

Rights Action
May 18, 2013
info@rightsaction.org

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Urgent Action:

A Priest and 22 members of National Resistance Front arrested in Campas, Lempira, followed by illegal eviction of Lenca communities blocking illegal construction of Agua Zarca dam

On May 17, at approximately 3:30 am, Priest Candido Pineda was arrested along with 22 parishioners in the town of Campas, Lempira, Honduras. Later the same day, beginning, at approximately 12:30 in the afternoon, two commandos under the command of Colonel Amaya of the 1st Battalion of Engineers based in Siguatepeque, Honduras illegally evicted Lenca communities from a road built without permission on lands the communities own. They left large contingents of soldiers at each point of the blockade, and claim they will remain in the area indefinitely to prevent future road blockades.

Honduran human rights advocates believe the two incidents to be connected as Father Candido has been known to be a supporter of the rights of the Lenca communities. Since Darwin Andino was named as the Bishop of Diocese of Santa Rosa Copan in November 2011, he has been systematically removed or transferred all priests who opposed the June 2009 military coup. Among those ordered to transfer was Father Candido Pineda. Both father Candido and his parishioners opposed the transfer.

On April 1, 2013, Lenca communities impacted by and opposed to the Agua Zarca dam in Intibuca and Santa Barbara, organized as part of the Lenca federation COPINH, communities close to Lempira where Father Candido serves, began blocking access roads to the Agua Zarca dam construction site. Since then the communities have been evicted from the roads on four occasions, but returned to resume the occupation when soldiers left the area. Communities have been under constant threat of violence by Honduran military, police and private security guards working for the dam. This protest led to increased pressure from Bishop Andino on Father Candido to leave his parish.

On May 16, men who expressed support for Bishop Andino threatened to attack Father Candido and take the keys to the parish. In response, Father Candido sat on the steps of the church, inviting the men to attack him, they opted instead to damage his car while the townspeople quickly poured into the town square to protect Father Candido. Hundreds of people spent the night in the church and in the town square to protect the priest. Police cars visited at 1am and 2am asking townspeople to disperse.

At 3:30am a contingent of police arrived, without arrest warrants, and began arresting townspeople. They arrested Father Candido while Father Esteban Mendez and a group of his supporters escaped out the back of the church and fled into the mountains. Though pursued, they were able to escape, but those townspeople who fled to their homes found the police then pursued them into their homes without arrest warrants. A total of 22

people and Father Candido were arrested, including a 10 year old boy. Though Father Candido was released, the parishioners are expected to be charged with disorderly conduct.

At around noon the military arrived in the town of Zacapa, reportedly under orders of President Lobo, commanded by Colonel Amaya, and proceeded to evict the community members from the road that they were blocking, and continued to evict two other points of road control.

WRITE TO:

The US Treasury Department and the World Bank. Demand that no hydroelectric dams be funded by multilateral development bank loans to Honduras or indirectly via investments in private banks. Protection of fundamental human rights in Honduras does not exist. Draw particular attention to the Agua Zarca dam.

Congressional Switchboard: (202) 224-3121

Treasury Department: (202) 622-2000

Leonardo Martinez-Diaz
Deputy Assistant Secretary for Western hemisphere
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

World Bank:
Presidente Jim Yong Kim
1818 H St NW,
Washington, DC 20433
Ian Solomon
U.S. Executive Director to the World Bank
1818 H St NW,
Washington, DC 20433

Article:

THE AGUA ZARCA DAM: How the World Bank and Central American Bank for Economic Integration are Profiting from the Looting of Indigenous Lenca Territory

May 18, 2013, By Annie Bird (annie@rightsaction.org)

In September 2010, 41 hydro-electric dam concessions were given by the post-military coup regime (not recognized by the international community) and were given without transparent and legally binding consultation.

This law was signed while the government of Honduras was not recognized by most of the nations in the region and was suspended from the Organization of American States as a result of the coup.

