

Odebrecht Angola – Projectos e Serviços, Lda.

Luanda, September 18, 2006

To:

Business & Human Rights Resource Centre

Att. Mr. Mauricio Lazala, Senior Researcher

Mr. Christopher Avery, Director

United Kingdom

**Re.: Concerns about abuses related to diamond mining in Angola
Invitation to Odebrecht to respond**

Dear Sirs,

With regard to a story published on your organisation website – in which our company in Angola is libellously accused in the “*Operation Kissonde*” report, by Mr. Raphael Marques, an Angolan journalist, of what he calls “human rights violations in the Cuango region” – we’d like to accept your September 13th invitation to respond to the allegations of said report and clarify some important issues on this matter, as well as to share some facts with the general public.

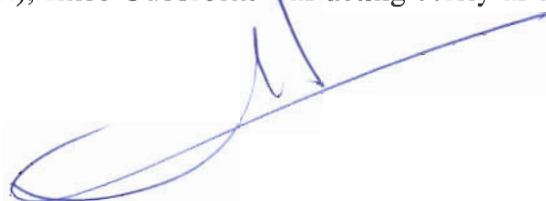
Mr. Marques’ report intends, above other things, to raise awareness on alleged human rights violations in the Cuango River region with regard to the diamond mining activities in that area. The report contains several unfounded accusations in relation to both Odebrecht and SDM (*Sociedade de Desenvolvimento Mineiro de Angola, S.A.R.L.*), a mining company to which Odebrecht is a shareholder.

Such accusations are absolutely false and unreliable. The lack of precise and trustful information about some of the facts relevant to the issues raised must have been the reason for the erroneous conclusions achieved by the journalist in said report.

As an example of these unchecked facts that led to the false statements in the report, we may cite the situation about the residential condominium called “*Vila Residencial do Gamek*”. This condominium was, indeed, built in the 80s by Odebrecht, as part of works related to a hydroelectric power plant (*Capanda Project*), but the property over (and decisions related to occupancy of) such condominium has always and ever been detained by the Angolan Government, represented by the special stated agency created for this project, called *Gabinete de Aproveitamento do Médio Kwanza – Gamek*.

Thus, it is an irrefutable fact that Odebrecht has not ever made any decision with regard to the assignment of houses in that condominium to government officials (as wrongfully indicated in the *Operation Kissonde* report), since Odebrecht was acting solely as a civil

Parque Operacional Odebrecht
Rua Eng. Pedro de Castro Van-
Dunhem Loy s/nº, CS-2
Luanda Sul
Luanda – R. de Angola
Fax.: ++ 44 208 9290100
2 442 399 480
Tel.: ++ 44 208 9290103
2 442 676910/15



Odebrecht Angola – Projectos e Serviços, Lda.

works contractor in the Capanda Project, being these decisions made by the Angolan state agency Gamek.

By the same token, with regard to the operations of the mining company SDM in the Cuango region, in the *Lunda Norte* province, it is necessary to mention that neither SDM nor Odebrecht has any record of the occurrence of the situations described as “violation of human rights” in *Operation Kissonde* Report.

On the contrary: SDM is fully oriented toward interactively contributing in a socially responsible way with the local communities and has, throughout the years, on its own accord, and without being compelled by any law or contract, developed a number of social programs that go from school buildings rehabilitation, soymilk distribution, technical capacity-building courses for workers, infra-structure restorations, highway maintenance, drinking water distribution, up to making SDM’s medical care unit available to the Cuango community, amongst others.

And not only that, but in every project in which Odebrecht is involved in Angola, there is a full range of social programs developed for the benefit of the civil society and surrounding communities.

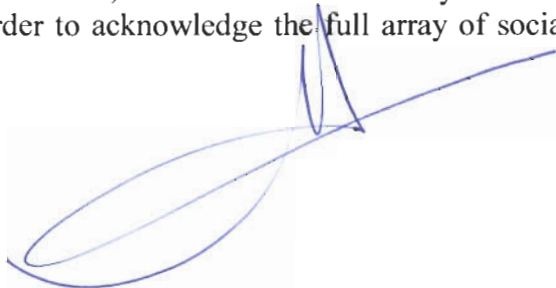
One of the most well known of these programs is the Fighting Aids Program, which has been for two years nominated to receive the Entrepreneurial Excellence Award that Global Business Coalition on HIV/Aids bestows internationally every year. Also, the United Nations highlighted this program and considered Odebrecht – for this and other social programs performed in Brazil and other countries – in alignment with the Millennium Development Goals. Moreover, a further step was taken this past June, with the creation in Luanda, Angola, of the Committee of Companies to Fight Against Aids – an Odebrecht’s initiative with the support of the US Agency for International Development (USAID).

Odebrecht also develops and supports programs on adult literacy in Angola, as well as promotes courses for improvement of its workers building skills.

These facts about Odebrecht’s and SDM’s activities in Angola are only reported here in order to demonstrate the inaccuracy of the information contained in the *Operation Kissonde* Report.

It is also important to point out the fact that, subsequently to the release of said report, Mr. Raphael Marques was contacted by Odebrecht in Angola and a meeting was held where all these facts were presented to the journalist, who was also invited by SDM to visit the facilities in the Cuango region in order to acknowledge the full array of social

Parque Operacional Odebrecht
Rua Eng. Pedro de Castro Van-
Dunhem 'Loy' s/nº,CS-2
Luanda Sul
Luanda – R. de Angola
Fax.: ++ 44 208 9290100
2 442 399 480
Tel.: ++ 44 208 9290103
2 442 676910/15



Odebrecht Angola – Projectos e Serviços, Lda.

programs undertaken by the company in that area and have a real opportunity to learn the *de facto* truth on Odebrecht's operations in Angola. In addition, we invited him to visit Odebrecht's operations in Brazil and in other countries as well.

As a result of that meeting, held before we were contacted by your organisation, Mr. Marques indicated that the *Operation Kissonde* report would be then revised for the correction of the wrongful information on which it was based, but to this date, we have not received any information on such report's revision nor we had, so far, any confirmation of the acceptance to the invitation made.

We hope that these clarifications are sufficient to the perception that the allegations in the *Operation Kissonde* report are not accurate and cannot be taken seriously.

As country manager of Odebrecht in Angola I would like to take this very opportunity to invite a representative of your organisation to visit our operations in Angola so as to authenticate in loco our modus operandi in that country. It will be thence possible to ascertain that the allegations brought forth in the above mentioned report are not consistent with the reality of the facts.

Notwithstanding that, we remain at your entire disposal should you need any further information on these matters.



Luiz Antônio Mameri
Odebrecht Angola – Projectos e Serviços Lda.