HONDURAS
THE DEADLIEST PLACE TO DEFEND THE PLANET

JANUARY 2017
“Mother Nature – militarized, fenced-in, poisoned – demands that we take action.”

Berta Câceres 1971-2016
EXECUTIVE SUMMARY

Sandwiched between Guatemala and Nicaragua on the Caribbean coast, Honduras is blanketed in forest and rich in valuable minerals. But the proceeds of this natural wealth are enjoyed by a very small section of society. Honduras has the highest levels of inequality in the whole of Latin America, with around six out of ten households in rural areas living in extreme poverty, on less than US$2.50 per day.¹

This report documents shocking levels of violence and intimidation suffered by rural communities for taking a stand against the imposition of dams, mines, logging or agriculture on their land – projects that are controlled by rich and powerful elites, among them members of the political class. The root causes of these abuses are widespread corruption and the failure to properly consult those affected by these projects.

THE MOST DANGEROUS PLACE TO BE AN ENVIRONMENTAL ACTIVIST

Nowhere on earth are you more likely to be killed for protesting the theft of land and destruction of the natural world than in Honduras. According to Global Witness research, 123 land and environmental activists have been murdered in Honduras since the 2009 coup, with countless others threatened, attacked or imprisoned.² Berta Cáceres was one of dozens of people Global Witness interviewed during a two-year investigation into the political and economic forces behind this killing spree.

The case studies in this report bring to light new evidence of the corrupt and criminal acts that are driving this violence, allowing well-connected Hondurans to push through their business deals at huge cost to whole communities and the environment. They include the stories of:

- Ana Miriam and her sister-in-law Rosaura, both pregnant, who were beaten after reporting threats for opposing the Los Encinos hydroelectric project controlled by the husband of the president of the ruling National Party of Honduras. Rosaura lost her baby as a result of the attack.
- Concepción Gutiérrez, who reported being threatened for refusing to sell her land to a mining company owned by businessman Lenir Pérez. The international observers assigned to her protection were abducted.
- Tolupan indigenous leaders Armando Fúnez Medina, Ricardo Soto Fúnez, and María Enriqueta who were shot and killed whilst taking part in a peaceful protest against the passage of mining and logging trucks through their territory.³
- The Afro-Honduran community of Barra Vieja, who resisted attempts by police and government officials to forcibly evict them from their land, in favour of a five-star hotel complex.

In the majority of these cases, the attackers were not held to account, and the victims and their families were denied the protection and justice they deserved. Our investigations show how state institutions such as the judiciary, military or police force are often co-opted to support the interests of companies and the people who have stakes in them. Although the government theoretically has the power and resources to protect activists, in practice a lack of political will, endemic corruption and undue influence from elites means it fails to do so. According to rights groups, more than 90 per cent of killings and abuses against Honduran human rights defenders remain unsolved.⁴

OPEN FOR BUSINESS

The examples of the murders of activists covered in this report are part of an epidemic sweeping the country, which has its roots in corporate greed, corruption, and impunity for business-backed aggressors. They constitute a systematic campaign to terrorise local communities into accepting the theft and industrialisation of their land, and a profound failure to realise people’s rights to consult on the use of their natural resources.

Since the 2009 coup that ousted former president Manuel Zelaya, a succession of right-wing governments have made mining, agribusiness and energy projects a cornerstone of the country’s economic growth strategy. In 2011, a government-hosted conference proclaimed the country ‘Open for Business’. Foreign investors are once again able to snap up mining concessions;⁵ water resources have been privatised, environmental checks and balances have been diluted, and policies governing how companies should engage with local communities are being ignored.⁶ The clear hope is that lax enforcement and a weakening of existing laws will encourage investment.

On 2 March 2016, armed men broke into environmental activist Berta Cáceres’ home in the middle of the night and shot her dead. Cáceres had dedicated several years to trying to halt the construction of a hydroelectric dam on her community’s land in Intibucá, western Honduras, which threatened a vital and sacred water source for the indigenous Lenca people. Less than a year before her death she had delivered a moving address to a packed auditorium as she was presented with the 2015 Goldman Environmental Prize for exceptional bravery in environmental activism. Dedicating her award to: “the martyrs who gave their lives in the struggle to defend our natural resources.” Berta said, “Mother Nature – militarised, fenced-in, poisoned – demands that we take action.” Tragically, not even the international limelight could save her.
While the main beneficiaries of this corruption are Honduran companies and individuals, the international community is complicit in this race to the bottom on rights and standards. The current economic development model – and some of the most abusive projects - are backed by international financial institutions, whilst the Honduran government continues to receive extensive foreign aid, particularly from the US. From the capital Tegucigalpa, the US embassy has been promoting ramped-up investment in Honduras’ extractive industries, with mining giant Electrum already planning a US$1 billion investment. The country’s hydro and agribusiness sectors are also seeing cash injections from US-backed development banks, such as the International Finance Corporation (IFC) and Inter-American Development Bank (IDB), and the US Congress has agreed a huge US$750 million aid package for Central America, with Honduras taking a large chunk.

**A LONG WAY TO GO**

After significant international pressure, the Honduran government launched an investigation into the murder of Berta Cáceres and arrested seven suspects, but the process has been blighted by false accusations, suspected cover-ups and the robbery of the case file on two separate occasions. Meanwhile the deaths of many less-famous activists go unsolved and the violence continues. Three of the people interviewed during the research phase of this report have since been murdered. In October 2016, Tomas Gómez survived an attempt on his life. He was Berta’s right-hand man and successor as leader of the Civic Council of Popular and Indigenous Organisations of Honduras (COPINH). Shortly after the attack he told us:

“It’s difficult to reconcile yourself to the fact it may be your last day, your last moment, you know? But my spirits are up again…. We keep on going. Despite everything, we keep on going.”

**NEW EVIDENCE**

Global Witness’ two-year investigation revealed numerous illegalities and alleged corruption related to business projects causing violence against activists. Key findings include:

- National Party president Gladis Aurora López appears to have a clear conflict of interest given that her husband controls La Aurora and Los Encinos, two dams granted licenses when López was in Congress, in violation of the Honduran Constitution. Local activists claim López staged a phoney consultation to try to push through the Los Encinos dam.

- Well-known businessman and National Party activist Lenir Pérez allegedly bribed an ex-mayor and attempted to bribe activists opposing his mining project with US$1 million. Pérez is suspected of involvement in death threats as well as the kidnapping of two international human rights activists.

- The company secretary of Desarrollos Energeticos SA (DESA) allegedly attempted to bribe Berta Cáceres to stop her opposing its dam project. This report details the company’s powerful links to the military and government.

- Ex-army general Filander Uclés allegedly threatened the indigenous community of San Francisco de Locomapa to try to force them off their land. Five indigenous activists have been killed in the community for protesting against illegal logging and mining.

- The luxury tourism company Desarrollo Turistico Bahia de Tela, backed by a roll call of Honduran elites, repeatedly attempted to illegally evict the Barra Vieja community. The company has laundered corrupt funds as part of Honduras’ biggest-ever corruption scandal involving the Social Security Institute.

We approached for comment all individuals and companies who are the subject of our allegations. We include a summary of their responses in the case studies below.

**MAIN RECOMMENDATIONS**

Honduran and foreign state and business actors currently contribute to attacks against land and environmental activists. Concerted action is needed by all actors and the following recommendations must be prioritised:

- The Honduran government must prioritise the protection of land and environmental defenders, properly resource the new protection system and implement emergency measures.

- The Honduran government, police and judiciary must bring the perpetrators of crimes against these activists to justice, and end the corruption behind abusive business projects.

- The Honduran government must work with civil society to strengthen and implement laws that guarantee the consent of indigenous communities before projects are given the green light.

- The US must review its aid and investment policy to Honduras in order to ensure activists are better protected, crimes against them are prosecuted and communities are consulted before business projects go ahead.

- Foreign investors and International Financial Institutions should stop any planned investments in the industries causing the violence – mining, dams, logging, tourism and large-scale agricultural projects.
The Central American Republic of Honduras is the most dangerous place in the world to defend land rights and the environment. This country of 8 million inhabitants has more murders of activists per capita than anywhere else. Since the 2009 coup, 123 land and environmental defenders have been killed. Murder is not the only tool used to silence those who take a stand, with many more activists and their families facing threats and constant intimidation, physical attacks and trumped-up legal charges, as well as damage to their land and property.

New findings from on the ground investigations by Global Witness demonstrate how industries backed by political and business elites have flouted laws, bribed officials and ignored local demands by people to be consulted on projects that affect their land. These industries are suspected of ordering attacks by private security guards, police, army and hit men with the aim of silencing those who speak out. The revelations shed light on a country whose natural resource sector is riven with corruption and crime, and where people’s human rights – particularly those of its 1.27 million-strong indigenous population – have been sacrificed in the name of “development”.

A GOVERNMENT FAILURE

Widespread corruption, a favouring of trade and business interests over human rights, impunity for attackers, and stigmatisation and criminalisation of activists combine to create a lethal cocktail for anyone seeking to defend their land or the environment in Honduras. Honduras’ government has repeatedly made international commitments to guarantee security for human rights defenders, and has passed a law for their protection. Nonetheless, in terms of concrete measures, the Honduran state has been woefully ineffective, if not deliberately negligent.

Incumbent President Juan Orlando Hernández recently announced that he would run for re-election for a second term in 2017. Over the last three years, his office has failed to protect land defenders, and at times has taken part in their victimisation. In April 2015, the president’s secretary accused defenders who had recently participated in both an Inter-American and a UN human rights review of Honduras of launching a ‘campaign to discredit’ the administration and ‘affect the image’ of the nation, with the foreign minister accusing them of lying to ‘defame the country’. The president has failed to counter these accusations, or make any positive public statements legitimising the role of human rights defenders. Instead, he has claimed that they receive money from organised crime gangs, without providing any proof to support his allegations. What’s more, his government has totally failed to protect even the most at-risk activists, in spite of requirements made by the Inter-American Commission on Human Rights (IACHR).

