, claims to the land and other socio-economic aspects of the local community.
- **E.** The valuation team surveyed and valued all the affected assets and crops as per the established methodology. Valuation was done in the presence of the affected person, LC1 and Agilis.
- **F.** Agilis provided embedded grievance redress mechanisms throughout each phase of the project. Affected persons could access the project office, local government and Agilis legal counsel at each stage in the process. Some of have sought judicial redress.

We then implemented a consensual resettlement process with the informal settlers according to the steps outlined below. We want to reiterate that Local Government participated in and witnessed all of the voluntary settlement and departure agreements.

- 1. Community engagement and sensitization (June 2017 to-date)
 - National and Local Government engagement
 - Occupant leadership
 - Consultative meetings with general occupant population on the farm
 - Boundary determination and cut-off dates
- 2. Primary census and legal opinion (December 2017)
 - Biographic and socio-economic data
 - Survey of land claim
 - Witnessed by local government officials
- 3. Valuation of assets (January 2017 March 2018)
 - Valuation of assets according to Kiryandongo District valuation guidelines
 - Witnessed by illegal occupant, Agilis management and local government officials
 - Transparent redress mechanism
- 4. Compensation and departure (January 2018 March 2018)
 - Signed compensation agreement by occupant
 - Witnessed by local government, Agilis legal counsel and Agilis management

• Payment of compensation amount Voluntary departure after receipt of payments on mutually agreed timelines

Seventh, neither Agilis nor its agents have taken violent action toward the PAPs. Allegations of this nature are false. In reference to your letter, which mentions Kiryandongo Sugar's guards, the Army and Kiryandongo Police, we would like to clarify that Agilis has had no dealings with the Army or with Kiryandongo Sugar. We can confirm that Kiryandongo Police have been on site to guard Agilis's machinery, but, as previously stated, were not involved in Agilis's negotiations or settlements with the PAPs. Rather, local government officials participated in and witnessed all voluntary settlement and departure agreements. At present, nine households continue to reside within Agilis property. Agilis has not taken any violent actions against these individuals and has continued its good-faith negotiation efforts. As our approach to these remaining nine households demonstrate, Agilis prioritizes peaceful resettlement and abhors violent force. Sources that allege otherwise are incredible and engage in mere slander of Agilis's consistent practice in Uganda.

Eighth, the community members' livelihoods, including the PAPs' livelihoods, have improved from Agilis's investment. All households who willingly departed the property were provided cash compensation, which Agilis provided so that the individuals would be able to restore their livelihoods in other locations. Those who continue to live in the surrounding areas have access to the following benefits as a result of Agilis's investments in Kiryandongo:

A. Local Employment	Agilis pays above average wages for skilled and unskilled labor. With a focus on hiring locally, hundreds of local community members have built an improved source of livelihoods.
B. Community Gleaning	Agilis permits community members to glean Agilis's fields after mechanical harvesting has been completed. This creates opportunities for community members to obtain free crop for at- home consumption and commercial sale.
C. Agronomic Training	Agilis conducts two farmer days per years, during which Agilis promotes conservation agriculture practices with the local community.
D. Joseph Center Ecosystem	Agilis established a services hub–called the Joseph Center –which supplies inputs, provides agronomic extension services and offers access to markets for smallholder farmers in the community.
E. Food Production	Agilis is producing approximately 20,000 MT per year of maize and soybeans in Kiryandongo for the East African market.

Through Agilis's investments and the follow-on improvements in community livelihoods, community members are able to access better schools, healthcare, food and other essential

services. Agilis is a force for good in Kiryandongo. Ninth, as a company that strives to be the best place to work in Ugandan agriculture, we deny the allegation that workers receive poor wages and operate in harsh labor conditions. The Kiryandongo Investment Profile that was developed by the Uganda Investment Authority (<u>https://www.ugandainvest.go.ug/wp-content/uploads/2021/08/Kiryandongo-2021.pdf</u>) shows that the labor cost in the district is UGX 150,000-UGX 200,000 per month. Agilis however pays a wage that is above the average district pay, let alone national pay. Our temporary employees earn ~UGX 25,000 per day which equates to UGX 550,000 for a 22-day working month. Permanent employees earn substantially more.

