



Conflict Factsheet

## Agua Zarca Dam Conflict in Honduras

Type of conflict	Intensity 2
Conflict Locality Honduras	Time 2010 –ongoing
Countries Honduras	Resources Fish, Biodiversity, Agricultural / Pastoral Land, Water



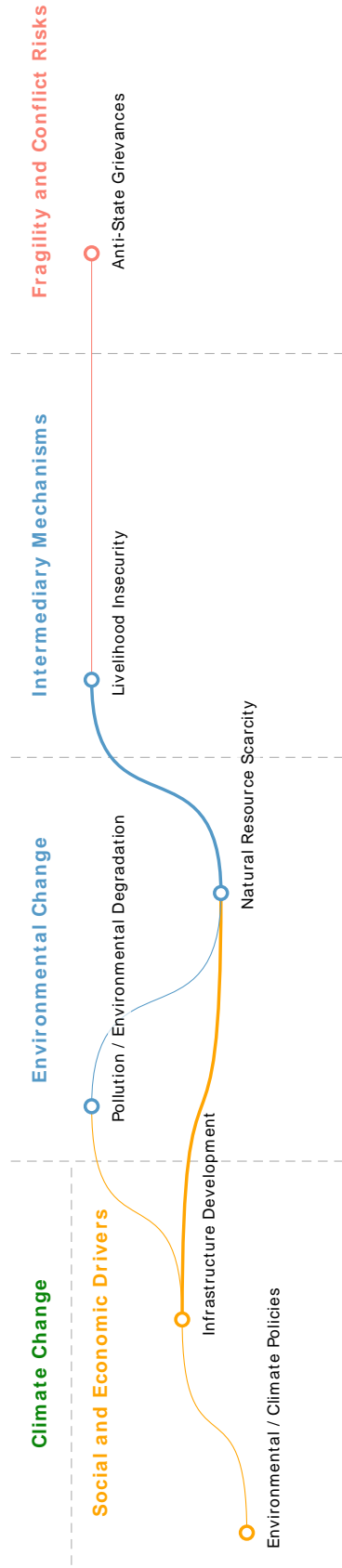
Unintended effects of climate policies

### Conflict Summary

In 2010, the Honduran company Desarrollos Energeticos S.A. (DESA) initiated construction of the Agua Zarca dam on indigenous Lenca territory in western Honduras as part of an “Open for Business” strategy from the national government. The project has provoked strong opposition from indigenous communities and led to the violent repression of opponents of the project by the company with the support of the Honduran armed forces. The construction of the Agua Zarca dam has since been suspended after major international investors withdrew from the project.



### Conceptual Model



### Context Factors



Fish, Biodiversity, Agricultural / Pastoral Land,  
Water





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## Conflict History

The situation in Río Blanco region of Intibucá, Honduras has attracted international attention due to the murder of the renowned environmental activist Berta Cáceres, who led protests against the Agua Zarca hydroelectric project. Her murder was preceded by years of violence, intimidation, and harassment of indigenous Lenca communities and activists in opposition to the dam. Those opposed to the project claim that the dam would not only infringe on a sacred river for the Lenca people but would also threaten resident's access to water resources.

### Open for business

Around 40 hydroelectric dam concessions were granted in the direct aftermath of the 2009 military coup d'état in Honduras as a means of boosting foreign investment and promoting renewable energy sources in the country (UNHRC, 2016; Carasik, 2013). To this end, legislative reforms were carried out allowing the construction of hydroelectric dams in protected areas (EJ Atlas, 2018). Indigenous peoples were particularly affected as 21 dams were approved within native lands, without prior consultation and consent of affected communities as required by Honduran law (UNHRC, 2016; Carasik, 2013). Among them was the Agua Zarca hydroelectric dam, part of four interconnected dams along the Gualcarque River of the Río Blanco region of Intibucá. The project is largely financed by foreign investors and is coordinated by the Honduran company Desarrollos Energeticos S.A. (DESA) who won the concession (Carasik, 2013). The Chinese state-owned Sinohydro, the world's largest dam developer, joined the project, in cooperation with DESA, for the construction of the dam (Goldman Environmental Foundation, 2017).