LACK OF CONSULTATION AND IMPUNITY FOR ATTACKERS

Attacks against Honduran activists are perpetuated by a web of corruption and impunity, and facilitated by a lack of protection by the state. But the roots of conflict lie in the consistent failure to consult properly with local communities about the use of their land for business ventures. Under international law indigenous communities have the right to decide how the land and natural resources that they have traditionally owned are used. But these rights are being ignored with violent consequences. Violence against protestors takes many forms, but what unites most cases is a lack of accountability for the attackers. Some people are gunned down by companies’ private security or hired assassins, whilst others die when police open fire on crowds of demonstrators. On rare occasions the gunman is arrested, but those who order the killings are almost never punished – impunity is the norm. Honduran state institutions have an obligation to consult communities, protect activists and investigate crimes against them, and on a handful of occasions have done so, but in the majority of cases the state turns a blind eye to murders and human rights abuses. In the worst cases, it actively aids and abets them.

BUSINESS FIRST

In 2011, the Honduran government hosted a conference, “Honduras is Open for Business” with the stated aim of attracting increased domestic and foreign investment. The result has been that commercial interests have taken precedence over the rights and needs of local people, with brutal consequences. The government, in league with business interests, criminalises community leaders for speaking out against projects imposed on their land. And the international community is complicit, with the Honduran government receiving huge influxes of US aid and some of the most controversial projects being backed by international financial institutions.

The following chapters detail some of the experiences of activists and their families who are standing up to planned developments, or seeking to assert their rights to be consulted on how their ancestral land is used. Only the effective protection of defenders, the meaningful consultation of communities and high-level prosecutions will break this cycle of criminal violence and loosen the grip of the military, political and business elites behind it. In the meantime, nobody should be investing in Honduras without absolute certainty that these conditions are in place.
Ana Miriam was targeted after opposing the construction of the Los Encinos hydroelectric dam on her community’s land. She had feared that she might be in danger, following the murder of three other indigenous activists who had taken a stand. One man was found dismembered on the bank of the Chira River, and the body of another indigenous leader, Juan Francisco Martínez, was found with burns across his body and his hands bound with laces from military boots. He had suffered death threats since the murder of his son in 2014. Since reporting the attack against her, Ana Miriam has again been threatened by gunmen, and in January 2016 she lost almost all of her family’s belongings in an arson attack on her home.

According to documents leaked to Global Witness, the sole director of both the Los Encinos hydroelectric project as well as another controversial dam called La Aurora, is the husband of Gladis Aurora López, president of the ruling National Party, vice-president of Congress, and one of the most powerful figures in Honduran politics. Under Honduran law it is illegal for members of Congress or their spouses to obtain contracts or concessions granted by the state. This is just the first in a series of irregularities that Global Witness investigators uncovered relating to these two dam projects, including multiple cases of alleged bribes and fraud (see ‘Main findings’ box on page 12).

The consultation which finally took place a month later was a sham. Eyewitnesses told Global Witness that Gladis López arranged for almost 600 El Salvadorian nationals – who had been promised work on the project – to be brought in by truck, and sign agreements as if they were affected communities in favour of the dam. The list of signatories is missing from the official minutes of the consultation seen by Global Witness, and the Mayor’s office has never disclosed it, despite repeated requests from indigenous rights group Movimiento Indígena Lencas de La Paz Honduras (MILPAH). The name of the Los Encinos company representative present at the consultation has also been erased in the minutes. Three years after filing a complaint with the anti-corruption prosecutor, MILPAH was informed that its file had been lost. This suggests a deliberate effort by the authorities to cover-up the fake consultation on the dam.

Circumstances surrounding the construction of the La Aurora dam were similarly suspicious. Local indigenous communities say they were never given an opportunity to raise their concerns about the potential negative impacts on their water supply and livelihoods. Since the project commenced, eight indigenous communities have been left without water according to local activists. A municipal Councillor has also said they were offered a bribe to stop opposing the project, and a high-ranking government official has been charged with of granting the dam an illegal environmental license.

In the early hours of 22 October 2015, a group of heavily-armed soldiers, police and civilians forced their way into Ana Miriam’s home. Some drew their guns on her children, while others grabbed her by the neck and savagely beat her. Ana Miriam was heavily pregnant at the time and spent 11 days in hospital recovering. Thankfully her baby survived, but her sister-in-law was not so fortunate. Also pregnant, Rosaura was badly beaten in the same attack and lost her baby. Her teenage son Rodolfo was briefly held by police and told he would ‘have his balls cut off and fed to the dogs.’

Ana Miriam was beaten by Honduran soldiers whilst heavily pregnant, almost losing her baby. © Front Line Defenders

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government had been ordered to guarantee the security of the group’s leadership by the Inter-American Commission on Human Rights (IACHR).40

WHAT NEEDS TO BE DONE

Global Witness is calling for the cancellation of the La Aurora and Los Encinos dams and an investigation into congresswoman Gladis Aurora López because of conflicts of interest, alleged bribery and violations of the right to free, prior and informed consent. The Honduran government must properly investigate the human rights abuses against those opposing the Los Encinos project.

Over the past decade, both the International Finance Corporation (IFC) and the Inter-American Development Bank (IDB) have consistently backed an expansion of renewable energy projects in Honduras, in spite of reports of abuses around the sector.41 The abuses linked to the La Aurora and Los Encinos dams demonstrate why IFIs should not be backing these sectors in the current climate of corruption and injustice.

MAIN FINDINGS

Specifically, Global Witness is calling for an investigation into:

- National Party president Gladis Aurora López because of:
  - A clear conflict of interest given that her husband controls La Aurora and Los Encinos, two dams granted licences when López was in congress, appearing to violate Honduras’ state contracting law and the Honduran constitution.42
  - Allegations López arranged for El Salvadorian nationals from the town of La Nahuaterique to approve Los Encinos dam, claiming falsely to represent communities potentially impacted by the project.
  - Allegations López ordered a violent police incursion in September 2014 where the community of Santa Elena, who opposed the Los Encinos project, were shot at, had their crops destroyed and belongings set on fire.
  - Inversiones Encinos S.A. and Inversiones Aurora S.A., companies run by López’s husband, Arnold Gustavo Castro, for illegally gaining dam contracts when López was in congress.
  - National Party Mayor of San José La Paz, José Abel García because of allegations he tried to bribe San José councilors to approve the La Aurora dam.
  - Ex-National Party mayor of Santa Elena, Alexis Ventura Vásquez for approving a feasibility study for the Los Encinos dam in October 2013 without consulting local communities, violating Honduran and international law.43
  - The office of Santa Elena’s Mayor, Víctor Ventura for refusing to disclose the list of people who supposedly signed in favor of the Los Encinos dam and erasing the name of the Los Encinos representative from the minutes of the meeting.

When asked to comment by Global Witness on these allegations, Gladis López denied any involvement in the consultation meeting for the Los Encinos project or in the violent police incursion of September 2014. Her husband Arnold Castro denied any responsibility for attacks against indigenous activists opposing his projects or having left communities without water through the construction of the La Aurora project. Both denied any conflict of interest or illegality in the approval by Congress of contracts for the projects.

In a letter to Global Witness, Víctor Ventura admitted to refusing to disclose the signatures of those who supposedly signed in favor of the Los Encinos, stating that he feared if he did, there would be reprisals against those who did sign. This contradicts an earlier statement by his office that there was no time to register the names of the participants. Ventura denied erasing the name of the representative of Los Encinos from the minutes of the meeting. Neither José Abel García nor Alexis Ventura Vásquez responded to our requests for comment.

CASE STUDY 2: BERTA CÁCERES, COPINH AND THE SHADY INTERESTS BEHIND THE AGUA ZARCA DAM

Berta Cáceres, mother of four, and one of Honduras’ most prominent environmental and indigenous rights activists was murdered in her home in March 2016. Cáceres had been campaigning for years against the construction of a hydroelectric dam on her community’s land and the sacred Gualcarque River by a Honduran company, Desarrollos Energéticos SA (DESA). This was not the first attempt on her life. Cáceres had filed dozens of reports of death threats with the police, and had reported other violent incidents and intimidation. None of these was ever investigated. And in spite – or perhaps because of – her growing international reputation, someone was determined to silence her.

Cáceres’ murder generated international headlines because of her prominence as an activist and head of the Civic Council of Popular and Indigenous Organisations of Honduras (COPINH) but hers was just one in a series of killings associated with the Agua Zarca dam, stretching back years. On 15 July 2013, COPINH member Tomas Garcia and his 17-year-old son were shot at close range by the Honduran military during a peaceful demonstration at the dam site in Rio Blanco.44 Tomas García died instantly of his wounds but his son Alan survived, despite being shot several times in the chest, back and arm.45

A year later, William Jacobo Rodríguez, a COPINH member and activist opposing the dam, was also murdered.46 After this, the police guarding the hydroelectric project were accused of torture and death threats against other COPINH members.47 In October 2014, Rodriguez’s 15-year-old brother disappeared – he grew corn on ancestral Lenca land wanted by the dam company. His body was later found in a river showing signs of torture.48 On 5 June 2014, eight people ambushed COPINH member Maria Santos Dominguez, threatening to kill her because of her opposition to the dam and hacked off her finger with a machete.49

In the days after Cáceres’ killing one of her colleagues, Nelson García, was shot dead in the face by unidentified gunmen as he returned home following an eviction by Honduran security forces of a Lenca community.50 The killing took place in Rio Lindo, about 100 miles north of where Cáceres was killed.51 A few months later, in July 2016, the body of yet another COPINH activist, Leslie...
Janeth Urquía, was found on a rubbish dump with machete wounds to the head.\textsuperscript{61}

**MILITARY INVOLVEMENT**

Seven men have been charged with the murder of Berta Cáceres, two of whom have links to DESA, the company that owns the Agua Zarca dam, and four of whom have ties to the Honduran army.\textsuperscript{62} Sergio Ramón Rodríguez was an environmental engineer employed by DESA, and Douglas Geovanny Bustillo was the firm’s former head of security, as well as an ex-army lieutenant and military intelligence specialist. Edison Duarte and Henry Javier Hernández Rodríguez were retired military officers and Major Mariano Díaz was a special forces veteran and trainer of the Military Police.\textsuperscript{63} Bustillo stands accused of hiring Edison and his brother Emerson as hit men.\textsuperscript{64}

However, the links between the Honduran army and Cáceres’ killing do not stop there. A former member of an elite US-trained unit of the Honduran military, interviewed by the Guardian, claims that Cáceres’ name appeared on a military hit list in the months before her death.\textsuperscript{65} He told the newspaper that a list featuring the names and photographs of dozens of social and environmental activists was given to two elite units, with orders to eliminate each target.\textsuperscript{66} COPINH leader Tomás Gómez told Global Witness of a similar hit list being touted to hit men, offering US$1,000 to kill Berta.\textsuperscript{67}