Among the 41 concessions in the piñata was a complex of four interconnected dams on the Gualcarque, Kanjil and Ulua rivers. The largest of those is the proposed Agua Zarca Dam, 20 meters tall with a 25 mw generation capacity.

The concession was awarded to a Honduran company DESA, Desarrollo Electrica, Sociedad Anonima, which entered into a partnership with the massive Chinese hydroelectric corporation SINOHYDRO to develop the project. It is estimated that SINOHYDRO currently controls over 50% of all hydroelectric resources in the world outside of China.

Communities around Honduras protested the concession, concerned about the impact these projects would have on their lives and livelihood. Indigenous communities are disproportionately impacted by the 41 dams. Many communities around the nation had already held consultations, or referendums, and rejected the dams, and the imminent threat motivated more communities to hold consultations.

In the case of the Gualcarque river complex it is Lenca indigenous communities that are impacted, who are organized as part of the Lenca federation COPINH. Impacted communities have held “Cabildos Abiertos,” or community referendums, rejecting the projects. The “Cabildos Abiertos” constitute consultation in accordance with the customs and of the indigenous communities of this region.

Even though the concession for Agua Zarca was granted while the government of Honduras was not recognized, and communities impacted by the dam had rejected it, multilateral development banks like the World Bank and the Central American Bank for Economic Integration have directly and indirectly funded the project, ignoring international and national law obligating them to respect the decisions of indigenous communities.

Five Illegal Evictions from Land Owned by Agua Blanca and Zacapa Communities

The property rights of communities affected have been ignored. Concessions of the use of a river do not include the rights to land flooded or otherwise impacted by the concessions; the concession holder must obtain the land rights. This is an extremely complex and volatile issue in Honduras in general, but particularly in indigenous communities which have a long history of being victim to the illegal expropriation of their land.

Most indigenous communities in Honduras hold communal land titles dating from before the creation of the modern land registry system. Though Honduran law gives such titles legal priority over any subsequent titles, over the past century, but particularly the past 20 years, much of those lands have been taken, often through quasi legal processes that result in titles which appear to be legal but have been generated illegally, especially since the Honduran State has systematically denied farming and indigenous communities’ access to justice to contest the land grabs.

The Lenca communities of the Rio Blanco region of the municipality of Intibuca, impacted by the Agua Zarca dam have a communal land title extended in 1911 to document their already existing rights in this region. They explain that that it was given to their ancestors after years of unpaid, essentially forced labor. However, as has so often happened, the communities suspect that the mayor has made illegal sales of portions of the land, this is the only way in which they can explain the claims by DESA to hold title to the area where construction of the Agua Zarca dam has begun.

Over the past 47 days the communities of the Rio Blanco region have blocked entry of the dam construction equipment into the two roads that access the dam construction site, while they allow all other vehicles to pass. The blockades have been evicted five times, the latest on May 17, 2013 by two commando units of the 1st Battalion of Engineers under the command of Colonel Amaya, which operates out of a base in Siguatepeque. COPINH, the Lenca federation, reports that soldiers from the 1st Battalion of Engineers are assisting in the construction of the dam, and have threatened the life of community leaders who oppose the dam.

The evictions have apparently been illegal as no eviction orders have been presented. The access road which enters through Agua Blanca was constructed in 2011 with the express opposition of the communities and no expropriation process. In 2010 the community of Zacapa came to an agreement with DESA to allow the access road to be built in exchange for extensive infrastructure construction in the region, housing construction, school and clinic construction, etc. However the promised infrastructure was never built, not even a fraction of what had been promised, thus the communities in Zacapa consider the agreement to be void.

DESA has refused to demonstrate the documentation of the land rights they claim to possess. The police have made threats of violence. During the first eviction, on April 7, police referenced the evictions in the Aguan region

where at least 99 people associated with land rights movements in conflict with World Bank and Inter American Development Bank funded palm oil companies have been killed by apparent death squads, reportedly associated with private security guards, police and military. Armed guards have moved into camp for workers at the Agua Zarca dam site, and fire guns at night to intimidate the neighboring communities.