Regarding our health and safety protocols, a primary risk identified in our business is our team's and community's exposure to hazardous agrochemicals. To address this risk, we have established a management program which includes a standard operating procedure (SOP) for spraying chemicals which prohibits spraying when there is risk of "drift" to the community due to weather conditions. This SOP is stringently enforced. Personal protective equipment and extensive training is availed to our team on spraying protocols.

We have also established a spraying damage incident identification and response process. Any community member, through our grievance mechanism, can reach out to the company to inform them of damage caused by spraying. Working with local officials including the District Agriculture Office when required, the affected individual and Agilis agree on a compensation rate to offset any damage caused to the individual and/or his or her livelihood. Over the past six months, this mechanism has been employed to address two separate incidents involving damage to community members' crops, which resulted in an amicable resolution of the issue including compensation from Agilis. A similar procedure is in-place for employee health and safety issues.

The grievance mechanism through which this incident management process is initiated, as described below, and popularized within the community through public signage, bi-weekly community meetings and through local officials. We are shocked to learn in your letter that you are aware of cases where there have been visible impacts on some local residents' bodies. While any of these incidents are a concern to Agilis, if the local residents were impacted by Agilis's activities, we humbly request that you advise them to reach out to Agilis through the following contact number +256701647978.

Tenth, through our grievance mechanism which was utilized during the 2017 negotiated resettlement with the PAPs and mentioned above, Agilis Management was made aware of ongoing conflicts involving cattle keepers and the smallholder cultivators in our community. On 5 July 2021, Agilis conducted a community meeting involving members of the community, two residing local chairpersons (LC1s), Agilis security and Community Relations staff, the District Internal Security Officer (DISO) and the DISO's Deputy to address these disputes. It was determined during the meeting that conflicts were arising between smallholder cultivators in the community and the cattle keepers in the community. The conflict involved access to water sources within the community. The cultivators and the cattle keepers had engaged in a violent dispute.

Under the guidance of the DISO and local leadership, Agilis, the cattle keepers and representatives of the community developed a plan whereby community cattle keepers were

able to access water available on Agilis's farm without disturbing the peace of the smallholder cultivators in our community.

The allegation that Agilis is employing cattle to evict people residing illegally on Ranch 20 & 21 is false and, again, has been leveled against Agilis without evidence. We are working with the community to ensure the conflicts between cattle keepers and cultivators are peacefully resolved.

Eleventh, Agilis is completely uninvolved in the arrests of Human Rights Defenders (HRDs) that allegedly occurred on land owned by an unassociated and wholly independent company that neighbors the Agilis property. Agilis vehemently condemns violence against HRDs. The allegations against Agilis seek to impugn us without making specific claims against Agilis or presenting any evidence to support accusations against Agilis. The allegations indiscriminately and irresponsibly associate Agilis with the wrongful acts of others and seek to fabricate an alleged link between Agilis and these other wholly independent firms and actors simply because of our physical proximity to the relevant area.

Twelfth, we wish to confirm that one household was compensated on 18 May 2020 and subsequently departed the land which coincided with the COVID lockdown in Uganda. The household was one of those that initially rejected Agilis's compensation offer. The household approached Agilis for compensation after finding alternative land for their resettlement. The individual utilized the ~UGX 10,000,000 received to purchase their own land elsewhere. This individual has not alleged violence against Agilis. The allegation that we were engaged in violent evictions during the COVID-19 lockdown is false.

2. Please provide information as to what human rights due diligence and policies and processes have been put in place by the company to identify, prevent, mitigate and account for how you address adverse human rights impact throughout your business operations, in line with the UN Guiding Principles on Business and Human Rights and para. 101 of the UN Guiding Principles on extreme poverty and human rights, endorsed respectively in resolutions 17/4 (2011) 21/11 (2012) of the Human Rights Council.

Agilis has implemented policies and processes that ensure that Agilis identifies, avoids, mitigates and compensates any negative impacts it has on the community, the environment and its labor force. Agilis has implemented a policy framework that reflects both Agilis core values and the UN Guiding Principles on Business and Human Rights. The policies Agilis has inplace include a Code of Conduct, Anti-Corruption and Bribery Policy, Conflict of Interest Policy, Pollution Prevention Policy, Community Impact Policies, Governance Policy, Human Resources and Labor Policy, Health and Safety Policy, a Child and Adult Safeguarding Policy, a Whistleblower Policy and a Security Policy. All employees undergo annual training on these policies and receive regular communications on these matters. Per Principles 15 and 16 of the Guiding Principles on Business and Human Rights, our policy commitment to meet our responsibility to respect human rights, complete human rights due diligence and enable human rights remediation are outlined in these policies. This is also consistent with paragraph 101 of the UN Guiding Principles on Extreme Poverty and Human Rights.