In September 2016, COPINH discovered a military spy had infiltrated the organisation and, for a year, had been passing information on their activities directly to the president’s office.\textsuperscript{68}

DESA’s links with the Honduran military run to the highest levels. According to company records seen by Global Witness, DESA’s president is Roberto David Castillo Mejía, a former military intelligence official and employee of the Honduran state-owned energy company Empresa Nacional de Energía Eléctrica.\textsuperscript{69} In 2009, a public auditor’s office found evidence of corrupt acts by Castillo – he was still receiving a salary from the army having left the institution – and a company he owned was selling products to the military at inflated prices.\textsuperscript{70} A few months before her death Cáceres told Global Witness that Castillo called to try and bribe her to stop opposing Agua Zarca.\textsuperscript{71}

**THE ATALA FAMILY AND DESA’S WEB OF POLITICAL CONNECTIONS**

DESA’s company records show that some of Honduras’ most well-connected business and political elites are on the board. Company Secretary, Roberto Pacheco Reyes is a former minister for governance and justice within the Honduran government.\textsuperscript{72} DESA’s vice president, Jacobo Nicolás Atala Zablah, is the President of the BAC Honduras bank and member of one of Honduras’ wealthiest business families, the Atalas.\textsuperscript{73}

Jacobo’s cousin is the billionaire Camilo Atala, a former cabinet minister and owner of Ficohsa Bank, which is currently being investigated for money laundering in Panama.\textsuperscript{74} Camilo Atala is also one of the main investors in the controversial Indura Beach and Golf resort, covered in Case study 5. Camilo’s brother, José Eduardo Atala Zablah, is also on DESA’s board and is President of the US–Honduras Chamber of Commerce and the ex-Honduran Director of the regional bank Banco Centroamericano de Integración Económica (BCIE).\textsuperscript{75} The BCIE is one of the main investors in DESA’s Agua Zarca dam project.\textsuperscript{76} Another member of the Atala family, Daniel Atala Midence, is DESA’s finance head.\textsuperscript{77}

**INTERNATIONAL INVESTORS**

The Agua Zarca project is a good example of how international investors and development banks are implicated in the corruption and human rights abuses that take place in Honduras. The Dutch development bank FMO, together with Finnish government-owned Finnfund, and the Central American Bank for Economic Integration (CABEI) are financing DESA’s construction of the Agua Zarca dam.\textsuperscript{78} FMO is the lead international investor with US$15 million committed\textsuperscript{79} of the US$64
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ties to the dam project or the army. Berta’s family has been threatened by the Honduran military and DESA, suggests that it is not just a matter of the Honduran government and DESA attempting to silence Cáceres and her colleagues as violent extremists but also of the Honduran military. Castillo also denied trying to bribe Berta Cáceres.

Global Witness believes those who ordered the killing of Berta Cáceres are higher up the food chain than those currently under arrest. In September 2016, the case file of Berta Cáceres are higher up the food chain than those currently under arrest. In September 2016, the case file

Global Witness is calling for the cancellation of the Agua Zarca dam and an independent, international investigation into the killing of Berta Cáceres under the remit of the IACHR. The investigation should focus on the ties between the Honduran military and the dam’s owners, DESA. The targeted murders of members of Cáceres’ organisation COPINH must be properly investigated and the safety of their activists guaranteed, many of whom are supposed to have emergency protection by the government as required by the IACHR. International investors should immediately divest from the project and the Honduran government should cancel the project’s concession given the grave human rights violations related to the dam and the failure to consult all affected indigenous communities before the approval of the project.

WHAT NEEDS TO BE DONE

Global Witness is calling for the IACHR to open an independent, international investigation into the killing of Berta Cáceres under the remit of the IACHR. The investigation should focus on the ties between the Honduran military and the dam’s owners, DESA. The targeted murders of members of Cáceres’ organisation COPINH must be properly investigated and the safety of their activists guaranteed, many of whom are supposed to have emergency protection by the government as required by the IACHR. International investors should immediately divest from the project and the Honduran government should cancel the project’s concession given the grave human rights violations related to the dam and the failure to consult all affected indigenous communities before the approval of the project.

Case study 3: Businessman Lenir Pérez’s mining operation

Situated in the hills of Nueva Esperanza near the Caribbean coast, the Buena Vista I iron oxide mine is at the heart of a longstanding dispute with local communities who have opposed it and suffered numerous attacks and threats as a result. The mine threatens to drastically alter the environment and way of life for villages earning a living from the land. In 2013, when mining machinery started arriving in the community without any prior consultation or warning, locals began to organise a peaceful protest movement. Leaders of the movement immediately began to receive death threats via phone calls and text messages, and groups of armed men arrived in the community firing warning shots into the air.

Among those threatened was Concepción Gutiérrez. In July 2013, 12 armed men burst into her home threatening to kill her for refusing to sell her land to the company. They were led by the head of security for Buena Vista I, Wilfredo Fúnez. Concepción, who had already received numerous death threats, was under the protection of two international human rights observers at the time, from Switzerland and France. The assailants took the observers hostage - they were made to delete photographs they had taken of mining machinery in the area, and the female observer was sexually harassed. The community was warned that they would pay if they reported the abuses to the police. Despite these attempts to silence her, Concepción continues to defend her land.

A family affair

The owner of the Buena Vista I is Lenir Pérez, son-in-law of the now deceased Miguel Facussé, one of the country’s richest businessmen, whose company Dinant was associated with the controversial Bajo Aguan project (see box: ‘Father-in-law Facussé’). Pérez is an active supporter of Honduras’ ruling party and has made public appearances with the country’s first lady. His business activities are currently in the spotlight after he won a contract to build the country’s new international airport, with media commentators alleging that he has no experience in airport construction. Some claim that the US$140 million contract would have been enough to build four airports of that size.

Pérez has been accused of seeking to bribe local communities into allowing the Buena Vista I mine to go ahead. He allegedly boasted that he had given US$360,000 to the local National Party mayor, now under investigation for embezzlement of public funds, in the hope of garnering the community’s support. César Alvarezenga, a well-respected community leader in Nueva Esperanza, claims that Pérez offered him “whatever he wanted” in exchange for supporting the mine. César refused to cooperate. Two weeks later he received an anonymous hand-written note: “threatening me and fellow community activist Roberto, saying they knew where we lived and that we should stop protesting. If we didn’t, they said they’d finish us off”, he told Global Witness.

In a similar case, a member of the Broad Movement for Dignity and Justice (MADJ) – the group who organised opposition to the mine – told Global Witness that Lenir...
Pérez offered them US$1 million to change their minds. Members of MADJ have been singled out for emergency protection because of their human rights work. The Inter-American Commission on Human Rights (IACHR) also demanded emergency protection for César and Roberto following the threats.

“He told us ‘You’re all shits, I’m giving you electricity [...] there’ll be lots more commerce, you’ll even get more whores!’” – César Alvarenga, describing how Lenir Pérez reacted when César’s community refused to give their consent to his iron oxide mine on their land.

AN ENVIRONMENTAL DISASTER WAITING TO HAPPEN

One of the reasons that local communities were so doggedly opposed to Pérez’s mine was because they feared the environmental damage it would cause might be irreversible. These fears have proven to be well-founded. According to a report by the Honduran ministry of natural resources and environment (SERNA), community water supplies have been polluted, fish have disappeared from rivers, and trees have been flattened. The report found that mining waste was not being properly disposed of, and that landslides, flooding and soil erosion had been caused by the mine.

That this was allowed to happen is partly explained by the fact that Pérez conducted a bogus environmental impact assessment, which was never shared with local communities who could have questioned its veracity. The document even contained fake photos of a supposed impact assessment, which was never shared with local people. Gaining the consent of communities who may be affected by the mine is a requirement by law, but was never carried out by the company.

The mine’s licence has since been suspended, but Pérez’s company is challenging the decision. It has so far failed to clean up any of the damage inflicted on the surrounding land, despite being legally obliged to do so.

WHAT NEEDS TO BE DONE

Global Witness is calling on the Honduran government to immediately cancel the licence for the Buena Vista I mine and investigate the mine’s owner Lenir Pérez for suspected bribery, threats and attacks against those opposing his plans. The Honduran government must guarantee protection for local activists from Nueva Esperanza and for the social movement MADJ who oppose the mine. Many of these activists are supposed to have emergency protection from the government as required by the IACHR.

FATHER-IN-LAW FACUSSÉ: THE AGRI-BARON ACCUSED OF DRUG TRAFFICKING

Lenir Pérez’s father-in-law was Miguel Facussé, one of Honduras’ wealthiest businessmen and the uncle of former Honduran president Carlos Flores Facussé. Before his death aged 90 in June 2015, Facussé owned Dinant, an agribusiness and biofuels giant accused of serious human rights violations, including the murder of scores of small-scale farmers opposed to palm oil plantations in Bajo Aguán, northern Honduras. Dinant strongly denies any direct or indirect involvement in such activities.

The land rights battle at Bajo Aguán between campesino farmers and corporate landholders engendered Honduras’ most severe human rights crisis of recent years. Global Witness verified at least 82 killings of land defenders in Bajo Aguán between 2010 and 2013. The activists were killed in a struggle to reclaim land they allege was stolen from them in opaque deals with palm oil companies. They claim the Honduran military, police and private security working for these companies are behind a campaign of terror in the region. The Honduran military deny the allegations.

The US is funding a task force of Honduran police and prosecutors to investigate the Bajo Aguán killings. In an interview with Global Witness, the head of the task force revealed that many more people had been killed than previously documented. His team is investigating 173 murder cases between 2010 and 2013, of which 18 or 19 are of private security guards and six are not land-related. The rest – at least 148 deaths – are believed to be of campesinos killed in the struggle to defend their land. Even before the Bajo Aguán crisis, Miguel Facussé was accused of ordering the murder of an environmentalist, Carlos Escalón. In an interview with the LA Times in 2012 he said, I probably had reasons to kill him, but I’m not a killer. In 2003, a court dismissed allegations that Facussé was involved in the killing. Facussé was also served with an arrest warrant for allowing his operations to dump toxins into drinking water over two decades. The warrant was eventually revoked after the judge who ordered it left her position.

