PURSUING CORPORATE ACCOUNTABILITY IN UGANDA
Welcome to the first issue of the Uganda Consortium on Corporate Accountability (UCCA) newsletter 2017. UCCA is a Civil Society Consortium established in 2016 with the aim of enhancing accountability by Corporations, States, International Financial Institutions and Development Partners for violations or abuses of Economic, Social and Cultural Rights (ESCRs). The Consortium was founded by four organizations specializing in different areas of rights protection, including the Public Interest Law Clinic (PILAC) of the School of Law Makerere University, the Initiative for Social and Economic Rights (ISER), the Center for Health Human Rights and Development (CEHURD) and Legal Brains Trust (LBT).

The major objective of the UCCA is to play a catalytic role in ensuring corporate accountability by creating a common platform to identify the gaps that exist and begin developing joint actions towards realizing corporate accountability. The Consortium will leverage the capacity and experience of individual member organizations to have a strengthened voice, coordinated approaches and strategic interventions around business and human rights.

This Newsletter will be a bi-annual publication creating a platform for the UCCA membership to showcase their activities, discusses emerging issues and joint actions around corporate accountability. The ultimate goal is to build a national platform for joint engagements and advocacy to enhance corporate accountability in Uganda. It will also be a platform to share regional and international initiatives and engagements around corporate accountability.

This initiative will help strengthen capacities of our members and also open up collaborative initiatives through joint research and advocacy actions and increased cooperation among organizations working on corporate accountability in Uganda and beyond. More importantly, it will be a key forum to ensure improved monitoring and documentation on human rights situations and corporate accountability in Uganda.

This first issue focuses on the journey and pilot phase of the Consortium. Why was the UCCA formed and what was largely undertaken in the one year. The issue also takes a brief look at 2017, highlighting the key activities undertaken and the new members that joined the Consortium. The issue highlights the milestones that have been achieved. We feel it is important to appreciate the journey so far that has set the course for our broader goals and objectives. However, going forward, the Newsletter will highlight the various individual member experiences and engagements with a focus to come up with coordinated and strategic interventions to enhance corporate accountability.

Feedback and suggestions on this inaugural issue and its contents will be highly appreciated. Suggestions can also be shared on other areas of interest and focus of upcoming issues and broader Consortium activities.

Thank you.
Why was the UCCA formed?

For over 10 years now, Uganda has experienced increased foreign direct investment by multinational corporations and local investments in various fields including the extractive sector, telecommunications, agriculture, manufacturing and social services like health, electricity and education among others. With this, we continue to witness a significant percentage of ESCRs related services and goods in Uganda now owned, managed or implemented by corporate entities. It was noted that ESCRs and corporate accountability are closely linked and it’s the intersection of issues that the UCCA sought to exploit to further the discourse on ESCRs as a category of rights by itself as well as corporate accountability and the interrelated issues that underlie both fields.

Although investment is critical to achieve economic growth and if well directed, it can enhance further realisation of human rights, for the case of Uganda some corporate practices and forms of investments have been associated with human rights abuses. (Cases in point include

- The Kaweeri Coffee abuses in Mubende, where the plaintiffs on their own behalf and on behalf of the other customary occupants of land from four villages were forcefully and illegally evicted without compensation to pave way for the defendant company Kaweeri coffee plantations limited.  
- The Rwamutonga forced evictions in Hoima, where a community was evicted to pave way for a waste management plant.  
- The Land grabbing in Kalangala among others)

This has created tensions between balancing human rights and development.

The fact that many of the investments require large pieces of land has fuelled land grabs and illegal evictions in the country, while the need to maximize profits has increased incidents of human rights abuses on communities and individuals who either work for or are affected by the activities of the various companies. There is increasing reports of labour exploitation within manufacturing sectors and the agriculture sector.

Also evident was that some of these corporate abuses were/are in part facilitated by the complicity of the State, which is the primary duty bearer in the promotion, protection and fulfillment of human rights. Senior government officials have made public statements that favor investment over human rights, and government maintains policies like excessive tax waivers to encourage investment. Human rights activists pursuing corporate accountability are harassed and intimidated referred to as ‘economic saboteurs’ and ‘anti-development’. The land debate has been and still is a precarious one, yet all state driven initiatives point to a drive to create a conducive environment for private actors to do business and in some cases at the expense of human rights.

This increase in corporate activity needs to be balanced with respect for human rights for all, and human rights should be integral to corporate engagement with the government and communities. Land acquisition processes for investment must ensure prior, prompt, fair and adequate compensation and free prior and informed consent in all development processes. Also of importance, victims of corporate abuses should be able to access effective remedies among others.

