



International Statement
 March 1, 2013

International organizations welcome the World Bank Ombudsman’s initiative to scrutinize an investment project of the International Finance Corporation due to allegations of human rights violations of peasant communities in the Lower Aguán valley, Honduras, and demand immediate halt to the project

The undersigning international human rights organizations and civil society networks welcome the initiative of the Compliance Advisor Ombudsman (CAO) to audit the International Finance Corporation's (IFC) \$30 million investment (project 27250) in the Honduran Corporación Dinant, to expand oil palm plantations in the Aguán valley. The audit was triggered when affected communities and human rights organizations denounced human rights violations and alleged that IFC’s client may have conducted, facilitated, and supported forced evictions of peasants in the Aguán valley through inappropriate uses of force by the public and private security forces under the control or influence of Dinant.¹ Between 27 February and 8 March 2013, a group of experts from the CAO are holding a meeting in Washington, D.C. to assess the case.²

During recent years, we have continuously been monitoring the human rights situation in the Lower Aguán valley, inter alia, through an international fact finding mission on human rights in the Lower Aguán, conducted in March 2011,³ a thematic hearing before the Inter-American Commission of Human Rights in Washington, in October 2011, and the international public hearing on the human

¹ http://www.cao-ombudsman.org/cases/case_detail.aspx?id=188

² http://www.cao-ombudsman.org/documents/CAOcommuniquedinant_February2013.pdf

³ <http://www.fidh.org/IMG/pdf/honduras573ang.pdf>

rights situation in Lower Aguán, held on 28 May 2012 in Tocoá, Colón⁴. Some of the undersigned organizations have followed the human rights situation and agrarian conflict in the Lower Aguán for more than a decade.

The agrarian conflict in the Lower Aguán is, in terms of violence against peasants, the most serious situation in Central America in the last fifteen years – the violence further escalated after the coup d'état. According to our documentation, at least 57 affiliates or supporters of peasant organizations plus a journalist and his partner have allegedly been killed since September 2009 in the context of the agrarian conflict. Furthermore, one peasant was disappeared on 15 May 2011. According to the information provided by the Office of the Special Prosecutor on Human Rights of Honduras, the investigations into these killings have not been effective, leading to a situation of complete impunity to date.

Available evidence and testimonies of witnesses indicate that Corporación Dinant's private security forces play a central role in the violence against peasant communities in the region. The Report of the 2011 fact-finding mission, the 2012 international public hearing, and numerous statements issued by international organizations, known to the CAO audit panel, document the details of the respective allegations. This includes documentation of the involvement of private security guards contracted by Corporación Dinant in the killing of five peasants on 15 November 2010, at the El Tumbador estate.

After concluding its recent visit to Honduras from 18 - 22 of February 2013, the UN Working Group on the use of mercenaries stated: "the delegation received consistent information that many private security guards carry firearms that are prohibited and are allegedly used to commit human rights violations. In this regard, the experts voiced concern about the alleged involvement of private security companies hired by landowners in widespread human rights violations including killings, disappearances, forced evictions and sexual violence against representatives of peasant associations in the Bajo Aguán region."⁵

According to the IFC summary, the project 27250 was expected to have "*a limited number of environmental and social impacts (...) which can also be avoided or mitigated*". As for the land involved, the IFC asserts that "*oil palm plantation development is occurring on existing, cleared agricultural land, and there is no destruction of or impact on critical habitat involved. Land acquisition is on a willing buyer-willing seller basis, and there is no involuntary displacement of any people.*"⁶

This description is incorrect and inconsistent with the documented facts. The Lower Aguán valley is well-known as one of the most conflictive regions in the country regarding land tenure and land rights. Cases of involuntary displacements and forced evictions have been documented in numerous reports and statements. In the case of the three estates of San Isidro, La Trinidad and El Despertar, definitive court rulings led to the restitution of land in favour of the members of the Movimiento Auténtico Reivindicativo Campesino del Aguán (MARCA) in June 2012, after 18 years of legal proceedings. The rulings confirmed that the acquisition of the three estates in question, by businessmen Miguel Facussé and Rene Morales, were not legal; it also confirmed that the concerned peasant communities organized in MARCA, were illegally evicted in 1994⁷.