It seems Facussé may also have been involved with drug trafficking. A WikiLeaks cable from the US embassy in Honduras described the landing of a plane carrying 1,000 kilos of cocaine from Colombia on Facussé’s property in 2004. US sources suggested that Facussé was present on the property at the time of the incident. More recently, a former contractor with Dinant, José Angel Bonilla Baregas, was arrested for using his transport company as a front for trafficking drugs to Guatemala.
CASE STUDY 4: THE MASSACRE OF TOLUPAN COMMUNITIES

In early 2014, the house of indigenous Tolupan leader Santos Córdoba was broken into, his crops burnt down, and his children threatened at gunpoint by ex-army general Filánder Uclés and his bodyguards, who threatened to return the next day to destroy the home and the family’s belongings. Uclés, who had US military training at the notorious School of Americas, has continually threatened Tolupan community members to leave their lands and is currently facing charges for these threats.

The ex-general’s nephew, Kenton Uclés, has also been embroiled in conflict with the Tolupan community of San Francisco de Locomapa. His logging company Velomato was reportedly granted an illegal concession on their indigenous lands without any prior consultation. Indigenous leader Santos Matute and others began protests against the loggers, which led to criminal cases being filed against them for ‘obstructing the implementation of forestry management plans’. In March 2013, the case was dismissed, with the court arguing the community’s right to be consulted under international law had been violated. In spite of this ruling, Kenton Uclés and Velomato continued to illegally log Tolupan land according to local activists.

For nearly a decade, Tolupan indigenous peoples from northern Honduras have been threatened, criminalised and killed for taking a stand against illegal logging and mining operations which have pillaged their resources without consulting communities. The Tolupan are the most marginalised indigenous group in Honduras, living in extreme poverty in remote rural areas with little access to basic services.

Consuelo Soto now lives in hiding after her husband was murdered for opposing illegal logging and mining. © Global Witness
Fúnez. Another leader, María Enriqueta Matute, fled to her nearby home, where she was tracked down and fatally shot.149

Matute told Global Witness that the hitmen149 work for a nearby mining operation in La Lagunita.149 He says that despite being clearly identified and warrants being issued for their arrest, they continue to be seen in the community as the police stand idle.149 In June 2015 they struck again, killing another Tolupan leader, Erasio Vieda Ponce.149 In an interview with Global Witness, the indigenous rights prosecutor’s office said it twice attempted to arrest the hitmen, but failed because someone tipped them off before they arrived.149

PROTECTION ORDERED BUT NOT PROVIDED

Many community members went into hiding after the 2013 murders and only returned six months later once they were granted emergency protection by the Inter-American Commission on Human Rights (IACHR).146 One of these returning members, Luis de Reyes Marcía, was found murdered on 5 April 2015, after filing a police complaint for receiving death threats.144 He was the husband of Consuelo Soto, one of the beneficiaries of the IACHR’s emergency protection. A month after her husband’s killing, Consuelo Soto’s house was peppered with bullets by unknown gunmen.144 She is now living in hiding.

Soto told Global Witness: “My family say I shouldn’t leave the house because it’s too dangerous. But I’m not going to keep quiet because I’m defending the rights of a people – people that too often have been silenced.”144 Soto also stated that when the community warned the police of the presence of the hitmen in the community, the authorities, rather than making the arrests, would ensure the gunmen got safe passage out of the area.144

“I’m one of those that has been given emergency protection. But the authorities aren’t fulfilling their roles—I returned to my home more than a month ago and have never been paid a visit by them. The government has failed to ensure emergency protection for me.”

– Consuelo Soto, wife of murdered activist Luis de Reyes Marcía151

Another activist who has had to flee the community, despite being granted IACHR emergency protection, is José María Pineda. Pineda, one of the MADJ coordinators, fears for his life after gunmen posted a death threat to the door of his house stating: ‘Today get ready, as the fire’s been lit, because you haven’t curbed your tongue. We know where you are, but we’re going to get you where it hurts most.’151 Santos Matute was also granted emergency protection in December 2013 by the IACHR, but this didn’t stop him from being attacked last year: he is now living in hiding.151

MADJ has repeatedly denounced the lack of implementation of the IACHR protection measures by the Honduran state.152 Although the IACHR’s rulings are binding, it is the responsibility of the Honduran government to implement them. Since 2013, MADJ has continually attempted to meet the state security ministry, which is responsible for the measures, and has either been ignored or had its concerns dismissed.153 Meanwhile, the killers of Tolupan activists Armando Fúnez Medina, Ricardo Soto Fúnez, María Enriqueta Matute and Erasio Vieda Ponce roam free, living side by side with their victim’s families.

WHAT NEEDS TO BE DONE

Global Witness is calling for the cessation of illegal mining and logging in and around the indigenous community of San Francisco de Locomapa. Honduras’ state security ministry must guarantee protection for community members, many of whom are supposed to have emergency protection from the government as required by the IACHR. Selvin Fúnez and Carlos Matute, suspected killers of four community leaders, should be immediately arrested. Similarly the perpetrators of the killing of Luis de Reyes Marcía and the ongoing attacks against indigenous leaders must be held to account.

CASE STUDY 5: THE GARIFUNA PEOPLE AND THE POWERS BEHIND HONDURAS’S FLAGSHIP TOURISM DEVELOPMENT

On Honduras’s northern Caribbean coast, about an hour and a half’s drive from the second city, San Pedro Sula, a luxury development of hotels and golf courses has sprung up. With its infinity pools, luxury apartments, and wellness center, the five-star Indura Beach and Golf Resort is a honeymooners’ dream location, and Honduras’ flagship tourism project. But beneath the perfect travel brochure surface, is a story of threats, harassment and human rights abuse. The Indura hotel, now part of Hilton’s luxury ‘Cario’ collection146 has deprived an indigenous Garifuna community of access to their ancestral burial grounds and agricultural lands.153 Descendants of black slaves brought to the Caribbean, the Garifuna have lived in Honduras since the 18th Century. One hundred and fifty-seven Garifuna families live in wooden shacks on the beach at Barra Vieja, right next door to the current hotel site.153 According to the community, the boundaries of the Jeanette Kawas National Park, named after an environmental defender killed for her activism, were redrawn to allow for its construction.153

MAIN FINDINGS

Specifically, Global Witness is calling for an investigation into:

● Ex-National Party mayor of Yoro, Arnaldo Ubina Soto, because of allegations he granted permits illegally to mining operations in San Francisco de Locomapa.

● Ex-general Filander Ucél because of allegations he threatened members of the indigenous community of San Francisco de Locomapa to try and force them off their land.

● Filander Ucél’s nephew, Kenton Ucél, because of allegations his logging company Velomato continues to log illegally on indigenous land in the community.

Global Witness approached Filander and Kenton Ucél for comment on these allegations but received no responses.

ORGANISED INTIMIDATION

At the start of the Indura project in December 2008, the Minister for Tourism, Ricardo Martínez Castañeda, wrote a letter to the then president Manuel Zelaya pleading with him to take action to remove the community, who he described as ‘illegal squatters […] affecting the development of the project, and the investment’.150 In the letter, leaked to Global Witness, the minister outlined several high-level meetings with other government officials where he tried to persuade them to evict Barra Vieja’s inhabitants. The ministry he headed indirectly owns 49 per cent of the Indura project via the Honduran Tourism Institute and has a clear vested interest in getting the community removed from its land.150 In March 2009, he wrote further letters to the attorney general’s office and the minister for security seeking their support in evicting those living in Barra Vieja.150 Officially, the eviction orders were requested by the National Park Authority, a state body that claims to own the land where Barra Vieja is situated.150 However, a document from the prosecutor’s office seen by Global
affection their land, in spite of UN guidance to the contrary. The attorney general’s office provided a biased witness with an ‘incoherent’ testimony, according to the court’s decision, and presented ‘senseless’ accusations that the Barra Vieja community members lied about their place of birth on their birth certificates. In September 2016, the leaders of the community were absolved of any crime.

Despite these decisions and the absolution of community members, a high-ranking government official told Global Witness that they do not recognise the Garifuna as indigenous peoples and are still looking to forcibly resettle Barra Vieja. In October 2015, the Honduran government were found to have violated the land rights of the Garifuna in a separate case involving a community on the same coastline as Barra Vieja. The Inter-American Court on Human Rights ruled that the state denied the community’s right to consultation when agreeing tourism projects on Garifuna land.

**FORCED EVICTIONS AND LEGAL PROCEEDINGS**

The first phase of the US$120 million Indura tourism project was inaugurated in April 2014 amidst huge fanfare, with the presence of then president Porfirio Lobo and former presidents Ricardo Maduro and Rafael Leonardo Callejas. In August of the same year, members of the Honduran military and police tried to forcibly evict the community from their homes, removing the families’ belongings and leaving them on the street. Community leader José Armando Guzmán told Global Witness that a month later 80 soldiers and 60 police returned with heavy machinery in another effort to evict them from their land to make way for these expansion plans.

**THE INVESTORS AND LINKS TO HONDURAS’ BIGGEST EVER CORRUPTION SCANDAL**

49 per cent of Desarrollo Turístico Bahía de Tela, the company behind the Indura Beach Resort, is state-owned through the Honduran Tourism Institute, whilst the remaining 51% is in the hands of a group of private investors. One of these investors told Global Witness that some of Honduras’ most powerful elites are behind the project. They include ex-Honduran president Ricardo Maduro; Epaminondas Marinakis, the President of Honduras’ National Tourism Chamber; and Camilo and Pedro Atala, members of one of Honduras’ wealthiest business families and supporters of the 2009 coup.

The Atala family is also connected to the controversial Agua Zarca dam against which Berta Cáceres was protesting before she was murdered (see case study 2). Billionaire Camilo Atala, a former cabinet minister and owner of Ficohsa Bank, is the public face of the Indura resort.

In a dramatic development, which links the Indura hotel to Honduras’s biggest corruption scandal in recent years, Global Witness has obtained evidence of corrupt funds being laundered through the project. The hotel’s business name appears in a report by the special prosecutor’s office against organised crime, leaked to Global Witness, as having received corrupt funds from the Social Security Institute. In this massive corruption scandal, top officials from the Social Security Institute stand accused of stealing US$350 million through a network of phantom companies which left ailing patients without access to life-saving medicines. Some of this money was funneled to current President Hernández’s election campaign, and now it seems that some of the funds were also used to support the development of Indura.