In-line with Principle 17 and 18 of the Guiding Principles on Business and Human Rights Agilis completes a regular detailed risk assessment of its business practices. We analyze the risks that our operations pose to our employees, to the community and to the environment. In conducting this risk analysis, we identify our activities' potential impact and impacted persons. Risk assessments inform Agilis's management plans which are designed to eliminate, minimize and compensate negative impact. Management plans are composed of strategies, standard operating procedures and monitoring plans. For example, how we manage health and human safety risks associated with spraying of hazardous chemicals is outlined above. This is in-line with principle 19 of the Guiding Principles on Business and Human Rights. We also apply Principle 24 of the Guiding Principles on Business and Human Rights when determining which management plans to prioritize.

To implement our management plans, we have developed a robust environmental and social risk management organizational capability. We have resourced the area with leadership positions including a focal point Corporate Affairs Manager and upskilling of our human resources leadership. The Corporate Affairs Manager reports to the same director responsible for Legal and Compliance Matters (this is aligned with Principle 23.c). We have formalized the roles of community liaison, a role focused on assessing the impacts of our activities on our community and managing regular communication with the community. We have on-boarded an environmental and social consultant to provide expertise and monitoring on salient human rights and environmental risk areas. Lastly, we have hired a Gender and Youth Officer to become the focal point of our safeguarding, gender and youth management plans. These investments in organizational capacity are aligned with Principle 19 of the Guiding Principles on Business and Human Rights.

Furthermore, Agilis has established a robust grievance mechanism consistent with Principle 22 of the Guiding Principles on Business and Human Rights and with Principle 29 in the same document. We provide more details on this grievance mechanism below. The grievance mechanism provides senior management access to all concerns raised to the company to inform changes in processes, improvements in management plans and compensation / offsetting of any damages realized.

We've also taken actions to make sure that our grievance mechanism meets the criteria of effectiveness outlined in Principle 31. We guard the grievance mechanism's legitimacy and transparency by ensuring that multiple stakeholders are aware of the grievances raised. We also take rapid action based on grievances so that stakeholders believe that the grievance mechanism is a vehicle through which concerns can be converted into rectification.

Our grievance mechanism is accessible to impacted communities. We have signage at our operating sites which provide individuals with a phone number to express any grievances. Local council representatives are briefed with fliers to inform the community about the mechanism. We also host bi-weekly meetings with community members. During these meetings, community members are reminded of the grievance mechanism.

The predictability of our grievance mechanism is communicated to the community through the communication mechanisms detailed above. We assure the predictability by having a defined process through which each grievance is managed. Each potential grievance type is categorized and then managed according to a defined process. As the process is implemented, community members are regularly advised on the progress and next steps. This communication is tracked through "contact reports" which are records through which our community liaisons record their interactions with the community on specific cases.

We also strive to make the grievance mechanism equitable. We achieve this primarily by engaging third parties and community advocates in the process. For example, the District Agriculture Officer is involved in any dispute about the damage of cropland as a result of Agilis's activities. Local chairpersons are involved in every case.

We pay careful attention to ensuring our grievance mechanism is rights-compliant. We do this by engaging third-party experts including legal counsel and human rights experts to review our grievance logs periodically. Our team undertakes human rights related training to ensure that all cases, even those that initially do not appear to be human rights related, are rights-compliant.

We monitor our impact on the community. We track our impact monthly through data capture systems across every area of our company. Annually, we report to our stakeholders on incidents and any negative and positive impact. This is in line with Principle 20 of the Guiding Principles on Business and Human Rights.

