

## CASE STUDY 3: BUSINESSMAN LENIR PÉREZ'S MINING OPERATION



Concepción Gutiérrez received death threats for refusing to sell her land to the Buena Vista I mine. © Global Witness

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.<sup>89</sup> The mine threatens to drastically alter the environment and way of life for villages earning a living from the land.<sup>90</sup> 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.<sup>91</sup>

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.<sup>92</sup> 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.<sup>93</sup> The community was warned that they would pay if they reported the abuses to the police.<sup>94</sup> 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.<sup>95</sup> 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.<sup>96</sup> Some claim that the US\$140 million contract would have been enough to build four airports of that size.<sup>97</sup>

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.<sup>98</sup> César Alvarenga, a well-respected community leader in Nueva Esperanza, claims that Pérez offered him "whatever he wanted" in exchange for supporting the mine.<sup>99</sup> 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.<sup>100</sup>



Lenir Pérez, owner of the controversial Buena Vista I mine, alongside Honduras' first lady. (image from Pérez' twitter)

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.<sup>101</sup> Members of MADJ have been singled out for emergency protection because of their human rights work.<sup>102</sup> 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.<sup>103</sup>

### **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.<sup>104</sup>

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.<sup>105</sup> The document even contained fake photos of a supposed consultation with local people.<sup>106</sup> 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.<sup>107</sup>

The mine’s licence has since been suspended, but Pérez’s company is challenging the decision.<sup>108</sup> It has so far failed to clean up any of the damage inflicted on the surrounding land, despite being legally obliged to do so.<sup>109</sup>

### **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.<sup>110</sup> 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.<sup>111</sup> 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.<sup>112</sup> The activists were killed in a struggle to reclaim land they allege was stolen from them in opaque deals with palm oil companies.<sup>113</sup> They claim the Honduran military, police and private security working for these companies are behind a

campaign of terror in the region.<sup>114</sup> 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.<sup>115</sup> 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 Escaleras.<sup>116</sup> In an interview with the LA Times in 2012 he said, I probably had reasons to kill him, but I'm not a killer.<sup>117</sup> In 2003, a court dismissed accusations that Facussé was involved in the killing.<sup>118</sup> 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



Miguel Facussé owned Dinant, an agribusiness giant accused of widespread human rights abuses. Tracy Wilkinson / Copyright, 2013, Los Angeles Times. Reprinted with permission

who ordered it left her position.<sup>119</sup> Dinant strongly denies wrongdoing in these legal cases.<sup>120</sup>

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.<sup>121</sup> US sources suggested that Facussé was present on the property at the time of the incident.<sup>122</sup> More recently, a former contractor with Dinant, José Angel Bonilla Banegas, was arrested for using his transport company as a front for trafficking drugs to Guatemala.<sup>123</sup>



## MAIN FINDINGS

Specifically, Global Witness is calling for an investigation into:

► Businessman and National Party of Honduras activist **Lenir Pérez** because of:

> His suspected involvement in the kidnapping of two international human rights activists. Eyewitnesses claim Pérez called his head of private security, Wilfredo Fúnez, when Fúnez kidnapped the activists from the home of activist Concepción Gutiérrez.<sup>124</sup> Gutiérrez had received death threats for refusing to sell her land to Pérez's mining company, Empresa Minera La Victoria.

> Allegations Pérez threatened the lives of local activists Roberto García and César Alvarenga unless they convinced their community to stop opposing the Buena Vista I mine, owned by his company Empresa Minera La Victoria.

> Allegations Pérez attempted to bribe César Alvarenga and a member of the MADJ social movement to stop its opposition to his mine. Pérez allegedly offered US\$1 million to MADJ.

> Allegations Pérez bribed ex-mayor of Tela, David Zaccaro, with US\$360,000 to build electricity lines for the Nueva Esperanza community, which he believed would buy their support for his mine.

► **Empresa Minera La Victoria**, owned by Pérez, and operator of the Buena Vista I mine for:

> Failing to clean up environmental damage – including deforestation and the non-disposal of mine waste – in the Nueva Esperanza community. It was legally obliged to do so after having its licence suspended.

> Allegedly faking photographs of a supposed consultation meeting with local communities on the mine project.

► National Party ex-mayor of Tela, **David Zaccaro**, for:

> Allegedly threatening local activist Roberto García for opposing the Buena Vista I mine.

> Allegedly accepting a US\$360,000 bribe from Lenir Pérez to win the support of the Nueva Esperanza community for his mine, by building them electricity lines.

Global Witness approached Lenir Pérez and David Zaccaro for comment on these allegations but received no responses.