According to the internal report, on 11 March 2013 just over 100,000 Lempiras (US$5,000) was transferred to Desarrollo Bahia de Tela from an account set up to launder social security funds. A year later a plot of land was bought for US$287,000 in the Indura hotel complex by Gabriela María Lainez Reina, a front person for the principal masterminds of the scam, which included the Social Security Institute’s ex-director. In addition, US$20 million of credit has been lent to the hotel project from a consortium of regional banks led by Camilo Atala’s Ficohsa Bank, currently under investigation for money laundering in Panama.

**WHAT NEEDS TO BE DONE**

Global Witness is calling for government to fully recognise the land rights of the Afro-Honduran community of Barra Vieja and stop attempts to forcibly evict them from their homes. Access to their ancestral burial grounds and agricultural lands should be restored and attempts to criminalise the rightful defence of their land stopped. The owners of the Indura hotel project must be investigated for laundering corrupt funds from the Social Security Institute. International financing for tourism projects, including from the International Finance Corporation, must respect the land rights of Afro-Honduran communities.

**MAIN FINDINGS**

Specifically Global Witness is calling for an investigation into:

- Ex-minister for tourism, Ricardo Martínez Cañete, for undue influence over an attempt to evict the community of Barra Vieja from their ancestral land, as shown in various letters seen by Global Witness.

- The National Port Authority for continual demands for an illegal eviction of the Barra Vieja community and for filing unfounded criminal charges against community members.

- Desarrollo Turístico Bahía de Tela for allegedly cutting off access to Garifuna ancestral lands, and laundering corrupt funds from the social security institute.

Global Witness approached Desarrollo Turístico Bahía de Tela for comment on these allegations but received no response. Hilton became associated with the Indura project in 2016, after the allegations made in this case study occurred. There is no suggestions Hilton took park in these events.
WHO’S PULLING THE STRINGS?

La Aurora and Los Encinos Dam Projects

ARNOLDO GUSTAVO CASTRO
Owner of the projects and husband of Gladis López; both dam projects illegally granted licenses when López was in Congress

Norman G. Ochoa
Ex-Vice President of Ministry for Natural Resources; approved environmental license for La Aurora without consulting indigenous groups

Velomato Logging

Kenton UCLES
Owner of Velomato, nephew of Filander; granted illegal logging concession on Tolupan land

ARNALDO UBINA SOTO
Former National Party Mayor, who granted illegal logging and mining permits in San Francisco de Locomapa; currently in jail for leading a gang of hit men involved in murder, money laundering and drug-trafficking

DESA and Agua Zarca dam

Daniel Atala Midence
Head of Finance at DESA

José Eduardo Atala Zablah
Brother of Camilo Atala; board member of DESA; President of US-Honduran Chamber of Commerce; ex-director of BCIE bank, one of the main investors in Agua Zarca

Ana García de Hernández
First Lady of the Republic of Honduras

Buena Vista I Mine

Lenir Pérez
Owner of Buena Vista I mine, threatened local activists and caused environmental damage. National Party activist - appearing publicly with First Lady - and son-in-law of Miguel Facussé

Wilfredo Fúnez
Head of private security for Buena Vista I, jailed for kidnapping two foreign human rights observers

José Antonio Flores
Friend of Lenir Pérez, tried to bribe activists opposing the mine with US$1 million on his behalf; assassinated 2015

Miguel Facussé
Now deceased, ex-owner of Dinant and one of Honduras’ wealthiest businessmen; uncle of former President Carlos Flores Facussé; father-in-law of Lenir Pérez; Dinant was accused of numerous murders in the Bajo Aguán land rights battle between 2010 and 2013; Facussé has been accused of ordering the murder of environmentalist Carlos Escaleras; he was allegedly present when a plane smuggling drugs from Colombia landed on his property

Dinant Agribusiness

Gabriela María Lainéz Reina
Former Honduran President and principal investor in Indura Beach and Golf Resort

Mario Roberto Zelaya Rojas
Billionaire owner of Fichosa Bank, which lent credit to Indura Beach and Golf Resort and is currently being investigated for money laundering in Panama; former cabinet minister; principal investor in Indura Beach and Golf Resort

Indura Beach and Golf Resort

Camilo Atala
Brother of Camilo, principal investor in Indura Beach and Golf Resort

Pedro Atala
Ex-Director of the Social Security Institute, accused of stealing $350 million from the Institute. Indura hotel appears in special prosecutor’s document as laundering money for Mario

Ricardo Maduro
Former Honduran President and principal investor in Indura Beach and Golf Resort

Rights battle between 2010 and 2013; Facussé has been accused of numerous murders in the Bajo Aguán land rights battle between 2010 and 2013; Facussé has been accused of ordering the murder of environmentalist Carlos Escaleras; he was allegedly present when a plane smuggling drugs from Colombia landed on his property

Friend of Lenir Pérez, tried to bribe activists opposing the mine with US$1 million on his behalf; assassinated 2015

Now deceased, ex-owner of Dinant and one of Honduras’ wealthiest businessmen; uncle of former President Carlos Flores Facussé; father-in-law of Lenir Pérez; Dinant was accused of numerous murders in the Bajo Aguán land rights battle between 2010 and 2013; Facussé has been accused of ordering the murder of environmentalist Carlos Escaleras; he was allegedly present when a plane smuggling drugs from Colombia landed on his property

Billionaire owner of Fichosa Bank, which lent credit to Indura Beach and Golf Resort and is currently being investigated for money laundering in Panama; former cabinet minister; principal investor in Indura Beach and Golf Resort

Former Honduran President and principal investor in Indura Beach and Golf Resort

Former Honduran President and principal investor in Indura Beach and Golf Resort

Former Honduran President and principal investor in Indura Beach and Golf Resort

Former Honduran President and principal investor in Indura Beach and Golf Resort
WHAT'S DRIVING THE ATTACKS? CORRUPTION, A LACK OF CONSULTATION, AND A FAILURE TO PROTECT ACTIVISTS

Threats and attacks against land and environmental defenders in Honduras do not occur in a vacuum. Without the widespread corruption currently characterising government and the natural resource sector, abusive projects could not go ahead so easily, and impunity for those responsible would not flourish. The fact that communities are rarely properly informed about projects or consulted on the use of their land breeds conflict which puts activists, and ultimately investments too, at risk. The Honduran government has completely failed to put in place adequate protection policies and prosecute the perpetrators of violence, some of whom are state actors.

But Honduras is not a failed state and has, on numerous occasions, demonstrated that it can tackle the issues outlined in this report, when high-level officials have the political will to do so. For example, and as documented in some of the case studies above:

- On 10 June 2016, Norman Gilberto Ochoa, a high-ranking official at the Ministry for Natural Resources and the Environment was found guilty of having approved an environmental license for La Aurora dam without consulting indigenous groups, thus breaching international law.197
- On 6 May 2016, five men were charged for the killing of Berta Cáceres, one of Honduras’s most prominent environmental and indigenous rights activists,198 and in September 2016 and January 2017 a sixth and seventh person were also charged with her murder.199
- The ex-mayor who granted the Agua Zarca dam’s licence is currently facing charges for failing to consult with COPINH and Lenca indigenous communities.200
- In December 2015, a Honduran soldier was sentenced for COPINH member Tomas García’s murder.201
- On November 2014, Wilfredo Fúnez, Lenir Pérez’s security chief, was sentenced to three years in prison for COPINH member Tomas García’s murder.202
- 64 community members, as well as their leaders, from the Garifuna community of Barra Vieja had charges of ‘illegal squatting’ dismissed by local courts who ruled in favour of their rights to their ancestral lands.203

And yet, sadly these examples stand out because they are so unusual. The norm is that corruption means projects that wouldn’t otherwise get approval, get the green light. Authorities turn a blind eye to illegal acts, particularly the failure to get consent for projects that impact indigenous peoples. Finally, the government neglects to protect activists from threats, legal cases and in the worst cases, murder. Through their inaction, and sometimes their active involvement, the Honduran authorities are complicit in the attacks against land and environmental defenders. It is high time that President Juan Hernández urgently addresses these root causes and guarantees a way of doing business which respects the voice of defenders and protects the rights of his citizens.

Women human rights defenders working on land and environmental issues face additional risks due to gender discrimination. © Giles Clarke/Global Witness

THE FACILITATORS: CORRUPTION AND IMPUNITY

Honduras is beset by entrenched corruption, and by the unscrupulous self-interest of many of those with a purchase on the reins of power or with financial or political influence. Five principal methods of corruption reoccur throughout the cases investigated by Global Witness, which are used to acquire official access to land, to buy or silence opposition, and ultimately to get away with murdering those who get in the way.

Firstly, political influence is used by the elite to land lucrative contracts, gain official licenses and get projects underway. This is clear from many of the cases in this report, including the Los Encinos and La Aurora dams, which are controlled by the husband of the president of the National Party, Gladis López (see case study 1). Secondly, legally-established processes are routinely ignored without consequence. A series of processes and permissions are required for most megaprojects to go ahead, yet – as shown by the case of the Agua Zarca dam – even where international financing is in place, businesses are allowed to bypass these in the pursuit of quick profits (see case study 2).

When communities question these shady deals a third tactic comes into play: large bibles are offered to activists to keep quiet. César Álvaro Echeverría, a well-respected community leader in Nueva Esperanza, said that businessman Lenir Pérez offered him whatever he wanted to stop opposition to the construction of the Buena Vista I iron oxide mine (see case study 3). Accusations of bribery are rarely investigated, in spite of President Hernández’s promise to combat corruption. When payoffs don’t work, project backers resort to force and often enlist military support to halt defenders. The involvement of the military in the killing of Berta Cáceres and her compatriots is a grim example of this (see case study 2).

Finally, impunity is the oxygen provided to perpetrators by the justice system. Those inflicting violence are not held to account, and reports of threats or attacks are rarely investigated. The failure of authorities to prosecute those responsible for attacks on the Tolupan community in San Francisco de Locomapa, as identified by the Inter-American Commission on Human Rights (IACHR), exemplifies this starkly (see case study 4).