### The importance of the Gualcarque River

Indigenous Lenca residents of Río Blanco oppose the project, as it infringes on a sacred river with important spiritual value. The dam would also threaten to deplete and interfere with the local supply of water, fish and medicine, degrade the surrounding environment, and destroy the livelihoods of local communities (Bird, 2013; Goldman Environmental Foundation, 2017). The National Council of Popular and Indigenous Organizations of Honduras (COPINH) began mounting a campaign against the Agua Zarca dam after communities witnessed the arrival of machinery and construction equipment (Goldman Environmental Foundation, 2017).

### Local opposition to the dam

Despite their opposition, communities report that DESA began intimidating and forcefully displacing residents (UNHRC, 2016). In April 2013, community members, with the support of COPINH, initiated a road blockade to prevent DESA's access to the dam site after security guards obstructed the community's access to water sources (RightsAction, 2013). The blockade withstood multiple eviction attempts, violent attacks, harassment and intimidation from private security guards and the Honduran armed forces for well over a year (Goldman Environmental Foundation, 2017). The conflict escalated when Tomás García, an outspoken community leader from Río Blanco, was shot and killed during a peaceful protest at the dam office (UNHRC, 2016). Following outrage over García's death, Sinohydro terminated its contract with DESA, and the International Finance Corporation (IFC), the private sector arm of the World Bank, withdrew its funding (Goldman Environmental Foundation, 2017).



For two years, the project was stalled. A second phase of the project began in late 2015 when the construction of the dam resumed on the other side of the river with the renewed support of foreign investors. Even though the dam would no longer be built on indigenous farmland, DESA once again ignored its obligation to seek consent from affected communities. Fear of desiccation as a result of the dam prompted COPINH and community members to set up camp in front of the new installations as a form of protest ([BankTrack, 2017](#)). Opponents of the dam project not only faced renewed violence from armed private security, police and military personnel, but violence between community members was also observed as some were hired by the company ([UNHRC, 2016](#)).

#### **Murder of Berta Cáceres and current situation**

On March 3, 2016, COPINH co-founder and leader, Berta Cáceres, was murdered in her house after being subject to harassment and criminalization and receiving a series of death threats over the years. The Goldman Prize recipient had garnered worldwide fame for her environmental activism, and her murder sparked an international outcry. Since her death, several other COPINH activists have been attacked or murdered ([Pearce, 2017](#)). Financial backers of the Agua Zarca project were pressured to withdraw from the project. In 2017, the Dutch Bank FMO and Finnish finance company FinnFund eventually suspended their loans after police arrested a DESA employee in connection with Cáceres' murder. The Central American Bank for Economic Integration (CABEI), the project's largest investor, later followed suit ([Lakhani, 2017](#)). German engineering firms, Voith and Siemens, have since withdrawn from the project ([Oxfam, 2017](#)).

#### **A nationwide problem**

The Agua Zarca case is emblematic of the violence towards environmental activists, and the general context of impunity for aggressive companies and elites in Honduras. Between 2010 and 2015, 109 environmental and land activists were murdered in Honduras, making the country one of the deadliest in the world for activists ([Global Witness, 2016](#)). Not only are indigenous communities facing marginalization, inequality, poverty and a lack of basic services, but they are also disproportionately affected by exploitative megaprojects since their rights over their lands and natural resources are not protected ([UNHRC, 2016](#)).

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## **Resolution Efforts**

COPINH, with the support of community members at every step of the way, filed a series of complaints, lodged appeals, and organised protests in order to demand a proper consultation of affected communities ([Goldman Environmental Foundation, 2017](#)).

