

A QUESTION OF RESPECT – AVOIDING COMPLICITY IN HUMAN RIGHTS VIOLATIONS IN DEVELOPMENT PROJECTS

Shortly past midnight on 3 March, Berta Cáceres, leader of the Civic Council of Popular and Indigenous Organizations of Honduras (COPINH) and winner of the 2015 Goldman Environmental Prize, was murdered by gunmen in her brother's home.

Berta Cáceres was a woman of rare courage and principle. She had led resistance against the Agua Zarca hydroelectric dam on the Gualcarque River, which is reportedly being constructed without the consent of indigenous communities and threatens to disrupt their livelihoods and access to water.

The Inter-American Commission for Human Rights had granted protection measures for Ms. Cáceres, who had worked closely with my Office.

Less than two weeks later, on 15 March, Nelson García, a member of COPINH, was killed by unknown gunmen after a forced eviction carried out by Honduran security forces in a Lenca indigenous community in Río Chiquito.

The murders of Ms. Cáceres and Mr. García are the latest in a string of violent deaths of human rights defenders connected with land disputes and development projects in Honduras.

These and other recent killings in Honduras have provoked global condemnation, and rightly so. Clearly, the government bears principal responsibility for investigating and bringing to justice all perpetrators of all such crimes, as well as for its development processes.

Honduras is reportedly the deadliest country in which to be an environmental activist. The government must do all it can to break the vicious cycle of violence and impunity.

But international financiers of development projects have human rights duties too.

The Agua Zarca dam is financed by the Dutch development bank FMO, the Finnish Fund for Industrial Cooperation (Finnfund), and the Central American Bank for Economic Integration (CABEI), among others.

FMO and Finnfund have formally committed themselves to respect human rights in relation to the projects that they support. Both have publicly condemned Ms. Cáceres' killing and have called for a thorough investigation. Both have also provided public accounts of their own roles and intended actions in relation to the project. And on 16 March, following reports of Mr. García's murder, FMO suspended all of its activities in Honduras pending consultations with communities in the Agua Zarca dam area and an investigation of all FMO-supported activities in the country.

While the factual accounts of FMO and Finnfund must be verified, the actions taken by FMO are surely among the minimum procedural requirements for a financier in a situation like this. I would strongly urge CABEI and others supporting this project to do likewise.

Palm oil development has been another major cause of social conflict in Honduras.

On 23 September, 2012, Antonio Trejo, a lawyer for a peasant movement contesting the expropriation of land for palm oil plantations, was killed by gunmen as he exited a church after a wedding.

As in Ms. Cáceres' case, the Inter-American Commission for Human Rights had granted protection measures for Mr. Trejo, to no avail.

During the period 2012-2014 alone in the Bajo Aguán area, 64 peasant movement members and human rights defenders contesting agribusiness investments backed by the International Finance Corporation, the German development bank and other lenders, were reported killed.

UN human rights mechanisms had been reporting on the land conflict in Bajo Aguán for years prior to the international banks' investments. Certain lenders have sought to implement corrective measures, but remediation is no substitute for prevention.

These kinds of problems are not unique to Honduras. Civil society space is under threat everywhere. Human rights violations and weak due diligence have been reported in connection with investment projects supported by development banks in Serbia, Paraguay, Uzbekistan, Ethiopia, Kenya, India, Cambodia, Lao PDR and Panama, to name just a few recent examples.

How can human rights risks be better anticipated and prevented?

The starting point is a strong set of environmental and social safeguard policies with clear due diligence requirements. Policies anchored in an explicit commitment that the lender will respect internationally recognized human rights standards and take all necessary measures to avoid supporting projects that may put a borrower in breach of its social, environmental and human rights obligations under international agreements.

If a commitment to respect human rights is not clear and explicit, and if the implications of this commitment for the lender's own due diligence are not clearly spelled out, social and environmental risks may not be assessed and addressed. The right risk rating will not be triggered, the right kind of analysis will not be undertaken, the right people will not be consulted, and remedial measures will be inadequate or will occur too late – towards the end of the project cycle, when the lender has minimal leverage.

Multilateral development banks have been developing or updating their social and environmental safeguard policies in recent years, and several of these policies include commitments to respect human rights. Eighty-three banks from all over the world have signed on to the Equator Principles to manage social risks, which include such a commitment.

There is no bringing back Berta Cáceres, Nelson García, Antonio Trejo, or the many others who have died, and continue to die, defending the powerless.

The State is the principal human rights duty-bearer and must be held accountable. However, those financing development projects must show that they take human rights risks seriously, and are not part of the problem.