For 2 see page 31 of The State of Corporate Accountability in Uganda, A Baseline study report for the Uganda Consortium on Corporate Accountability, September 2016

For 3 see page 88 of The State of Corporate Accountability in Uganda, A Baseline study report for the Uganda Consortium on Corporate Accountability, September 2016


As such, the UCCA was formed to partner with other CSOs working in the field of business and human rights to play a critical role in shaping a contemporary policy debate about the role and responsibility of corporations to uphold human rights standards beyond voluntary corporate social responsibility initiatives.

**The 2016 UCCA Pilot Phase**

In 2016, the UCCA implemented a 1 year pilot phase with a broader purpose to assess the landscape on issues of business and human rights in Uganda. Two of the key activities implemented was a baseline study on the impact and effects of corporate actions on enjoyment of human rights in Uganda and organising the 3rd Annual National Conference on Economic, Social and Cultural Rights under the theme “Business and Human Rights: Accountability vs. Social Responsibility for Corporate Abuses in Uganda.”

Other activities included Key Stakeholder engagements, community dialogues and participation in regional and international initiatives around corporate accountability.

**The 2016 Baseline Study Report**

“The State of Corporate Accountability in Uganda”

In 2016, the UCCA conducted a baseline study on the effects and impact of corporate actions on the enjoyment of ESCRs of all people in Uganda. The Baseline study was designed to focus on existing laws, policies, regulations and practice guidelines on corporate accountability and assess the country’s level of implementation of international business and human rights frameworks. Particularly the study focused on identify gaps where there exists opportunities for intervention for change by the consortium. It also explored existing initiatives by government, the private sector and civil society to ensure corporate accountability, as well as the perceptions of the state, the public and the corporate entities towards business and human rights.

This was all geared at unpacking corporate accountability in Uganda and popularizing the principles of business and human rights.

An elderly woman carries a heavy stone for breaking into small particles for sale at the Tororo Cement stone and marble mining site in Moroto district in Karamoja area.

**The 3rd Annual National Conference on Economic Social and Cultural Rights**

One of the outcomes of the 2nd National Conference in 2015 was the birth of the UCCA and the decision that the 3rd National Conference tackles the subject of business and human rights. In that line the 3rd National Conference brought together different stakeholders and raised awareness about the relationship between business and human rights, national debate and increasing knowledge and understanding about ESCRs. The Key Note address “Business and Human Rights and the Evolving Standards at the Global Level: Obligations of State and Non-state Actors” was delivered by Dr. Michael K. Addo, a Member of the UN Working Group on Business and Human Rights. The discussions from the Conference were well received and triggered a broader discussion on corporate accountability in Uganda. Over the 2 days, the conference was attended by over 800 participants. Apart from the main plenary that contextualized business and human rights in Uganda, the Conference also organized side sessions around different thematic areas.

Understanding the Nexus Between Tax and Investment Policies and their Implications on Human Rights, Compulsory Acquisition of Land for Investment or Land Grabbing?, and; Environmental Protection, Business and Human Rights Standards in Uganda.

The discussions and the contributions made shaped national debate during the week. One of the panel discussions on “Compulsory Land Acquisition” informed the headline of the National Newspaper, the Saturday New Vision; “Hold Referendum on Compulsory Land Acquisition” September 17th 2016

Some of the key overall recommendations from the Conference were the need to strengthen the legal and policy framework around business and human rights and to raise awareness around the United Nations Guiding Principles on Business and Human Rights.

The UCCA and its partners are actively engaged in proposed policy and legal reforms around social impact assessments and accountability frameworks and land resettlement and rehabilitation frameworks. It is from this perspective that the conference will remain a key platform to discuss promotion of ESCRs in general with particular interest in business and human rights.
In preparation for Uganda's review at the 26th Session of the United Nations Human Rights Council Universal Periodic Review (UPR) in November 2016, the UCCA, ISER and the Centre for Economic and Social Rights (CESR) USA produced a Fact Sheet on Business and Human Rights.

Although Uganda did not receive a specific recommendation on business and human rights, it did accept a recommendation to develop a national action plan on human rights. With the private sector playing an increasingly prominent role in the country's development, it is crucial that Uganda adopts the laws, policies and action plans needed to effectively operationalize the Guiding Principles on Business and Human Rights.