⁴ <http://www.lawg.org/storage/documents/Honduras/declaration%20international%20public%20hearing%20bajo%20aguan.pdf>

⁵ <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=13032&LangID=E>

⁶ http://www.ifc.org/ifcext/spiwebsite1.nsf/ProjectDisplay/SPI_DP27250

⁷

http://www.fian.org/fileadmin/media/publications/2012.07.12_Joint_Statement_Honduras_Must_Guarantee_Judicial_Independence_SP.pdf

The peasants' lawyer Antonio Trejo Cabrera, who successfully worked to achieve this court ruling, was killed on September 22, 2012. The Inter-American Commission on Human Rights⁸, the UN High Commissioner for Human Rights⁹, three Special Rapporteurs of the UN,¹⁰ the EU¹¹, and other institutions condemned the murder of Antonio Trejo Cabrera, recognizing that he, acting as the legal representative of MARCA and as a human rights defender had received death threats, which he had reported to the authorities. In his written and oral communications with international human rights organizations in 2012, Antonio Trejo indicated that according to his information, death threats were directly related to his work for peasant communities in the Lower Aguán. José Trejo Cabrera, Antonio Trejo's brother, who publicly demanded an exhaustive investigation and punishment of the perpetrators and masterminds of his brother's death, was assassinated in Tocoa on 16 February 2013¹². These crimes are known to the prosecutor of the International Criminal Court, who has opened a preliminary examination of Honduras.

Recalling World Bank and state obligations, we would like to stress that the 188 state members of the World Bank have obligations to respect, protect and fulfill human rights. These obligations apply in all circumstances and do not allow for non-application on the basis of international cooperation; on the contrary, states must in all actions and at all times ensure observance of their human rights obligations. When acting as members of the World Bank, states must conduct the due diligence necessary to ensure that the World Bank respects, protects and fulfills human rights wherever the World Bank acts and/or impacts.¹³ In addition, the *Performance Standards on Social and Environmental Sustainability* of the IFC, which clients of the IFC must meet state that "Business should respect human rights, which means avoiding infringement of the human rights of other and addressing adverse human rights impacts that business may cause or to which it may contribute".¹⁴

The undersigned organizations believe that sufficient proof is available with CAO indicating that the IFC, in qualifying and assessing the social impacts of the project at stake, must take into account the alleged human rights violations, including its partner's private security forces, repression and generalized violence against peasant communities within the context of the agrarian conflict, especially considering the severe deterioration of the situation after the coup d'état in June 2009. Furthermore, when setting up the project with Corporación Dinant, the IFC should have taken note of the long-standing, nation-wide well-known land dispute between peasant communities and the IFC partner in the region of the Lower Aguán.

We strongly urge the International Finance Corporation of the World Bank to immediately halt financial cooperation with Corporación Dinant and abstain from resuming it until a) clear evidence is provided of significant progress in overcoming impunity of crimes and human rights abuses committed against organized peasants and their supporters in the Lower Aguán; and b) a comprehensive, just, peaceful and sustainable resolution is provided to the conflicts over land between the Corporación Dinant, the government of Honduras and the local peasant movements.

⁸ http://www.oas.org/en/iachr/media_center/PReleases/2012/121.asp

⁹ <http://www.ohchr.org/RU/NewsEvents/Pages/DisplayNews.aspx?NewsID=12581&LangID=E>

¹⁰ <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=12612&LangID=E>

¹¹ http://eeas.europa.eu/delegations/honduras/press_corner/all_news/news/2012/20120927_es.htm

¹² <http://www.amnesty.org/en/for-media/press-releases/honduras-must-investigate-killing-murdered-activist-s-brother-2013-02-21>

¹³ The "Maastricht Principles on Extraterritorial Obligations of States in the Area of Economic, Social and Cultural Rights", launched at the UN in 2012, provide clarification to the human rights obligations of States beyond their borders, see

<http://www.etoconsortium.org/en/library/maastricht-principles/>

¹⁴ IFC, *Performance Standards on Environmental and Social Sustainability*, January 1, 2012. Performance Standard 1, Assessment and Management of Environmental and Social Risks and Impacts