In spite of its international commitments to the contrary, Honduras has neither a special prosecutor nor a specific investigative protocol for crimes against human rights defenders, and the national human rights protection programme lacks sufficient staff and resources.204 The special prosecutor’s office for indigenous rights has the potential to act as a mechanism for obtaining access to justice but according to UN experts, it lacks the financial and human resources to do so. Meanwhile, the newly-established Organisation of American States (OAS) Mission to Support the Fight against Corruption and Impunity in Honduras could represent a crucial catalyst in tackling corruption, but the Honduran state has so far failed to allow it to fulfil its mandate without interference (see ‘The MACCIH’ box on page 30).

ATTACKS AGAINST WOMEN HUMAN RIGHTS DEFENDERS

Women human rights defenders working on land and environmental issues face additional risks due to systemic gender discrimination. They suffer from specific harassment, repression and smear campaigns, facilitated by the context of discrimination already facing women in Honduras. Verbal and sexual assault are also used to silence their opposition to business projects affecting their land and source of livelihood. Environmental damage caused by these projects impacts women’s capacity to provide food and water for their families and communities. With the theft of their land, the work that women are already expected to do to support their family, increases. As a result, many women have become leaders in defending their communities; bucking stereotypes, challenging gender discrimination, raising their profile and exposing them to greater risk. Discrimination and violence within their organisations, communities and families can make their role less visible and increase their vulnerability.

In Honduras, women defenders challenge deep-seated social and cultural norms that expect women to play a passive role in an overwhelmingly patriarchal society. Honduran women activists have reported harassment, stigmatization, physical and verbal abuse, threats of sexual violence or death, criminalisation and murder. Our case studies show how women defenders have faced numerous attacks linked to their struggle against natural resource projects.

- Indigenous activist Ana Miriam and her sister-in-law Rosaaura were hospitalised and suffered exponentially from the brutal police raid on their home; they were pregnant at the time.
- Concepción Gutiérrez received death threats for refusing to sell her land. An international human rights observer assigned to her protection was sexually harassed by armed men.
- Consuelo Soto’s life was threatened for opposing illegal logging in her community. She is now living in hiding after her house was peppered by bullets.
- Berta Cáceres was killed by gunmen linked to a dam project she opposed. Before her murder, she was threatened with sexual violence.
National laws and practices must change in order to guarantee the right of communities to meaningfully participate in all decisions which might affect the possible use or abuse of their land, natural resources and environment. Investors and businesses, meanwhile, have a responsibility to uphold the highest standards in consultation and consent.201

THE ROOT CAUSE: A LACK OF COMMUNITY CONSULTATION AND CONSENT

As we have seen throughout this report, a major failing of the Honduran authorities, and the businesses with whom they work, is their routine lack of consultation with indigenous or local communities at the outset on decisions regarding their land. This in turn is what places so many environmental defenders at risk, because they are forced belatedly to challenge projects that are already underway, rather than realising their rights to participation and to free, prior and informed consent. Approval of the Los Encinos dam was riddled with illegalities, whilst the La Aurora hydroelectric project went ahead without any consultation whatsoever. The mayor who granted the Agua Zarca dam project’s licence is currently facing charges for failing to consult with Lenca indigenous communities, and mining and logging operations continue in Tolupan territory without community approval.

“If communities and environmental defenders were active partners in the design of projects from the very beginning, it would make them less vulnerable to attacks later.”

UN special rapporteur on human rights defenders 192

A recent UN report called upon states, businesses and investors to prevent attacks against defenders by guaranteeing their participation in all aspects of decision-making around development projects.193 In Honduras, both international and local municipal laws guarantee communities the right to be consulted on the use of their land. However, these rights are not being protected. Exclusion is the norm, and companies, the government and foreign investors are failing to engage meaningfully with affected communities and local activists.194 For example, the UN recently highlighted mass violations of international law on free, prior and informed consent with the authorisation in 2010 of 21 hydroelectric projects affecting indigenous communities.204

THE MACCIH: OAS MISSION TO SUPPORT THE FIGHT AGAINST CORRUPTION AND IMPUNITY IN HONDURAS

In January 2016, the Honduran government signed an agreement with the Organisation of American States (OAS) allowing an independent and autonomous body to work towards combating corruption and impunity in the country. Whilst the mandate of the Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH) remains short of the Guatemalan model favoured by protesters, it could nonetheless combat the roots of abuse, so long as the government allows it to.205

The mission, known by its Spanish acronym MACCIH, is headed by five international experts and employs a team of prosecutors, judges and forensic specialists to investigate cases of corruption. It can also propose legal and institutional reforms, monitor their implementation and encourage compliance with other OAS recommendations. Depending on the MACCIH’s findings, MIAK government must follow the evidence to the highest levels if this historic opportunity for systemic change is not to be squandered.

In order to strengthen the fight against corruption and impunity in Honduras:

- The MACCIH should investigate at least one high profile case of corruption in the natural resource sector, including the identification of intellectual authors and chairs of command in attacks against land and environmental defenders.
- The MACCIH should build upon its existing efforts and increase the involvement of civil society in its work, including through broad, iterative and countrywide consultations ahead of policies and activities.
- The Honduran government must cooperate fully with the MACCIH, allowing the body complete and prompt access to the information it requires, and implementing its recommendations.
- Foreign states and international institutions should do everything possible to provide the MACCIH with ample resources to operate and to encourage the Honduran government to cooperate.

INTERNATIONAL AND HONDURAN LAW ON FREE, PRIOR AND INFORMED CONSENT

Outlined in the International Labour Organization (ILO) convention 169 on indigenous and tribal peoples - which Honduras has ratified - free, prior and informed consent (FPIC) is the right of indigenous peoples to make free and informed choices about whether and how their land and natural resources should be used and developed. According to the UN, indigenous peoples should not be coerced or intimidated, their consent should be sought and their interests taken into account at any stage of an activity. They should have full information about the scope and impacts of any proposed developments, and ultimately their choices to give or withhold consent should be respected.206

The UN declaration on the rights of indigenous peoples establishes that “indigenous peoples shall not be forcibly removed from their lands or territories. No relocation shall take place without the free, prior and informed consent of the indigenous peoples concerned and after agreement on just and fair compensation and, where possible, with the option of return.” Meanwhile article 25 of the UN’s international covenant on civil and political rights, which has been ratified by Honduras, guarantees the right of all citizens to participate in public affairs.208

The Honduran Congress is currently drafting a law regarding the FPIC of indigenous and Afro-Honduran peoples. It is vital importance that this law reflects the proposals which these communities have put forward, such as ensuring that just and fair compensation is given for loss of livelihoods, and as incorporating international standards and experiences.209 To be effective, the law should establish that ‘prior’ means before bidding for licences and land takes place; that a consultation ought to occur before any significant change or phase in a project and that the right to reject a project outright is guaranteed.

THE RESPONSE: A FAILURE TO PROTECT

Almost all of the activists whose murders are described in this report had reported that they were in danger and had already asked for protection. Of particular note are the defenders who have been granted emergency protection by The Inter-American Commission on Human Rights (IACHR). Since 2006, Honduras has been ordered by the IACHR to implement emergency protection in 49 cases. Shockingly, 13 of the beneficiaries have been assassinated and 99 per cent do not believe their security is guaranteed.210 A recent civil society report argues that the biggest obstacle is the government’s ‘lack of political will to comply’210.

In May 2015, in response to concerted advocacy by local and international civil society, Honduras passed the Law for the Protection of Human Rights Defenders, Social Communicators and Legal Practitioners (See ‘Honduras’ human rights defender law’ box below).211 The law foresees the establishment of a protection mechanism to assess requests from at-risk defenders, assigning them protection according to the dangers they face. The various protection measures included in the law’s regulations have the potential to help overcome the historically narrow and ineffective response by the state. However, there were numerous deficiencies in the rushed legislation212 and although recently approved regulations address some of these213 a clear lack of political will means that the necessary staff, resources and political backing are absent, rendering implementation effectively impossible.214

If the Honduran government is serious about ending the abuse of environmental activists and indigenous populations at the expense of unscrupulous developers and corrupt politicians, it must do more than propose laws and pay lip service to regional or international regulation. It must ensure protection is guaranteed, laws are enforced and those responsible for attacks are publicly held to account. Failure to do so will ultimately undermine the country’s reputation and its drive to attract investment, by making the context too lawless and risky for respectable companies.
Julia Francisco Martínez’s husband was killed for defending the ancestral lands of the Lenca people. © Giles Clarke/Global Witness
HONDURAS’ HUMAN RIGHTS DEFENDER LAW

Passed in 2015, the Law for the Protection of Human Rights Defenders, Journalists, Social Communicators and Legal Practitioners seeks to give effect to the UN Declaration on Human Rights Defenders and protect all at-risk activists.

The law created a ‘protection mechanism’ which sought to provide concrete measures with which to protect activists according to the type of risks they face. The broad range of potential protection measures included in the law could help overcome the historically narrow and ineffective response by the state. Civil society is represented alongside state officials on the advisory council tasked with monitoring and supporting the law’s implementation. If its application were properly resourced and politically backed, this law could help keep activists alive.

INTERNATIONAL AID AND INVESTMENT IN HONDURAS

It is not just failures by the Honduran state and national businesses that fuel the suffering and abuses against activists seeking to protect their land. Money funneled into Honduras from the US and other countries, through aid packages or via International Financial Institutions (IFIs) is used to fund illegally imposed projects, to develop the policy and infrastructure they need, and to train and equip police and military institutions that are attacking land and environmental defenders.

While international donors talk of stimulating growth and prosperity, the corruption and abuses surrounding these projects are fueling destruction, displacement and the death of precisely those community leaders who could contribute to a more sustainable and prosperous future. The Honduran government is encouraging foreign investment in industries that are causing unprecedented levels of violence against activists. To invest in the current context is to invest in the roots of inequality and insecurity which drive thousands of Hondurans to migrate to the US in 2016.214

US AIDING AND ABETTING

The US is the biggest aid donor to Honduras, and also funds key IFIs, including the International Finance Corporation (IFC) and the Inter-American Development Bank (IDB), which are both financing hydroelectric dams and their infrastructure in Honduras.214 In 2016, the US provided US$98.3 million in bilateral aid to Honduras, plus US$750 million of regional funds to Central America to support the ‘Alliance for Prosperity Plan’, as well as additional money from the Department of Defense.215 A lack of transparency makes it unclear how this aid is spent and how much is channeled through IFIs. What is clear is that US contributions to the Alliance for Prosperity vastly increase security aid to Honduras.