**THE PRIVATE SECTOR IS BEING ENCOURAGED TO PLAY A GROWING ROLE IN UGANDA'S DEVELOPMENT PLANS.** Since the late 1980s, Uganda has pursued a series of pro-market structural reforms and has boosted economic growth. In 2010, it set out an ambitious agenda to become an upper middle income country within 30 years (GoU, 2010). In line with this agenda, the country’s second five-year National Development Plan (NDP II) prioritizes private sector-led growth—in particular in agriculture, tourism and, most notably, the extractive industry. The discovery of oil in western Uganda will have a huge impact on the economy; production is planned in 2017 or 2018. NDP II envisions a significant role for the private sector in financing the country’s development. It strongly promotes public-private partnerships (PPP) and puts forward a series of strategies designed to create a more conducive environment for doing business. However, increasing private sector involvement in the country’s development has not been accompanied by adequate efforts to protect, respect and remedy human rights in line with the Guiding Principles on Business and Human Rights.

**THERE ARE GAPS IN UGANDA’S HUMAN RIGHTS PROTECTION FRAMEWORK AS IT RELATES TO BUSINESS.** Article 20(2) of the Constitution explicitly recognizes that private actors have human rights responsibilities. Nevertheless, laws to regulate the human rights impact of corporate activities have weaknesses in their design, implementation and enforcement. The Employment Act and the Workers Compensation Act offer remedies for abuses and injuries arising in the course of formal employment; the Acts do not cover those in the informal sector, who make up the vast majority of the labour force—81.5% in 2012/13 (GoU, 2015). The minimum wage has not been adjusted since 1984 an stands at UGX 6,000 (USD 2) per month; by contrast, the national poverty line is equivalent to USD 30 per month (MFPED, 2014).

**BUSINESSES ARE FAILING TO RESPECT LABOUR RIGHTS.** Low Wages and Poor Working Conditions are Rife Labour informality also increases women and girls’ vulnerability to sexual exploitation—high levels of which are reported in horticulture, in particular (DIHR, 2016).

**Case Study: Labour Exploitation in Karamoja** In 2016, the Uganda Consortium on Corporate Accountability interviewed communities in the mineral rich Karamoja area. Economic exploitation was arguably the community’s most damning complaint against the companies involved. For example, limestone mining companies pay local communities to break up large blocks into transportable pieces. Workers range from children to the elderly; they work all day in the scorching sun, without any protective gear, using basic instruments. Local miners lamented that they are paid a pittance for the stones they break. For a truckload of 22–23 tonnes, they get UGX 150 000 (USD 45); for 28–29 tonnes UGX 170 000 (USD 52); and for 30–31 tonnes UGX 220 000 (USD 67). The way that companies collect the stones is also problematic, prompting disputes among community members about distributing payments. Source: UCCA, 2016

The kinds of economic arrangement between companies and communities described above are negotiated when companies apply for mining licences.

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*The UPR Business and Human Rights Factsheet 2016*
The Fact Sheet on Business and Human Rights was instrumental in the pre-session and review engagements as advocacy tools.

There was successful advocacy using the Business and Human Rights fact sheet at the UPR pre-sessions and continuous engagements with different missions. During the UPR process on November 4th, 2016, Uganda received and accepted five recommendations touching on business and human rights. These are:


- 115.138 Ensure that companies exploiting natural resources conclude agreements with affected communities to allow them to access cultural sites or resources and be compensated. (Kenya).

- 115.137. Continue to promote a sustainable economic and social development and to improve living standards of the people. (China)

- 115.138. Ensure that companies exploiting natural resources conclude agreements with affected communities to allow them to access cultural sites or resources and be compensated. (Kenya).

The UCCA is working with its partners including Ministry of Gender, Labour and Social Development, Equal Opportunities Commission and Uganda Human Rights Commission to ensure implementation of these recommendations.

UCCA organized community dialogues in the different districts of Mukono, Hoima and Bulisa among other communities. These dialogues helped in the building of capacities of the various stakeholders to create awareness and strengthen knowledge around corporate accountability.

In Mukono for example, the dialogue was conducted in the stone quarrying area of Nakisunga subcounty where over 113 community members including local council chairpersons participated. These dialogues are carried out as fact finding missions and validation processes of the various claims of corporate abuses. The purpose of these dialogues is to have communities self-advocating at the end of the day.
Situation Analysis and Legal Aid Camp

As part of UCCA activities, a Situation Analysis Camp was conducted by UCCA and the Network for Public Interest Lawyers (NETPIL) in Usukuru Sub county, Tororo District where a total of 4800 people are expected to be displaced by a Phosphate Mining project; many of the affected people claim that they did not understand the terms of the surface land rights lease agreements and were duped by middle men to sign them. There is a clear disregard for free prior and informed consent (FPIC) principles in land acquisition processes for investment purposes, in that marginalized and vulnerable communities are forced to sign agreements which they don’t understand. These irregularities have triggered conflicts between communities and investors.