We regularly engage with and report to any affected communities community. Bi-weekly, our community relations teams meet community members to discuss a variety of issues. These issues range from planned planting, weed control and harvest preparedness and how these activities can be done in such a way that they do not affect the households. Thereafter, a contact report is shared with management where any concerns and suggestions can be discussed in detail. We also hold regular engagements with the Local Council leaders as a way of ensuring that the correct information regarding our activities is passed onto the community. The LCs being the leadership of the community and understanding the needs of their people, assist us in building our management plans. For every grievance that we receive, the LCs are among the first persons to be contacted and made aware of the issue raised. They then assist in the formulation of the appropriate responses and solutions. This is in line with Principle 21 of the Guiding Principles on Business and Human Rights.

3. Please provide information on the legal basis of the land acquisitions by your company in the Kiryandongo district.

Ranch 20 & 21 were originally sub-divided as part of Uganda's National Ranching Scheme (General Notice 182 of 1990). Five ranching schemes, including the Ankole, Masaka, Bunyoro, Singo and Buruli ranches were subdivided. Ranch 20 and 21 was owned by Sodari Livestock Enterprises.

In 2017, Agilis entered into a transaction to purchase Ranch 20 & 21 from Sodari Livestock Enterprises. In the agreement, Sodari Livestock Enterprises Ltd informed Agilis Partners that during their tenure, four individuals had purchased four lands parcels within the Sodari Livestock Enterprises Ltd leasehold. Agilis bought the land in its entirety from Sodari Livestock Enterprises Ltd and the four other owners.

Sodari Livestock Enterprises Ltd applied for consent to transfer their leasehold registered under L2160 Volume 916 Folio 18 at Ranches 20 and 21 to Agilis Ranch 20 & 21 Investment Company Limited. A request for boundary opening was made by Sodari Livestock Enterprises Ltd on 5 October 2017. The transfer was approved by the Kiryandongo District Land Board on 21 April 2017. On 9 February 2018, the land title was transferred to Agilis Ranch 20 & 21 Investment Company Limited and has since developed the land into a maize and soybean farm.

Agilis Partners' legal advisers, in consultation with the impacted community, local government and national government, determined that the occupants of the land were living on it illegally (without legal tenure). In Uganda, people who had lived on or used the land for 12 years or more, unchallenged by the registered owner of the land prior to 1983 would be considered a Legal Occupant and have legal rights to the land. However, the earliest occupants only arrived on Ranch 20 & 21 in 1985 and therefore none of the households had legal rights to the land they used / occupied. As such, there were no occupants to challenge Sodari Livestock Enterprise Ltd when they acquired the land in 1975.

In this instance, where none of the affected households qualify as legal occupants, Ugandan law provides that the person takes reasonable steps to seek out the land occupier (or vice versa) and undertake negotiations concerning his or her occupancy on the land. Both parties are also within their rights to seek the help of a mediator agreed upon by both parties. Agilis Partners was proactive in approaching the informal settlers, with the objective of achieving willing buyer, willing seller agreements (i.e. voluntary resettlement). This exceeds national legislative requirements and is in line with IFC PS5.

4. Please provide information on whether human rights impact assessments were undertaken prior to the land acquisition and if so, please provide information on their results and the measures adopted to prevent, avoid and mitigate adverse impacts. Please also provide a copy of these impact assessments and information about how informed participation, including by those potentially affected, was ensured.

Agilis's resettlement process demonstrated a strong commitment to human rights by substantially exceeding Ugandan legal requirements for resettlement. Agilis's resettlement process considered IFC Performance Standard 1, IFC Performance Standard 5 and the Voluntary Principles on Security and Human Rights. As such Agilis sought to minimize the risk of human rights abuses in the communities impacted by Agilis's operations.

- Community engagement and sensitization (June 2017 to-date)
 - Hundreds of engagements with national and local government authorities and elected officials
 - Hundreds of engagements and consultative meetings with the occupants of Ranch 20 & 21
 - Clear boundary determination and cut-off dates for valuation
- Primary census and legal opinion (December 2017)
 - Agilis captured biographic, legal and socio-economic data of all of the occupants found within the boundaries of Ranch 20 & 21
 - These details were analyzed for *bonafide* claims to legal land tenure
 - Each individual was interviewed in the presence of local government officials
 - Results of the survey were analyzed by Agilis legal advisors
- Valuation of assets (January 2017 March 2018)
 - Valuation of assets according to Kiryandongo District valuation guidelines
 - Witnessed by illegal occupant, Agilis management and local government officials
 - Transparent redress and grievance mechanism
- Compensation and departure (January 2018 March 2018)
 - Compensation awarded based on a transparent entitlement framework
 - The agreements were voluntarily signed by the occupant and witnessed by local government, Agilis legal counsel and Agilis management
 - Payment of compensation amount was done a voluntary basis