How Your Retirement Fund May Benefit from Stolen Indigenous Land

COPINH explains that the Agua Zarca dam is being funded by the Honduran bank FICOHSA. In September 2011 FICOHSA was granted the World Bank's International Finance Corporation's (IFC) Asset Management Company's first capital investment in Central America, a \$70 million capital investment which FICOHSA's President Camilo Atala explained will strengthen FICOHSA's ability to support "large projects that are essential for the country's economic and social development."

The private investors have long benefitted from the interest the World Bank gleans from its loans. While the World Bank is owned by its member nations, and particularly the seven largest investors who control 51% of the voting power, since 1947 the World Bank has placed bonds on the international market for private investors, now totaling approximately \$143 billion in debt to the private sector. The IFC since 2000 has placed its own bonds, now totaling US\$15 billion.

In 2009 the benefits to the private sector from the World Bank's investments took on a new and more lucrative form when the IFC's Asset Management Company was founded. This World Bank owned company coordinates private investment for those "who are interested in accessing the IFC's transaction pipeline."

The DESA has also received a loan of slightly over \$20 million from a regional multilateral bank, the Central American Bank for Economic Integration, CABEL, for the Agua Zarca project. CABEL is owned by the nations of Central America, but has significant loans from the Inter-American Development Bank (IDB), the US Agency for International Development (USAID), and European investment funds. Since 2001 CABEL has placed bonds on the international market.

So, to be clear, it is not just an amorphous 'multilateral development bank' or Honduran and Chinese businessmen profiting from the Lenca communities' resources, it is investors from around the world, including the US and Canada, who profit from interest made by the Banks on loans to these corporations.

Unlocking the Wealth in the Land and Armed Robbery

While investing in the projects, multilateral development banks, including the World Bank, and the U.S. Treasury which controls the U.S. vote in multilateral development banks, are turning their backs on the rule of law.

They are actively attempting to illegally deny indigenous and farming communities the right to use laws that protect their lands from armed robbery facilitated by the State, while ignoring the communities lack of access to a justice system that could protect them when that happens.

In the late 1980s and early 1990s the World Bank promoted a structural adjustment program in Honduras, an element of this program was 'modernizing' the land tenure laws. This was part of a process carried out throughout the region promoting the ideas of Peruvian Economist Hernando de Soto, who argued that promoting extension of individual titles and a land market would unlock vast wealth, as small landholders would be able to mortgage their land.

In reality this translated into individualizing land titles previously held collectively in indigenous communities, a measure contrary to international law, and in other ways freeing land from special protections such as those previously granted through land reform legislation.

This led in the 1990's to particularly intense pressure on indigenous communities around Honduras, especially the Garifuna communities on Honduras' Caribbean coast impacted by businessmen interested in tourism development who used violence, murder and other coercion, along with fraud to gain control of land.

A particularly effective and respected leader in the community of Triunfo de la Cruz, Alfredo Lopez, was imprisoned for seven years without trial as a result of his defense of the communities' land rights, only freed in 2003 on orders from the Inter American Court on Human Rights.

Lopez's case was accompanied by a complaint to the Inter American Commission on Human Rights against the government of Honduras for facilitating the illegal grabbing of land in Triunfo de la Cruz by some of Honduras' most powerful businessmen, many of the same businessmen who supported the 2009 coup.

In April 2013 the Inter American Commission forwarded the case to the Inter American Court on Human Rights which is expected to hold a trial this year.

In 2004 the World Bank promoted PATH, the Land Administration Program of Honduras, designed to 'modernize' the land registry system. The program focused on the titling of indigenous lands, creating titles which would not protect indigenous land in the way that international law mandates, that it be non-transferable and inalienable.

OFRANEH, the Federation of Garifuna communities in Honduras, argued the program could essentially spell the end of the Garifuna people, as it would facilitate the continued grabbing of their lands by outsiders and leave the Garifuna as a people without a territory, fundamental to their cultural survival. OFRANEH refused to attend the sham "consultations" held by the World Bank which, far from asking communities if they were in agreement with the titling project, simply presented vague and partial information.

