



Mr. John Tessitore
Executive Editor
Carnegie Council for Ethics in International Affairs
Washington DC
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May 28, 2014

Dear Mr. Tessitore,

Re: Carnegie article “The Lower Aguán in Honduras and the Deadly Battle Over Land Rights”

I write in response to the article entitled “*The Lower Aguán in Honduras and the Deadly Battle Over Land Rights*” written by Dr. Lynn Holland and published on your website on May 6, 2014. I would like to address some of the points made by Dr. Holland regarding Corporación Dinant and to tell you about important developments that are taking place in my company.

Dr. Holland is quite right to refer to the high rates of murder and drug trafficking that occur in my country. In fact, Honduras suffers from poverty, a lack of economic opportunities, and under-resourced policing. When combined with our history of political instability, many commentators have suggested that the violent land conflicts in the Bajo Aguán were an entirely predictable response to a situation whereby large corporations farm the land side-by-side with poor peasant communities. In fact, nobody – including the IFC – could have predicted that externally funded armed groups would use the Honduran land conflicts for their wider political objectives by terrorizing local communities and encouraging the illegal seizure of private lands.

To address each of Dr. Holland’s allegations about Corporación Dinant in turn:

- Dr. Holland admirably points out that security guards employed by large landowners, as well as peasants, have fallen victim to the land conflicts in the Lower Aguán. It is a terrible but rarely reported fact that 17 Dinant employees have been killed, almost 30 have been injured during forced entries to our properties, and five remain missing as a result of the land conflicts in the Bajo Aguán. That is why Dinant immediately welcomed the decision by the Honduras Attorney General to undertake a special investigation into the land conflicts in the Bajo Aguán, and why we have repeatedly expressed our willingness to cooperate fully with any enquiry that seeks to bring to justice those responsible for the alleged murders. If Dinant security staff or contractors have made mistakes in the course of defending their lives and company property, then it is right that these be revealed by the Government investigation and appropriate legal action taken. We ask that the same standard apply to all parties in the Aguán.

- It is ludicrous to suggest that Dinant’s owner, Mr. Miguel Facusse Barjum, wields formidable political power, let alone that he uses this to secure “*complete impunity for the security forces and private security guards who have been killing,*” a quote that Dr. Holland attributes to Professor Dana Frank. We categorically deny all of the very serious allegations of murder and human rights violations made against Corporación Dinant and Mr. Facusse. Such unfounded assertions were made in the CAO report on the IFC’s loan to Corporación Dinant – statements that the CAO themselves acknowledge on page 46, paragraph 1 of its report are “*allegations...[that] should not be confused with findings of fact.*” Given the complexity of the land conflicts issue, the CAO report is deeply flawed, over-simplified and based on inaccurate and insufficient evidence. As a consequence, Corporación Dinant, its owners, staff, local farmers, suppliers, commercial partners and dependent communities have suffered unwarranted economic and reputational damage.
- At no point in our history have we engaged in forced evictions of farmers from our land. The removal of trespassers has always been undertaken exclusively by Government security forces, acting within the law and under direct instruction from the Honduran courts, whose rulings are based on evidence that proves beyond doubt that Dinant are the rightful owners of the lands in question.
- Dinant has zero tolerance for human rights abuses, such as excessive use of force, harassment, or improper searches of persons or property. We recognize that security is essential and sometimes difficult, but we believe that respect for human rights is universal. However, while Governments and their security forces must have sole responsibility for enforcing law and order, we know that we can help improve difficult situations by respecting and following local laws and international standards, by mitigating the potential for conflict, and by helping the public authorities as much as we can. That is why, under the guidance of one of America’s top security and human rights experts, Mr. Charles McFetridge, we are implementing the criteria laid out in the Voluntary Principles on Security and Human Rights, which govern how we vet, recruit and train our security staff, and how they engage with the community. We are proud that we are the first to adopt this initiative in Honduras and throughout the global agribusiness sector. Furthermore, Dinant has removed all firearms from security staff at all of its African Palm plantation sites. All firearms are kept under lock-and-key, supervised by the local Commander of the Joint Military Task Force.

Dinant is not in conflict with the genuine peasant associations of the Bajo Aguán or any other part in the country - we source much of our raw materials from nearby smallholder farmers and rely on local communities to maintain and harvest our crops. We remain committed to helping find a long-term solution to this conflict, which is why Mr. Facusse agreed to sell almost 4,000 hectares of land at below half the market price as a goodwill gesture to the government and to peasant organizations. Dinant cannot resolve the land conflicts by ourselves. We ask that all stakeholders - the Honduran Government, civil society, financial institutions and NGOs such as

the Carnegie Council – join us in trying to find a long-term sustainable solution.

I would welcome the opportunity to meet you and Dr. Holland to listen to your concerns and to provide you with further assurances about the improvements we are making as a company. I also invite you to visit our facilities in Honduras to see for yourselves the extensive resources we are committing to community engagement and environmental management.

Yours sincerely,

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