- Illegal occupants departed willingly following compensation within an agreed timeframe
- Grievance redress mechanism (December 2017 to-date)
 - Compensation acceptance/rejection: in the event that the illegal occupant disagreed with the compensation that was assessed, they were able to file a "Rejection Form". 24 valuation "rejections" were filed and subsequently resolved.
 - Field level office: Agilis deployed a project office on-site during 2018. This project office received visitors and resolved various questions/concerns throughout the process. This team included Agilis external legal counsel. Local government: Agilis actively engaged with the local government leaders to facilitate dispute resolution through the resettlement process. This included meetings on-site and at the Kiryandongo District Headquarters. These meetings often led to amicable resolution of the disputed matters.

5. Please confirm whether the evictions in the Kiryandongo district have halted. Please provide information on the steps taken, in consultation with the people affected, to explore all alternatives evictions, and address the steps taken by your company to relocate those who have already been evicted.

Agilis has never evicted individuals or households from its properties. As detailed in response to first query, Agilis has engaged in proactive and good-faith voluntary resettlement negotiations with PAPs located on Agilis property. At present, nine households continue to remain on Agilis land as Agilis has been unable to reach an agreement with these individuals and households with regard to the settlement value. Agilis's continued efforts and consistent practices with these and other households demonstrate our commitment to non-violence.

6. Please describe the measures your company has taken, or is planning to take, to prevent recurrence of such situations in the future.

Agilis has not evicted anyone from Ranch 20 & 21. We have developed detailed management plans and mobilized resources to continually improve our community relations capability. I refer to our response to your second query, and to our response to your seventh query.

7. Please provide information on whether your company has established or participated in an effective operational-level grievance mechanism to address adverse human rights impact caused by its operations, in line with the UN Guiding Principles on Business and Human Rights. Please also provide any information as to whether such a mechanism has been used to address any concerns or impact arising out of your company's operations on the land it exploits, as well as information on any outcomes or remedies provided as a result.

We shared about the nature of our Grievance Mechanism under our answer to your second question.

Regarding the on-going operationalization of the land, the Grievance Mechanism is regularly employed by the Community. For example, in September 2021, we received complaints from eight neighboring smallholder farmers. The complaint was about the drift from our spraying activities that had affected their gardens. We informed our crop monitoring and community

relations teams who together with the area Local Council leadership, went to ascertain the extent of the damage to the farmers' gardens, per our crop damage grievance process. It was indeed ascertained that there was damage to the crops on the farms. The teams, together with the area LC and smallholder farmers agreed on a compensation for the damage. A report was filed and shared with management for appropriate action. All the eight farmers were compensated by Agilis and are actively monitored by Agilis to ensure that there are no further impacts to these individuals as a result of the drift.

8. Please indicate what measures have been taken to ensure that persons who have lost their land, housing, possessions or livelihoods, or suffered any other human rights or economic impacts, as a result of the land acquisition deals, have access to effective remedy and reparation.

As mentioned above, Agilis has made considerable resources and opportunities available to the PAPs to ensure that our land acquisition has had a positive impact. Please see below summary of investments in livelihood restoration made in the community:

Cash compensation	Agilis compensated all individuals per the Kiryandongo District Valuation Rates who have willingly departed the land as detailed above.
Local Employment	Agilis pays above average wages for skilled and unskilled labor. With a focus on hiring locally, hundreds of local community members, including PAPs, have built an improved source of livelihoods.
Community Gleaning	Agilis permits community members, including PAPs, to glean Agilis's fields after mechanical harvesting has been completed. This creates opportunities for community members to obtain free crop for at-home consumption and commercial sale.
Agronomic Training	Agilis conducts two farmer days per years, during which Agilis promotes conservation agriculture practices with the local community, including PAPs.
Joseph Center Ecosystem	Agilis established aservices hub – called a Joseph Center –which supplies inputs, provides agronomic extension services and offers access to markets for smallholder farmers in the community.
Food Production	Agilis is producing approximately 20,000 MT per year of maize and soybeans in Kiryandongo for the East African market.