#### **Legal action**

After discovering the approval for the Agua Zarca dam project, COPINH filed complaints with different national authorities, including the Office of the Special Prosecutor for Ethnic Groups and Cultural Heritage, for the violation of the International Labor Organization (ILO) Convention No. 169 ratified by Honduras in 1994, which requires prior consultations with indigenous peoples. A formal complaint against the former Secretary of Natural Resources and Environment, who had granted environmental permits for such projects, was also filed. Likewise, complaints were lodged with the Public Ministry against the company DESA for the usurpation of land, as well as against the mayor of Intibucá for allowing the project in Río Blanco. The case was also brought to the Inter-American Human Rights Commission (IAHRC), who subsequently stressed the government's responsibility to ensure the safety of COPINH leaders



under precautionary measures due to the risk faced by their activism work (UNHRC, 2016). Despite these complaints, the Agua Zarca dam project went ahead with falsified minutes from community meetings feigning unanimous approval of the dam (Goldman Environmental Foundation, 2017).

### **Holding investors accountable**

As part of their campaign, COPINH also attempted to hold investors responsible for the human rights abuses taking place in their communities. In 2013, COPINH wrote to FMO after the murder of Tomás García, asking them not to finance the Agua Zarca Dam. The loan was granted nonetheless. Appeals were also lodged against the project's funders such as the IFC (Goldman Environmental Foundation, 2017). The international community and allies of the campaign led by COPINH, such as Friends of the Earth Europe, BankTrack, and Both Ends, have also been vociferous in demanding that investors halt the support of the dam until the rights of indigenous people are respected (Bosshard, 2017). The withdrawal of Agua Zarca's three international financial backers in 2017 has marked an important success for the campaign.

### **Recommendations**

However, several measures still need to be taken in order to ensure cases like Agua Zarca do not happen again, and that environmental and land activists are protected. The United Nations Human Rights Council (UNHRC, 2016) has put forth a series of recommendations, among them:

- 1) The government must adopt the necessary legislative and administrative measures necessary to provide protection to indigenous peoples against human rights violations by private companies.
- 2) Indigenous peoples should participate in national development planning and energy policies, in accordance with international standards relating to their rights to their lands and natural resources, including their right to prior consultation and consent.
- 3) Indigenous peoples must have a real capacity to influence decisions on the approval and implementation of measures or activities that affect their rights and interests.
- 4) The state must carry out previous studies of the social, cultural and environmental impact of proposed project sites. International financial institutions, donor countries, and the country's financial and business sector must ensure that development or investment projects guarantee the rights of indigenous peoples, in accordance with international human rights standards.
- 5) International financial institutions, donor countries, and the country's financial and business sector must ensure that development or investment projects guarantee the rights of indigenous peoples, in accordance with international human rights standards.



## Intensities & Influences



### INTENSITIES

International / Geopolitical Intensity

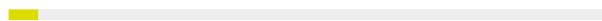


Human Suffering

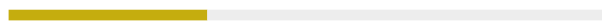


### INFLUENCES

Environmental Influences



Societal Influences



Violent Conflict

**Yes**



Salience with nation

**National**



## Resolution Success

Grievance Resolution

Grievances have been partially addressed.





## Entry Points for Resilience and Peace Building

<p><b>Mediation &amp; arbitration</b></p> <p>The National Council of Popular and Indigenous Organizations of Honduras (COPINH) filed a series of complaints and lodged appeals with different government offices denouncing the lack of proper consultation of affected communities prior to the approval of the dam. COPINH also brought the case to the Inter-American Human Rights Commission (IAHRC), who subsequently called on the government to ensure the security of the activists opposed to the project.</p> <hr/>	<b>2</b>
<p><b>Social inclusion &amp; empowerment</b></p> <p>The United Nations Human Rights Council (UNHRC) calls on the government of Honduras to adopt legislative and administrative measures that ensure the full participation and rights of indigenous communities affected by investment projects.</p> <hr/>	0
<p><b>Improving actionable information</b></p> <p>The UNHRC calls on the government to carry out previous studies of social, cultural and environmental impact of proposed project sites.</p> <hr/>	0
<p><b>Promoting social change</b></p> <p>Indigenous Lenca communities together with COPINH, and international human rights organizations mounted a national and international campaign against the dam. Furthermore, COPINH formally requested that international investors suspend their funding of the project in light of the human rights abuses carries out by the Honduran company.</p> <hr/>	<b>3</b>

## Resources and Materials

References with URL

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Further information

<https://factbook.ecc-platform.org/conflicts/agua-zarca-dam-conflict-honduras>