US aid also drives the current development model by demanding Honduras establish ‘governance policies that attract foreign investment, increase modernisation and privatisation, and encourage the adoption of regional energy solutions’.216 Fifty per cent of US direct funding to the Honduran government is in theory conditional on its meeting human rights obligations, including allowing activists ‘to operate without interference’.217 Incredibly, after a year in which 14 land and environmental activists were killed and numerous others threatened, the US State Department still approved the disbursement of funds in October 2016.

In 2016, the Honduran military and police received US$18 million in US aid, in spite of their abuses against activists.218 An ex-member of a US-trained Honduran army unit claims that the military hold a hit list of human rights activists, while two soldiers are currently being prosecuted for the murder of Berta Cáceres.219 Her organisation COPINH has denounced the infiltration by a military spy, and the police guarding the Agua Zarca dam has been accused of threatening local community members. In response to military and police abuses, the Berta Cáceres Human Rights Act in Honduras has been tabled in the US Congress, calling for the suspension of US security aid to Honduras until abuses by security forces cease and perpetrators are brought to justice.

The law, if passed, could represent a milestone in conditions at-risk activists.220 Incredibly, the Honduran government is in theory conditional on its meeting human rights obligations, including allowing activists ‘to operate without interference’.218 Incredibly, after a year in which 14 land and environmental activists were killed and numerous others threatened, the US State Department still approved the disbursement of funds in October 2016.

The US has given millions of dollars to the Honduran government despite human rights concerns. © zrfphoto/iStock

In HONDURAS

A recent damning UN report on the situation in Honduras asserted that International Financial Institutions (IFIs) share a responsibility for human rights abuses associated with the projects they invest in.221 IFIs contribute by financing business projects such as hydroelectric dams and agribusiness whilst pressuring recipient states to alter their regulatory frameworks.222 The World Bank’s International Finance Corporation (IFC) is particularly active, and has been associated with a number of controversial investments:

- Between 2007 and 2011, the IFC provided US$86.5 million to Picoasha Bank, coinciding with the bank’s investment in the Indura Hotel, which has led to clashes with local Garífuna communities.223 In October 2015, OFRANEH, an organisation representing the Barra Vieja community, filed a complaint with the IFC because of its financial support for Picoasha Bank.224 In the complaint it is alleged that IFC’s investments have led to ‘land grabbing, community displacement, lack of economic benefits and environmental degradation’.225

- In 2009, the IFC invested US$30 million in the Dinant Corporation, an agribusiness giant accused of involvement in the killings of small-scale farmers opposing palm oil plantations in the Bajo Aguán region. Dinant strongly denies any direct or indirect involvement in death squads or human rights violations. The IFC has since admitted failing to implement its own social and environmental policies when approving the loan.226

More recently, the IFC invested US$30 million in the La Vegona hydroelectric project – which in July 2016 provoked community demands for a fairer share of the profit.227

The US is the largest single IFC shareholder, followed by Japan, Germany and the UK.228 The Overseas Private Investment Corporation (OPIC), the U.S. Government’s development finance institution, also has a US$22.5 million investment in FICOHSÁ bank, which backs two of the businesses featured in this report that have been accused of human rights abuses: the Indura Beach resort and agribusiness giant Dinant.229

The Inter-American Development Bank (IDB) also has a big stake in Honduras’s development. Almost 90 per cent of IDB loans to Honduras are to finance energy, trade and ‘modernisation’.230 Between 2008 and 2015, it granted at least US$562 million to the Honduran state for investment in electricity production and renewables, particularly through the expansion of hydroelectric projects.231 The bank also finances numerous agribusiness projects.232 The US, Argentina, Brazil, Mexico and Canada are the most influential shareholders in the IDB.

The Central American Bank for Economic Integration (CABEI), the Dutch development Bank FMO, and the Finnish Development Bank, Finnfund are all investors in the controversial Agua Zarca dam. As detailed in case study 2, numerous members of COPINH, including its head Berta Cáceres, were attacked, harassed, criminalised or killed for opposing this project. Since a current employee of the company that owns Agua Zarca was arrested for the murder of Cáceres, FMO and Finnfund have committed to withdraw from the project. And yet, they had turned a blind eye to the many public threats received by Cáceras over the years. A recent UN report found that investors repeatedly failed to reassess their support even when activists had suffered grave attacks.233

Access to information remains an obstacle to civil society organisations working to understand the role of IFIs in development projects, with very little documentation of investments available online.

RISKY BUSINESS: FOREIGN COMPANIES IN HONDURAS

Businesses and investors too have failed in their responsibility to protect activists, with associated risks to their own reputations and the fundamental viability of their projects. Under the UN guiding principles
on business and human rights, companies have an obligation to respect international human rights law – regardless of the state’s capacity or willingness to do likewise.243 The business case for acting to protect activists is also increasingly clear.244 Defenders’ local expertise is essential in helping investors to identify, prevent and mitigate human rights abuses and therefore also minimise related adverse business impacts and avoid financial and non-financial risks, such as legal, reputational, operational, and regulatory risks.245 Many features of a safe and enabling environment for defenders are strongly associated with a stable operating environment for business, with companies and defenders alike thriving in contexts of transparency, rule of law, non-discrimination, and freedom of association.246

Markets and consumers often reward businesses which are proactive in managing environmental, social and governance risks, and which have a good reputation in regards to rights and ethics. Nonetheless in Honduras, businesses are more likely to undermine the security of defenders, either by attacking activists themselves or criminals and delegitimising their activities. Whilst international capital lies behind many of the projects, the majority of the businesses around which defenders are being threatened are Honduran. However, both the Honduran government and foreign embassies are preparing the ground for an increase in activity by overseas businesses in the country. Foreign direct investment (FDI) is on the rise247 and Honduran exports to the EU grew by 21 per cent in 2015.248 As well as having a free trade agreement with the US, Honduras also signed the EU-Central America Association Agreement in 2012 to boost trade links.249

The US remains the principal trading partner for Honduras, with bilateral trade totaling US$9.8 billion in 2013.250 The US embassy in Honduras is promoting US investment in extractive industries in the country. One US mining firm, Electrum, is planning a US$1 billion investment in extractive industries in the country. While another US mining company, Inception, operates the Clavo Rico gold mine in southern Honduras that extracts up to 1,000 tons a day.251

Mining is the principal focus of Honduras’s opening up to international business, with President Hernández declaring 2015 ‘The Mining Year’. By mid-2015, Honduras had received 333 applications for mining concessions, exploration, and exploitation.252 This is of particular concern in the current context given that the mining sector is the biggest driver of attacks on land and environmental defenders globally.253 Ninety per cent of all foreign mining investments in Honduras are Canadian.254 Due to the abuses related to mining – as well as hydroelectric, logging, agribusiness and tourism – any potential investors should steer clear of these industries until security for activists is guaranteed, perpetrators of violence are prosecuted and laws are upheld.

WHAT NEEDS TO CHANGE FOR AID AND INVESTMENT

The US and other donors should review their aid policies to Honduras, guaranteeing that they are not encouraging or financing industries which put activists at risk. They should guarantee greater transparency around aid and channel funds away from security forces and towards strengthening the judiciary and empowering civil society. Honduras is clearly not complying with the human rights stipulations which currently condition US aid, and 50 per cent of direct funds should be withheld accordingly until compliance is guaranteed. The US should also use its influence over IFIs to ensure they are not complicit in funding industries which cause attacks against defenders.255

It is paramount IFIs speak out against attacks on defenders and ensure that robust policies are developed and implemented regarding how they will guarantee constructive dialogue with local communities. They should act to prevent threats against land and environmental defenders and respond when aggressions occur. They should also review their ongoing and planned investments in Honduras, freezing funding wherever serious claims occur regarding attacks against defenders or a failure to consult with local communities. It is vital that complete information on projects is accessible to local communities. Given the current context of corruption and human rights abuses it would be irresponsible for foreign companies to increase operations in the Honduran industries at the center of violence against activists, namely mining, hydroelectric, logging, agribusiness and tourism. To do so would pose both operational and reputational risks to their business and encourage further attacks against activists. There are a range of actions which businesses already operating in Honduras can take to contribute to a safer environment for defenders.256

The murder of so many innocent activists, and the losses and intimidation of their families, friends and colleagues is a tragedy that cannot be undone. But an opportunity exists to prevent further violence. Ultimately it is in the interests of the Honduran government to do all it can to stop the abuse of environmental and land defenders, and to enforce greater transparency and legality in the development of mining, logging, tourism, agriculture and hydroelectric projects. Failure to do so will prevent the state from developing sustainable industries, and will expose it to international condemnation and possible legal action.

For international observers and those with a stake in the country – especially major donors like the US and IFIs such as the IFC and the Inter-American Development Bank - there is a clear and urgent need to refrain from funding or supporting any projects or activities that are putting defenders at risk. Global Witness also calls for governments and institutions to use their significant influence to support the Honduran government and enlightened businesses to promote the rule of law and sustainable, legal development which respects the rights of indigenous and local communities.

ACTION NEEDED AT HIGHEST LEVELS

The response to Honduras’ epidemic of violence against land rights activists must start at the top. The president must guarantee the speedy resolution of the open cases mentioned in this report, with independence, transparency and punishment commensurate to the crimes. He must ensure some ‘big wins’ on these emblematic cases, and enlist the full support of international institutions such as the MACCIH and the IACHR where the victims demand it.

President Hernández must also make strong statements regarding the legitimacy and importance of land and environmental defenders and encourage his peers to do likewise. He must strengthen the judiciary, giving it the mandate and resources necessary to prosecute both the material and the intellectual authors of threats and attacks against defenders. He must publicly announce his support for the defenders protection programme, guaranteeing resources and adequate staffing.

International governments, investors and companies must also face up to their complicity in perpetuating attacks against land and environmental defenders in Honduras. To continue aid, trade and investment without concerted actions to contribute to the consultation, recognition and protection of activists, is to implicitly condone the threats against them and empower those who wish to do them harm.