National, Regional and International Networks

UCCA has established collaboration with national institutions and regional and international networks to bolster its work on corporate accountability. Domestically, there is collaboration with EOC and MoGLSD to ensure effective remedies for violations arising out of corporate activity. There are plans to engage more with other State standard setting and regulatory agencies; such as National Environment Management Authority, Uganda Investment Authority, Uganda National Bureau of Standards and Directorate of Labour among others. UCCA has also established collaboration with the African Coalition on Corporate Accountability (ACCA) and the International Economic, Social and Cultural Rights – Network (ESCR-Net). The UCCA is actively engaged in the ESCR-Net Corporate Capture and Binding Treaty Initiatives. The UCCA is also a member of the Free Prior and Informed Consent Working Group of the ACCA.

PILAC students arriving for the Legal Aid Camp in Usukuru
I. STRENGTHENED UCCA GOVERNANCE & MEMBERSHIP

The year 2017 saw the UCCA embark on implementing a broad project “Pursuing Corporate Accountability in Uganda.” Under the project, the Consortium Governance Principles, Norms of Procedure and Membership Application Forms were developed and shared with various partners that the consortium had engaged with during the pilot phase. This witnessed the UCCA membership increase from the four (4) founding members to eleven (11). The new members that joined in 2017 were Karamoja Development Forum (KDF) from Moroto District, Twerwaneho Listeners Club (TLC) from Fort Portal, Navigators for Development Association (NAVODA) from Hoima, Centre for Economic Social and Cultural Rights in Africa (CESCRA) from Kampala, Ecological Christian Organisation (ECO) operating both in Kampala and Karamoja region, The Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI) in Kampala and Buliisa Initiative for Rural Development Organisation (BIRUDO) from Buliisa.

II. NATIONAL ENGAGEMENTS

The UCCA continued with national engagements around emerging issues. Some of the key activities included;

• **Research and Advocacy:** A research study was commissioned around the capacity of the state to regulate corporations in the labour sector. This focused on a review of the labour policies in Uganda, the laws in force and the institutions there under. The overall objective was to document deficiencies, if any, in the policy, regulatory and institutional frameworks, and suggest appropriate remedial actions and where necessary, reforms in the legal framework in line with international instruments, and best practices so as to enhance corporate accountability and respect for human rights in Uganda.


• **The 4th National Annual Conference on Economic Social Cultural Rights was held under the theme “Local Government and Service Delivery in Uganda: Achievements, Challenges and the Way forward”.** The UCCA as a key organizer partnered with Global Rights Alert (GRA) to organize a parallel session under the theme “The Role of Local Government in Natural Resource Governance.”

• **Handbook on Land Ownership, Rights, Interests and Acquisition in Uganda:** Due to an increase in land grabbing and forced eviction in natural resource rich areas, the UCCA was confronted with many affected communities who have found difficulty in accessing remedies for the rising violations. Some of the conflicts are a result of lack of awareness about land rights and acquisition processes. In 2017, the UCCA set off to compile a handbook as a resource to sensitize both the communities and CSOs working to protect land rights in different areas. This will help in the sensitization the affected communities, building their capacities and assist in seeking effective remedies.

• **The UCCA in partnership with ISER, Equal Opportunities Commission (EOC) and Ministry of Gender Labour & Social Development (MoGLSD) organised a Post Universal Periodic Review (UPR) Stakeholder Dialogue on developing of Indication and designing of an implementation Strategy.** From the Dialogue, the UN OHCHR and UHRC later organised a colloquium around the development of a NAP on Business and Human Rights. The UCCA made key presentations on a
broader analysis of the legal, policy and institutional framework on Business and Human Rights.

- **Business and Human Rights Trainings:** The UCCA conducted Business and Human Rights trainings together with our partners in Fortportal, Hoima, Buliisa and for the Karamoja region. These have been a platform to engage various corporate actors, Company representatives, CSOs and officers in the Justice Law and Order Sector appreciate issues of Corporate Accountability.

- **Community Dialogues:** Two community dialogues were held in Buliisa and Hoima as follow up discussions with some of the communities affected by the oil and gas activities in the region. A dialogue was conducted with the families awaiting to be resettled from the area identified by the refinery project. The second dialogue was with the Buliisa community affected by the Central Processing Facility. Discussions were held regarding the compensation modalities and land tenure system. The communities raised concerns on the fairness and adequacy of the compensation and other land tenure related issues.

