



**“He used to say: this is my fight; if one day I die in this struggle, then my colleagues will support you... but I didn’t think anything would happen.”**

Julia, widow of Lenca activist Juan Francisco Martínez, who was murdered in January 2015

Julia Francisco Martínez at the grave site of her husband, whose body was found with burn marks and his hands bound with laces from military boots. © Giles Clarke/Global Witness.

## **CASE STUDY 1: THE NATIONAL PARTY PRESIDENT AND HER LINKS TO ILLEGAL DAMS**



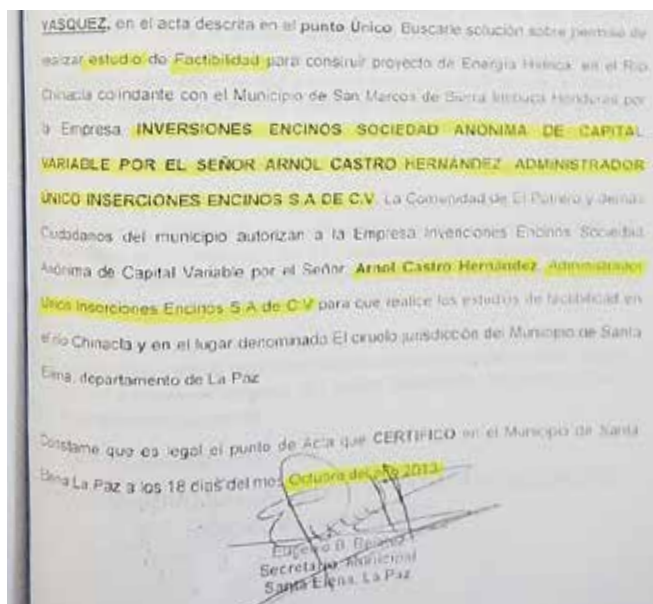
Ana Miriam was beaten by Honduran soldiers whilst heavily pregnant, almost losing her baby. © Front Line Defenders

In the early hours of 22 October 2015, a group of 30 heavily-armed soldiers, police and civilians forced their way into Ana Miriam’s home.<sup>18</sup> Some drew their guns on her children, while others grabbed her by the neck and savagely beat her.<sup>19</sup> 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.<sup>20</sup> Also pregnant, Rosaura was badly beaten in the same attack and lost her baby.<sup>21</sup> Her teenage son Rodolfo was briefly held by police and told he would ‘have his balls cut off and fed to the dogs’.<sup>22</sup>

Ana Miriam was targeted after opposing the construction of the Los Encinos hydroelectric dam on her community’s land.<sup>23</sup> 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 Chinacla River,<sup>24</sup> 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.<sup>25</sup> He had suffered death threats since the murder of his son in 2014.<sup>26</sup> 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.<sup>27</sup>

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,<sup>28</sup> and one of the most powerful figures in Honduran politics.<sup>29</sup> Under Honduran law it is illegal for members of Congress or their spouses to obtain contracts or concessions granted by the state.<sup>30</sup> This is just the first in a series of illegalities 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).



Arnold Castro, husband of Congresswoman Gladis López, appears as the sole director of Los Encinos dam in a 2013 document from the Santa Elena Mayor's Office

**“Their ignorance is holding back the country's future”** – Gladis Aurora López<sup>31</sup> on opposition to dam projects in Honduras



Gladis Aurora López © Tiempo

### NO PRIOR CONSULTATION...

The first that Ana Miriam and the villagers of Santa Elena heard about the Los Encinos dam was when heavy machinery arrived late at night to begin work on it.<sup>32</sup> The community organised a series of peaceful protests calling for the dam company to formally consult with those who would be affected.<sup>33</sup> Soon afterwards, they started to receive death threats, and in September 2014 armed police tried to violently evict them from their land – an incident which the community alleged had the backing of Gladis López.<sup>34</sup>

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<sup>35</sup> – to be brought in by truck, and sign agreements as if they were affected communities in favour of the dam.<sup>36</sup> The list of signatories is missing from the official minutes of the consultation seen by Global Witness,<sup>37</sup> and the Mayor's office has never disclosed it, despite repeated requests from indigenous rights group Movimiento Indígena Lenca de La Paz Honduras (MILPAH).<sup>38</sup> The name of the Los Encinos company representative present at the consultation has also been erased in the minutes.<sup>39</sup> Three years after filing a complaint with the anti-corruption prosecutor, MILPAH was informed that its file had been lost.<sup>40</sup> This suggests a deliberate effort by the authorities to cover-up the fake consultation on the dam.

### **“I mean, they're bussing foreigners across the border to fake a consultation!”**

– Donald Hernández of the legal group Honduran Centre for the Promotion of Community Development (CEHPRODEC) who are supporting the community of Santa Elena.<sup>41</sup>

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.<sup>42</sup> Since the project commenced, eight indigenous communities have been left without water according to local activists.<sup>43</sup> A municipal Councillor has also said they were offered a bribe to stop opposing the project,<sup>44</sup> and a high-ranking government official has been charged with granting the dam an illegal environmental license.<sup>45</sup>

### ... AND NO ACCOUNTABILITY

Despite the murders, attacks, illegalities and irregularities linked to the dam projects, neither one has been cancelled. Ana Miriam has identified the armed civilians who attacked her but no arrests have been made.<sup>46</sup> Similarly, the men alleged to have killed Juan Francisco Martínez are still seen in the community; MILPAH say the police have asked to be paid if MILPAH want them arrested.<sup>47</sup>

In December 2015, two months after Global Witness met with them, the nephew of MILPAH's president was found murdered,<sup>48</sup> in spite of the fact that the Honduran



government had been ordered to guarantee the security of the group's leadership by the Inter-American Commission on Human Rights (IACHR).<sup>49</sup>

## 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 dam – including the murders of three indigenous activists. Protection must also be guaranteed for

the MILPAH organisation, whose communities have suffered threats and attacks for opposing Los Encinos and whose members are supposed to receive emergency protection by the government as required by the IACHR.

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.<sup>50</sup> 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.<sup>51</sup>

> 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 dam, 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 Garcia because of allegations he tried to bribe San José councillors 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.<sup>52</sup>

➤ 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 favour of 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 Garcia nor Alexis Ventura Vásquez responded to our requests for comment.

