April 10, 2001 info@rightsaction.org www.rightsaction.org

"Honduran Government Leases One Third Of Country To Mining Companies"

Rights Action [formerly Guatemala Partners] distributes this information about multinational mining companies in Honduras.

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[- Excerpted from Drillbits & Tailings (March 31, 2001), an electronic monthly on the mining & oil industries, published by "project underground", www.moles.org]

Seventy-five people representing 15 communities located adjacent to 8 mines attended a meeting in Honduras to launch a national anti-mining campaign called "Honduras Is Worth More Than Gold." The meeting took place on March 9 and put forward several goals, including the prohibition of the use of cyanide in mining operations, the prohibition the expropriation of campesino and indigenous lands, and the strengthening of mining and environmental laws.

"We are here today at this National Meeting of Communities Affected by Mining because foreign mining companies are destroying our communities. They disrespect our human rights, bribe our officials, use our water and contaminate our lands. We are united here today to tell the companies and our own authorities that these mines must be closed. What happens today in San Ignacio or San Andres could happen in your community tomorrow, so don't be fooled. Together we must close the mines and protect our communities." (Roger Escobar, Vice President of the Regional Committee to Protect the Environment of the Sirian Valley)

The Asociacion de Organismos No Gubernamentales, ASONOG, based in Santa Rosa de Copan has found through more than a year of investigating that in 1996 and 1997, the Honduran mining department issued mining concessions totaling around 14,000 square miles (36,000 square kilometers), or close to 30% of Honduras' territory, to multinational mining companies, mainly from the United States, Canada and Australia.

In December of 1998, just four weeks after Hurricane Mitch ravaged much of the country, the "General Mining Law" was passed, which reduced taxes and gave companies nearly unlimited power to petition for the removal of traditional communities located near mineral deposits. This law was written by the mining association "ANAMINH", made up of US and Canadian companies.

ANAMINH's General Mining Law, passed while sectors of Honduran society were literally under water or mud, offers companies lifelong concessions, low taxes, unlimited access to water, legal rights to expropriate campesino and indigenous lands, and few environmental regulations. Sixteen out of 18 department (states) in the central, south and eastern rainforest region are being affected by open-pit, cyanide heap leaching gold mines. The eastern rainforest region is being threatened by river dredging operations.

According to ASONOG, the argument in favor of expanding mining operations in Honduras is a neo-liberal economic model based on attracting foreign venture capital at all costs. ASONOG also reports that in December of 2000, the International Monetary Fund (IMF) pressured Honduras to reduce taxes even further, with the elimination of the export tax on mining products. With land use fees as low as US\$1,500 a year for a large mine, and a nominal 1% municipal tax, Honduras has created an "ideal" environment for foreign companies.

Greenstone Resources Limited, a then-Canadian company, was one of the first mining companies to take advantage of this "favorable business climate" in Honduras. According to ASONOG, Greenstone gained the mining concession for several hundred acres in Copan in western Honduras in the mid-1990s, and promptly moved to evict the local residents. The community fought off Greenstone for two years, during which time the company shut off their water and intentionally ran over one resident with a bulldozer. The community eventually gave in but, four years later, still does not have legal title to the new lands promised to them. Greenstone, after going bankrupt, was auctioned to a new company.

"Our community has existed on this land for nearly 200 years. When the company Greenstone came they offered us employment and promised to leave our road, the cemetery and surrounding lands intact. But we were fooled. The company's explosions shake our homes and their open pit is swallowing our homes, causing landslides and cracks in our walls and foundations. They close our road so we have no access to our homes and their heavy equipment put our children's lives at risk. When we complain, the Mining Department says that we have to understand that this is for the good of the country. ... This mine is violating our human rights and if we don't join together we'll never end these abuses," said Miguel Miranda, President of the Azacualpa Community Council.

In order to build solidarity and knowledge about the impacts of mining, people from communities in western Honduras have visited communities in central Honduras and vice versa. Indigenous people in eastern Honduras are fighting to protect from dredging the rivers that run through their ancient tropical rainforest.

"Honduras Is Worth More Than Gold"

In March 2001, these communities, together with environmental and human rights organizations, met to launch a national anti-mining campaign, "Honduras Is Worth More Than Gold." Several of the goals of this campaign are: 1) prohibit the use of cyanide in mining operations, 2) prohibit the expropriation of campesino and indigenous lands, and 3) strengthen mining and environmental laws.

SOURCES: Excerpted from campaign materials written by Michael Marsh from the Asociacion de Organismos No Gubernamentales (ASONOG); pers. comm. with Michael Marsh.

WHAT YOU CAN DO:

1) Help investigate US and Canadian mining companies with operations in Honduras. Write ASONOG or Michael Marsh [see below] to coordinate this work.

ASONOG -- Asociación de Organismos No Gubernamentales: <u>asonog@hondudata.com</u>. ASONOG, Apdo. Postal 218, Santa Rosa de Copán, Honduras, Central America.

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- 2) Bring educational delegations to Honduras, or come as individuals and work as volunteerr, who can live in Honduras and work on the campaign. Desired commitment: one year. Contact ASONOG or Michael Marsh.
- 3) Read more about how international mining companies are ruining the lives, livelihood and environment in developing countries at Project Underground (www.moles.org) and the Mineral Policy Center (www.mineralpolicy.org).
- 4) Help fund this work of ASONOG. Contact Rights Action to find out how to make tax-charitable donations in Canada and the US. T: 416-654-2074. E: info@rightsaction.org.