### III. REGIONAL AND INTERNATIONAL ENGAGEMENTS

The UCCA was also actively engaged with regional and international partners on emerging issues around business and human rights including;

- **The ESCR-Net Corporate Accountability Working Group Meeting in Mexico City, Mexico.** The ESCR-Net Corporate Accountability Working Group (CAWG) is central in the Binding Treaty Initiative on Business and Human Rights. As part of CAWG’s Treaty Initiative, participants in three regional consultations and strategy meetings had repeatedly raised the issue of corporate capture, as well as the possibility of using the UN process and international attention to confront this trend at the national level. The meeting in Mexico City was organized with the objective to expand popularization and alliance building, Initiate community-led documentation and mobilization, Explore and begin to draft model legislative and policy reforms and develop and agree roles in targeted campaign and advocacy actions on corporate capture. Discussions and resolutions were key initiatives during the 3rd session of the IGWG on TNCs and OBEs. Corporate Capture is now a key component of UCCA’s training activities.

- **The 3rd Session of the Open Ended Intergovernmental Working Group on Transnational Corporations and Other Business Enterprises (OEIGWG), in Geneva.** The session discussed the draft elements of the planned treaty on business and human rights. With international partners such as ESCR-Net and ICAR, the UCCA participated in position statement formulation and side meetings with the EU to reinforce the importance of a binding treaty on business and human rights especially for developing countries where most TNCs operate and violate human rights. It is at this forum that the UCCA, ISER and ICAR issued a joint statement on the complementarity nature of both the treaty initiative process and the NAPs process under the UNGPs framework.

- **The General Assembly of the African Coalition on Corporate Accountability (ACCA) Pretoria, South Africa.** The UCCA participated in the Free Prior and Informed Consent (FPIC) Research project commissioned by the ACCA with a focus on key critical issues affecting the continent, in the context of respect to FPIC. The report was discussed during the ACCA General Assembly. The UCCA was also actively engaged in discussions around the effectiveness of the NAPs process and the Binding Treaty Initiative as far as access to remedy is concerned.
ISER is an independent, not-for-profit human rights organization responsible for promoting the effective understanding, monitoring, implementation and realization of Economic and Social Rights in Uganda. ISER also hosts the Uganda Consortium on Corporate Accountability (UCCA) Secretariat.

CEHURD is an indigenous, non-profit, research and advocacy organization which is pioneering the enforcement of human rights and the justiciability of the right to health in Eastern Africa.

PILAC is the premier university based law clinic in Uganda. Established in 2012, PILAC seeks to promote social justice through hands-on experiential learning as well as exposing students to ‘live’ cases of individuals who have been confronted by the law in its varied manifestations. PILAC also hosts the Network of Public Interest Lawyers (NETPIL).

LBT is an independent nonprofit organisation that seeks to establish the rule of law, ensure equal and equitable access to justice and tackle the root causes of exclusion, vulnerability and poverty in Africa. In order to streamline its legal aid mandate, LBT established a specialist agency called Centre for Legal Aid, which is Uganda’s first national pro bono public interest law firm.

KDF is a research, lobby and advocacy organization on land and pastoralism, registered with the government of Uganda as nonprofit making organization, based in Karamoja region of North Eastern Uganda.

NAVODA is a NGO based in Hoima District. Its vision is to see socio-economic transformation of communities through conservation of the environment and other natural resources.

ECO is an indigenous NGO working towards the realisation of sustainable livelihoods and natural resources for the marginalised, under-served and vulnerable groups in Uganda. ECO has implemented a varied portfolio of projects in the greater Karamoja region, the Albertine Rift and the L. Victoria basin.

SEATINI is an NGO working on trade, investment, tax and other related issues with a focus on strengthening the capacity of all key stakeholders to participate in and effectively influence trade, investment and tax related negotiations and policy processes at national, regional and international levels.

CESCRA is a not-for-profit non-government regional organisation founded in 2010 by four activists experienced in regional human rights specifically on economic social cultural rights and gender equality in Africa. CESCRA works to harmonise the international and regional human rights law with national reforms and strategies.

BIRUDO operates in Albertine region of Uganda covering the sub-counties of Biiso, Buliisa, Butiaba, Kigwera, Kihungya, Ngwedo. BIRUDO’s mission is to improve the quality of life of the local communities through information sharing, sensitization, advocacy and networking for sustainable development. Among its core objectives, is to Strengthen good governance and management in natural resources sector and in the extractive industry.

Twerwaneho means “let’s struggle for ourselves”. TLC is based in Fortportal and aims at awakening people to debate issues of governance and rights. TLC started as a radio program which triggered informal debates on matters of democracy and governance in the region. Currently the organisation is engaged in research and strategic litigation especially around land matters and labour rights violations by corporate entities.