9. Please also provide information on the nature of compensation provided to evicted residents, the amount and type of compensation determined, and the process for distributing the compensation to the affected community members

Type Eligibility Criteria		Entitlement Basis	
Residential	• Included in the census prior to	• Full replacement cost of	
Property	cut-off date	structures per the Kiryandongo	
	• Confirmed resident prior to the	District Valuation Guidelines as	
	cut-off date by community and	valued by a third party surveyor	
	LC1	• Livelihood restoration support	
Long maturing	• Included in the census prior to	• Compensation for crops as	
crops	cut-off date	estimated by third party	
	• Confirmed resident prior to the	surveyor (using current market	
	cut-off date by community and	value) for crops and trees that	
	LC1	could not be harvested before	
		departure.	
		 Livelihood restoration support 	

Compensation was provided according to the following Entitlement matrix:

The compensation distribution process was managed using a robust digital system of records and accountability. The entire process was completed under the supervision of Agilis management, local government and Agilis legal counsel:

- A. PAP willingly approached one of four project compensation offices established in accessible locations on the property. Compensation was not paid from the homestead.
- B. The PAP provided personal identification details to allow company officials to look-up the compensation award in the digital record system.
- C. If the PAP rejected the award, a rejection was formally filed. Twenty-four rejections were filled and resolved in the course of the resettlement process.
- D. If the PAP accepted the award, the PAP, his/her translator (if applicable), the LC1, Agilis representative and Agilis legal counsel signed a physical copy the agreement.
- E. Following signature of the agreement, photos of the PAP, the agreement and the PAP's identifying documents were digitally captured.
- F. The fully completed agreement was presented to the Agilis finance officer who verified details against the digital system and processed the cash payment in the presence of the PAP, his/her translator (if applicable), the LC1, Agilis representative and Agilis legal counsel.
- 10. Please share the details of the steps that your company is taking to ensure that food in the Kiryandongo district remains available, and that this right is respected in its operations ensuring food is accessible, and nutritionally-adequate in light of the destruction of farms on land that has been converted into plantations.

Agilis's mission is to empower Ugandans to feed Africa. Food availability, safety and nutrition for our customers and our suppliers are central to our mission.

As mentioned above, Agilis entered into consensual agreements with occupants on Ranch 20 & 21 pursuant to which Agilis paid farmers for any permanent crops they had on the land. With the consideration for the permanent crops, individuals were able to set up similar farms

in the areas to which they resettled. Farmers were permitted to harvest all seasonal crops such as maize before departing the land. With the harvest proceeds, farmers were able to plough and replant on the land on which they resettled, thereby assuring their food security in the next season. Farmers also received livelihood restoration assistance so that they could restart their farming enterprises elsewhere.

Access to food has been strengthened by the intensive upskilling and inputs access Agilis has delivered to the local community. PAPs and other community members have received training on conservation agriculture and post-harvest handling practices. Through conservation agriculture, farmers produce higher quality food in a more climate-change resilient manner through crop rotation and minimum tillage. We have also availed inputs such as improved hybrid seeds to farmers in the community. Improved post-harvest handling practices reduce loss, thereby increasing the amount of marketable or consumable food the farmers produce, and also improve quality by reducing the prevalence of aflatoxin and other contaminants.

Lastly, Agilis is trialing multiple crops in Kiryandongo which offer varying nutritional and cultural profiles for integration into the conservation agriculture protocols we promote. Our goal is to avail farmers with the know how and inputs packages we have developed in maize and soybean production in other crops.

11. Please confirm whether residents working on or living near the plantations and who are exposed to agrochemicals have access to protective equipment and adequate healthcare.

We confirm that all impacted individuals, including employees and temporary workers, have access to the necessary protective equipment while working on the farm. Adequate healthcare is also availed to resolve any incidents or accidents.

We remain at your disposal if any further clarifications are required. We reiterate our sincere commitment to the UN Guiding Principles on Business and Human Rights.

