



SEYANI BROTHERS & CO. (U) LTD.

GENERAL BUILDING & CIVIL ENGINEERING CONTRACTORS

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Your ref:

Our ref: MPS/BHRRC/2016/002

Date: 12th November, 2016

**Business and Human Rights Resource Centre
630 Ninth Avenue,
Suite 304,
New York,
NY 10036,
USA**

Attention: Mr Gregory Tzeuschler Regaignon / Mr Joseph Kibugu

Dear Sir

RE: UNFOUNDED ALLEGATIONS AGAINST QUARRYING ACTIVITIES UNDERTAKEN BY THE COMPANY AT NAKISUNGA, MUKONO, UGANDA

Further to your various email correspondences and the recent communication by the Uganda Consortium on Corporate Accountability (UCCA), we would like to formally respond to the key points raised by UCCA and to set the record straight.

Whilst we understand the work UCCA are trying to do, we feel that the survey could have been better handled by basing it on factual data rather than general observations. It would also help in understanding what selection criteria was used in conducting the survey. We believe a more comprehensive baseline study and comparison of quarry operators should have been conducted.

We have never denied anyone wishing to visit our premises if accompanied with an official letter but maintain that no one has approached us in this manner.

We thank UCCA for clarifying that the point regarding Sempape Primary school did not relate to our Company but to another Quarrying company and therefore generalizing the adverse behavior of this Quarrying company across the sector is baseless.

We are at pains to understand why the survey report insists on dwelling on VERY OLD complaints (with a history of more than 8 years old) which were fully and satisfactorily resolved at that particular time. Our correspondence clearly shows that we did not start operating the Quarry until all the necessary documentation and lengthy statutory clearances were in place and the local communities, their leaders and other stakeholders (including NEMA) were engaged appropriately. This simply illustrates that the rights of the local community were never infringed, as they had the freedom to express their views both individually as well as collectively and had

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access to all platforms i.e. local district level, Parliament as well as the High Court, which they had exercised willingly without any negative pressure. It is beyond our understanding why the author of the research has not chosen to appropriately acknowledge this and maintains that the local community's rights were suppressed.

We believe that a much better perspective would have been obtained about the Quarrying industry in Uganda had the researchers covered other companies in this sector to see how they conduct their operations. We are still not clear about the specific fundamental human rights violations UCCA are referring to. As UCCA rightly mention (e.g. for health services), it is the mandate of the Government to provide basic human rights to its citizens through conducive laws and regulations. Indeed, there is a need for strengthening the legal and regulatory framework in Uganda, and the private sector players would also need to play their part, as we have done.

UCCA have raised the issue of "negative impacts of the stone quarry activities" and we have elaborated in detail the stringent measures that are taken by our organization to "protect, respect and remedy" as enshrined in the UN Framework. The Environment Impact Assessment (EIA) Studies, explained in our previous response, that we undertake professionally on an annual basis confirms that we pride ourselves in honestly accounting for the negative impacts of our operations, albeit minimal, are remedied in the subsequent period to restore status quo. In UCCA's response, they seem to have remained silent about this issue. On the issue of environmental degradation, we would like to put on record that out of the total area of 23 acres, 8 acres is used for quarrying and the rest is substantially a green zone and access roads. Regarding dust emission, which was picked up in our earlier EIA studies, we took a decision to invest in an advanced technology which used the procedure of wetting the relevant area first before conducting the quarrying operation so as to minimize dust emission. The bottom line is that the activities are conducted in a very professional and controlled manner with the overriding objective of having minimal disruptions to the surrounding communities and infrastructure as much as possible. Does UCCA's report suggest that Stone quarrying should be stopped completely in Uganda, as this is definitely an industry-wide issue and there are inherent challenges, as there would be in any sector?

We have always respected the local community in whatever we do by having a proactive and continuous dialogue with them. However, there will always be some isolated elements in the local communities who, for their own selfish interests, would want to portray a negative picture of the actual reality on the ground. This also begs the question of whether the sample selected by the surveyors was representative of the entire population of the local community. The reason why we had explicitly explained the issue regarding the donation of the Health Centre in this sub-county, in our earlier response, was not because it was an important issue for Seyani, but to illustrate the disorganized state of decision making of the local residents, some of who (highly influential) had selfish interests to claim private ownership of the Health Centre that, otherwise, would have greatly benefited the local community. We have no doubt that a select few of these selfish influential members of local community would undoubtedly continue to portray a negative image about our company's operations as they have not profited unlawfully from our endeavors thus far.

Our understanding of Corporate Accountability based on various commonly available definitions has the core values of:

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- Accountability to stakeholders of the Company e.g. shareholders, employees, suppliers, customers, local community, etc
- Performance of a company in non-financial areas such as CSR, sustainability and environmental performance
- Demanding fundamental changes to the legal framework.

We strongly believe our Company is substantially, if not fully, compliant with generally accepted principles of Corporate Accountability (CA).

According to us, CSR and CA are not mutually exclusive, but are very closely inter-twined with one another. For example, as UCCA rightly mention, CSR addresses key community needs in "health and education", and in fact, Health and Education are some of the basic human rights under Articles 25 and 26 of the UN Universal Declaration of Human Rights.

We pride ourselves in taking all aspects of our business very seriously and giving them the due attention they deserve. We are an ISO certified Company in Quality, Environment and Health & Safety. We follow very stringent Human Resource policies which go well beyond the realms of the Employment Act and Labor laws of Uganda. Our record of employee retention speaks for itself, with several employees being part of our organization for over 10 years.

We reiterate that we have always operated within the established regulatory and legal framework. In fact, we actually strive to go beyond our regulatory obligations and out of our way to ensure protection of human rights.

Finally, we wish to categorically state that we fully appreciate and respect human rights and in no way whatsoever, violate them as an organization.

Yours Faithfully,

SEYANI BROTHERS & CO. (U) LTD



Manish Siyani

Managing Director

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