Whilst President Hernández describes Honduras as ‘open for business’, until local activists are safe enough to participate in decisions about their natural resources and perpetrators of violence are held to account, then investors should steer clear of these industries. Honduras will only be truly open for business when communities and activists can participate safely in decisions regarding their land and environment. It is up to the international community to help make this happen.
RECOMMENDATIONS

TO THE HONDURAN AUTHORITIES

- President Juan Orlando Hernández and other public officials should make strong public statements recognizing the legitimate role of land and environmental defenders and committing to guarantee their protection.
- The state must implement its international obligation to protect land and environmental defenders, their families, colleagues and communities against threats and reprisals. This includes ensuring that adequate protection measures are implemented which respond to the specific risks, context, identity and requests of each individual.
- The government must provide the staff, resources, leadership and political backing necessary to ensure the effective implementation of the human rights defender protection law and its operational regulations.
- IACHR precautionary measures must be implemented in line with the specific protection needs of each beneficiary.
- The Honduran government must cooperate fully with the MACCIH and other international bodies, guaranteeing complete and prompt access to the information they require, and ensuring implementation of their recommendations.
- Where there exists reasonable doubt of a lack of proper free, prior and informed consent (in the case of indigenous and Afro-Honduran communities) or consultation (in the case of other communities), projects should be suspended immediately until genuine consent or meaningful consultation is obtained.
- The government must fully recognize Garífuna land rights, as stipulated by the Inter-American Court of Human Rights’ decision in the case of Triunfo de la Cruz.248
- Budget should be increased for the National Agrarian Institute’s land-titling programme, ensuring sufficient resources to properly verify the legality of land sales related to development projects.
- The government should outline how it intends to implement all recent UN recommendations pertaining to the protection of human rights defenders, land rights, indigenous rights, community consultation and consent, and business and human rights.249
- Accusations of corruption around natural resource exploitation should be thoroughly investigated, conflict of interest laws properly applied, and public officials found to be complicit in such abuses of authority banned from office.
- The Honduran judiciary should be given the resources and political backing required to prosecute the intellectual and material authors of attacks against land and environmental defenders.
- The Honduran government should implement its commitment, made to the IACHR, to establish a special investigatory protocol for crimes against human rights defenders.250
- The state must strengthen access to justice for indigenous and rural communities, taking into account geographical, linguistic and cultural barriers. This should include providing more resources for the Special Prosecutor’s office for indigenous rights (Fiscalía de Etnias).
- Congress must pass a law on the free prior and informed consent of indigenous and Afro-Honduran peoples, which reflects proposals by local communities and defenders, incorporates international best practice, and guarantees the right to reject a project outright.
- Congress must strengthen environmental legislation, according to best practice, in order to guarantee the meaningful participation of affected communities in the development of environmental impact assessments and other environmental processes.
- Congress should legislate requiring any company that enters into a contract with the state to reveal its true owner.

TO THE US AUTHORITIES

- Given that Honduras has clearly not taken effective steps to meet aid conditions pertaining to the right of human rights defenders and civil society activists to operate without interference, 50 per cent of funds appropriated for the central government of Honduras should be withheld.
- The State Department must establish effective criteria through which to measure compliance with aid conditions pertaining to civil society space in Honduras. Criteria should be developed and assessed together with local human rights defenders and should include: an increase in prosecutions of the intellectual authors of attacks against defenders, effective implementation of IACHR precautionary measures, and a marked decrease in the killings of local activists.
- Congress should use the Consolidated Appropriations Act 2017 to add an additional condition on aid, requiring that Honduras take effective steps to guarantee the free and informed consultation of all communities – and consent of indigenous and Afro-Honduran communities – prior to the granting of concessions for development projects.
- Congress should pass the Berta Cáceres Act, calling for the suspension of all US military and police aid to Honduras until human rights violations committed by security forces cease and the perpetrators are brought to justice.
- Policies and practices must be put in place to improve transparency and access to information regarding all US aid.
- The US government must work together with its Honduran counterpart to broaden participation of civil society in the oversight and implementation of the Alliance for Prosperity plan. The US should use its leverage over IFIs to ensure that they are not complicit in funding industries causing attacks against defenders.
- The US embassy in Honduras should desist from promoting US investment in those industries associated with human rights abuses, until the rights of local communities are protected.
- The US should increase funding for, and take increased action regarding, the protection of human rights defenders and civil society space in Honduras.

TO ALL FOREIGN GOVERNMENTS

- Through diplomatic missions, create spaces for dialogue between companies, investors, public officials, land and environmental defenders and affected communities.
- Provide technical and financial support for implementation of the human rights defender protection law; encouraging its effective application, and safeguarding civil society participation.
- Support the mandate of the MACCIH and encourage the Honduran government to cooperate with this body.
- Focus aid efforts on strengthening local civil society, human rights defender protection and the justice system.
- Put in place policies and practices to improve access to information regarding foreign aid and investment.

TO INTERNATIONAL BODIES

- The MACCIH should investigate at least one of the emblematic cases of corruption in the natural resource sector highlighted in this report, including through the identification of intellectual authors and chains of command in regards to attacks against land and environmental defenders.
- The MACCIH should build upon its existing efforts and increase the involvement of civil society in its work, including through broad, iterative and country-wide consultations.
- The Extractive Industries Transparency Initiative in Honduras must be better funded, should require beneficial ownership information for all projects, must produce data on payments from non-metallic mining projects to state officials, and should be adapted to include hydroelectric projects.

TO INVESTORS AND BUSINESSES

- All companies and investors should refrain from doing business in the mining, hydroelectric, logging, agribusiness and tourism industries until the rights of local communities are protected, activists are safe to participate in decisions regarding their natural resources, and perpetrators of abuses are held to account.
- All companies and investors should abide by the UN Guiding Principles on Business and Human Rights, refrain from interfering in the work of land and environmental defenders, and contribute to creating a safe and enabling environment for their work.
- All companies and investors should guarantee the informed participation of local communities and human rights defenders in decision-making, including on environmental and human rights impact assessments.
- No phase of any development project should be implemented without the free, prior and informed consent (FPIC) of any potentially affected indigenous or Afro-Honduran community. Where claims of lack of FPIC are alleged, projects should be suspended immediately until FPIC is obtained.
- Wherever a human rights defender is threatened or attacked, having raised concerns regarding a business project, all companies and investors associated with the project should condemn the threat and the project should be suspended until the activist’s safety has been guaranteed.

TO THE HONDURAN AUTHORITIES

- Congress should pass the Berta Cáceres Act, calling for the suspension of all US military and police aid to Honduras until human rights violations committed by security forces cease and the perpetrators are brought to justice.
- Policies and practices must be put in place to improve transparency and access to information regarding all US aid.
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- The US should increase funding for, and take increased action regarding, the protection of human rights defenders and civil society space in Honduras.
ENDNOTES


5 The new Mining Law of 2013 allows foreign mining companies to receive mining concessions, ending an eight year closure of the sector due to the repeal, by the Supreme Court, of several articles of the 1999 General Mining Law. Analysts estimate that the 1999 law led to the earmarking of 30% of Honduran territory for foreign mining concessions. See, for example: Paul Epstein and Dan Ferber (University of California Press, 2011), ‘Chasing Planet, Changing Health’, p. 255; and, USAID, COUNTRY PROFILE PROPERTY RIGHTS AND RESOURCE GOVERNANCE HONDURAS: Available from: http://www.landlinks.org/wp-content/uploads/2016/08/USAID_Land_Honduras_Profiles_1.pdf (Accessed 20 December 2016). However, it is not clear how much land has been granted for concessions since the passing of the new 2013 law.

6 An example of the weakened environmental framework is the new Environment Licensing System, established in October 2015, which will allow development projects to obtain an environmental license in just one week, drastically reducing the opportunity for community participation and a civil society oversight. See: Honduran Government press release (October 23, 2015), ‘Nuevo Sistema de Licencias Ambientales Simplificado: A Mejoría La Competitividad de Honduras’. Available from: http://www.gobmunicipaldidad.gob.hn/index.php/2014-03-12-12-51-37/vision-21-nuevo-sistema-de-licenciamiento-ambiental-simplificado-ayuda-ra-a-mejorar-la-competividad-de-honduras (accessed 20 December 2016).

7 A series of laws and policies have contributed to the increased privatization of water provision in Honduras, including, for example: ‘Plan Ecológico de Modernización del Sector Agua Potable y Saneamiento (PEMPAS)’ (January 2006). Available from: https://www.mnpa.hn/documentos/Liveris/PEMPAS.pdf (accessed 20 December 2016).

8 This report contains ample evidence of how international law and national policies on community consultation by business are being routinely ignored.

9 Three members of COPINH were killed last year in the struggle for indigenous rights in Honduras. © Giles Clarke/Global Witness

10 See Chapter 4: Berta Cáceres’ killing and the shady interests behind the Agua Zarca dam

11 See Chapter 6: The massacre of Tolupan communities

12 See Chapter 5: Businessmen Levin Pérez’s mining operation

13 See Chapter 7: Garifuna people and the powers behind Honduras’ tourism development

14 See Chapter 8: The massacre of Tolupan communities

15 See Chapter 9: The power of the Tolupans

16 See Chapter 10: Garifuna people and the power behind Honduras’ tourism development

17 See Chapter 11: Businessmen Levin Pérez’s mining operation

18 See Chapter 12: Garifuna people and the power behind Honduras’ tourism development

19 A series of laws and policies have contributed to the increased privatization of water provision in Honduras, including, for example: ‘Plan Ecológico de Modernización del Sector Agua Potable y Saneamiento (PEMPAS)’ (January 2006). Available from: https://www.mnpa.hn/documentos/Liveris/PEMPAS.pdf (accessed 20 December 2016).

20 This report contains ample evidence of how international law and national policies on community consultation by business are being routinely ignored.


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24 This report contains ample evidence of how international law and national policies on community consultation by business are being routinely ignored.
Global Witness interview with COPINH leader Tomás Gómez (25 October 2015)


240 Email from US Embassy to Global Witness (9 November 2016)


250 The commitment was made in the implementation agreement for the recommendations of the Inter-American Human Rights Commission in case 12.492 Carlos Escaleras Mejia y Familia: ACUERDO AMISTOSO DE CUMPLIMIENTO A LAS RECOMENDACIONES REALIZADAS POR LA COMISIÓN INTERAMERICANA DE DERECHOS HUMANOS EN EL INFORME DE FONDO N° 45/14 APROBADO EL 17 DE JULIO DE 2014 DENTRO DEL CASO 12.492. CARLOS ESCALERAS MEJIA Y FAMILIA

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Global Witness. Lloyds Chambers, 1 Portsoken St, London E1 8BT, United Kingdom

ISBN 978-0-9954833-5-4