Sincerely yours,

For Agilis Partners

APPENDIX 1



12/160

LEASEHOLD REGISTER

Volume 946 Folio 18

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THE REPUBLIC OF UGANDA

REGISTRATION OF TITLES ACT

CERTIFICATE OF TITLE

DESCRIPTION OF LAND

The Leasehold land edged red on the plan attached hereto and situate and known as follows:--

Street Number: RANCH HOS 20 AND 21, KIRYANDONGO

Road-Name: Township/Municipality/City:

District: NORTH BUNYORO

Area: 2600 H. 99

for s-----years-and ---monthe-TERM from 1 ST JAN. 1976 at the rent and subject to the covenants and conditions contained or implied in Lease bound up herewith and to the incumbrances (if any) entered in Number the Incumbrance Register.

Easements

.C. DOI LESUED IN ACCORDANCE WITH PROVISIONS OF SECTION 67 THE OF THE STRATION OF TITLES ACT THE OUPEICATE CENTRELATE OF TITLE WHICH WAS OPICE ALLY ISSUED HAPING SEEN LONT.

PROPRIETORSHIP

Date, time and Inst. No.	Name and Address of Proprietor	Signature of Registrar
713 	M/s EODARI LIVESTOOK SATERPRISES LIMITED, c/o POBERT A. TRIGEL, P.O DOX 1914, KAMPALA. AN ALA = C ALA	J.S. ODWE ST.REGISTRAR OF T TITLES

Date of issue:

Owner's Copy

			James	
Proprietorship—continued				
Date, time and Inst. No.	Name and Address of Proprietor	Signature of Registrar	e.	
20.1.2018 .1.р.м г.т.ка-00000297	AGILIS RANCH 20 AND 21 INVESTMENT COMPANY (UGANDA) LIMITED PLOT 17 KIRYA ROAD-MASINDI	Renior Renior Register of Titles		
			ALC: NO	

APPENDIX 2





Fredrick E Ssempebwa LLB Hons (EA) LLM (Belfast)

Senior Partner E-mail: efs@kats.co.ug

attorneys-at-law, advocates, solicitors, legal consultants, commissioners for oaths, notaries public, tax consultants, trademarks and patent agents, receivers and liquidators, company secretaries Chamber: Radiant House, Plot 20 Kampala Road, P.O. Box 2344 Kampala - Uganda Tel: (256) (414) 233770, 233908 E-mail: <kats@kats.co.ug> Websit: www.kats.co.ug

KS/G/17/3858

29th January 2018

AGILIS PARTNERS

Caribbean House. 3rd Floor PO Box 1990, Grand Cayman-Cayman Islands

Attn: Phillip Prinz

RE: LEGAL OPINION ON THE OCCUPANCY OF SQUATTERS ON LRV 916 FOLIO 18 RANCHES 201 AND 21

BACKGROUND

Agilis Ranch 20 and 21 Investment Company (Uganda) Limited Company has purchased the above mentioned property which is occupied by squatters. The squatters claim that they are bonafide occupants on the land. ts.co.u

ISSUE

A. Whether the squatters on the land are bonafide occupants?

Article 237 (8) and (9) of the 1995 Constitution stipulates that;

"(8) Upon the coming into force of this Constitution and until Parliament enacts an appropriate law under clause (9) of this article, the lawful or bonafide occupants of mailo land, freehold or leasehold land shall enjoy security of occupancy on the land. (9) Within two years after the first sitting of Parliament elected under this Constitution, Parliament shall enact a law-

(a) regulating the relationship between the lawful or bonafide occupants of land referred to in clause (8) of this article and the registered owners of that land;"

Further Section 29 (2)(a) and (b) of the Land Act Cap 227 defines bonafide occupants as follows:

"(2) Bona fide occupant means a person who before the coming into force of the Constitutionng to the above subject, please qui

Chief Accountant: Sam Serunjogi

Dip BA, U Dip BS (MUBS) LLB Hons (IUIU) MIB (MUBS)



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- (a) had occupied and utilised or developed any land unchallenged by the registered owner or agent of the registered owner for twelve years or more; or
- (b) had been settled on land by the Government or an agent of the Government, which may include a local authority."

Conclusion

According to the information availed to us and in relation to the definition of bonafide occupant as per the Land Act Cap 227, no person lived, occupied, developed or utilised the above captioned land for twelve years before the coming into force of the 1995 Constitution of Uganda.

Further, we do not have any information showing any persons that were settled on the above captioned land by the Government of Uganda or any local Authority.

We trust this covers the scope of your inquiry, please do not hesitate to contact us should you require any additional information and / or clarification on the same.