OFRANEH instead took their complaints to the World Bank's Inspection Panel, the internal mechanism created by the World Bank to review negative impacts of projects. The Inspection Panel agreed with OFRANEH, and found that the Bank's "consultation" process was faulty. But the World Bank management and the U.S. Treasury Department, did not agree with the Inspection Panel. The US Treasury Department's written response in September 2007 stated that if a "particular representative organization" were required to be included in consultation in order to comply with the Bank's Operational Directives, "it would effectively give that organization veto power over the implementation of the project. In this regard, we agree with the Management's view that it would be inappropriate to assign veto-power to any one sub-group among stakeholders. If provision of veto-power to indigenous peoples was intended, OD 4.20 [on Indigenous peoples] would have required "prior, informed consent" rather than the extant "prior, informed consultation."

The odd thing about the Treasury Department's conclusion is that not only is 'consultation' in the context of indigenous people as established in the International Labor Organization Charter 169 required to be undertaken with the representative organizations of the people, but it has also been established that consultation effectively gives indigenous people the right to decide if a project will be implemented.

However, to make certain that principal was clearly understood, in the drafting of the United Nations Declaration on the Rights of Indigenous Peoples, UNDRIP, adopted as a Declaration of the United Nations a month prior to the Treasury department's opinion regarding the PATH program, the term "prior and informed consent" was included. The World Bank is a specialized agency of the United Nations and is required by its own charter to comply with Article 55 of the UN Charter, which mandates that it promote and not undermine the respect for human rights. Those human rights are defined in the United Nations declarations.

Communities, both indigenous and farming communities, not only want to implement existing laws and create new ones that can protect their lands, but also have the right to recover lands which have been stolen from them with the help of programs made in Washington, DC, a right which has systematically been denied to them.

After decades of lawlessness and violence engendered by the World Bank prescriptions, without possibility of access to justice for remedy, it is virtually impossible to assure that land titles are legitimate. Even in this context, of which the World Bank is fully aware, multilateral banks are extending loans and investing in mega development projects like dams, mines and agribusiness which are based upon the large scale acquisition of land.

The multilateral banks are not only complicit in violence and robbery, but the multilateral banks and their investors share in the wrongful gains.

(Annie Bird, Co-director Rights Action, annie@rightsaction.org)

WHAT TO DO?

UPCOMING FACT-FINDING DELEGATIONS (... last chance to sign up ...)

- Delegation to Guatemala, July 6-14, 2013: Mining injustice & Impunity ~versus~ Community well-being, human rights & the environment. [MORE INFORMATION: info@rightsaction.org](mailto:info@rightsaction.org)
- Delegation to Honduras, July 13-21, 2013: Struggle for democracy, human rights & the environment ~versus~ Military-backed regime, & global companies & investors. [MORE INFORMATION: springkj@gmail.com](mailto:springkj@gmail.com)

AMERICAN / CANADIAN CONNECTION

Please send copies of this information, and your own letters, to your Canadian and American politicians (MPs, Congress members and Senators) and to your own media. Since the June 2009 military coup, that ousted the democratically elected government Honduras, the country has become the 'Murder Capital of the world'. State repression has again reached the levels of the worst years of the 1980s. Since the coup, the U.S. and Canadian governments have 'legitimized the illegitimate' post-coup regime. North American companies and investors have increased their business activities in Honduras since the coup. In no small part, this repressive regime remains in power due to its political, economic and military relations with the U.S. and Canada.

MAKE TAX-DEDUCTIBLE DONATIONS (in Canada and the U.S.)

To support grassroots organizations and struggle in Honduras, such as MUCA in the Aguan region, make check payable to "Rights Action" and mail to:

- UNITED STATES: Box 50887, Washington DC, 20091-0887
- CANADA: (Box 552) 351 Queen St. E, Toronto ON, M5A-1T8

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- to donate stock, contact: info@rightsaction.org

- Get on/off Rights Action's listserv: www.rightsaction.org
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