Yours faithfully

BWA AND COMPANY For: KATENDE, Advocates, Solicitors and Legal Consultants NWW.Y





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THE REPUBLIC OF UGANDA



In any correspondence on this subject please quote No .MIN/PERS/191/01

16th November, 2017

The Resident District Commissioner KIRYANDONGO

The L.C. V Chairman KIRYANDONGO MINISTRY OF LANDS, HOUSING AND URBAN DEVELOPMENT P.O. BOX 7096 KAMPALA, UGANDA

CLARIFICATION ON THE STATUS OF RANCHES IN KIRYANDONGO

Reference is made to the letter by the Minister of State for Lands dated 97th November, 2017 Ref. ADM 1/32/01 [attached as Annex A.]

The content of the letter has caused panic among proprietors of the Ranches in the area of Kiryandongo with most investors petitioning my Office for guidance.

In lieu, this is to state the accurate and legal position on the Ranches in that area as follows:

(1) On 24th August, 1990 the National Resistance Council basing on the Commission of Inquiry Report on Ranches took a decision to sub-divide into appropriate units all the Ranches that fall in the 5 (five) Ranching Schemes of Ankole, Masaka, Bunyoro, Singo and Buruli.

A notice to effect the resolution was signed by His Excellency the President on 25th Scptember, 1990 and subsequently published in the Uganda Gazette of 12th October, 1990 Vol. LXXXIII No. 42 as a general Notice No. 182 of 1990.

(2) A Ranches Restructuring Board was established leading to the restructuring of all the impending ranches in the schemes of Ranches "A" and "B". Among Ranches allocated by the Uganda Land Commission were Ranches No. 23, 28, 29 and 30 to Kiryandongo Sugar Works Ltd. by the Consent of H.E. the President (see attached Consent from H.E. the President marked Annex B).

- (3) Ranches Nos. 20 and 21 are solely private ranches belonging to M/S SODARI LIVESTOCK ENTERPRISES LTD c/o Robert A. Irigei, of P.O. Box 4914 Kampala. These particular Ranches, 20 and 21 remained with the owner as private ranch after Government's failure to fulfill its contract. I am also privy to information that Sodari has sold the whole/or part of this Ranch to Agilis Partners c/o Katende, Ssempebwa and Company Advocates, P O Box 2344, Kampala. House of Ceramics was also allocated approximately 4 square miles which is held under 3 separate Title Deeds.
- (4) In due respect to the above legal positions, the Resident District Commissioner and the District leaderships are instructed to assist in all ways possible the owners of the specified ranches to amicably negotiate and settle any disputes with the legal tenants on the subject properties in accordance with the relevant land laws. In the case of Kiryandongo Sugar Limited, they officially submitted their resettlement plan (see the plan attached as Annex C).

This letter rescinds communication made by the Minister of State for Lands which in essence had resulted into halting activities by the ' registered proprietors and is bound to cause legal suits to Government if not clarified.

By copy of this letter, you are requested to help render all the necessary assistance to the project developers in the area and to educate the legal tenants of their rights and the options provided to them under the law in this circumstance.

mmmon

Amongi Betty Ongom (MP) MINISTER OF LANDS, HOUSING & URBAN DEVELOPMENT

- c.c. The Ministers of State, Ministry of Lands, Housing and Urban Dev.
- c.c. The Woman Member of Parliament, Kiryandongo
- c.c. The Member of Parliament, Kibanda North, Kiryandongo
- c.c. The Permanent Secretary, Ministry of Lands, Housing & Urban Dev.
- c.c. The Principal Private Secretary to H.E. the President
- c.c. The Chairman, Uganda Land Commission
- c.c. The District Police Commander, Kiryandongo
- c.c. The District Security Officer, Kiryandongo
- c.c. The L.C. III Chairman, Kiryandongo Sub-County
- c.c. The L.C. III Chairman, Mutunda Sub-County
- c.c. The L.C.I Chairman, Nyamuntende Sub-County
- c.c. The L.C. I Chairman, Kigomoro A
- c.c. Kiryandongo Sugar Ltd.
- c.c. Agilis Partners, c/o Katende, Ssempebwa and Co. Advocates, Plot 20, Kampala Road, P O Box 2311, Kampala.