

Congress of the United States

Washington, DC 20515

Adam Boehler
Chief Executive Officer
U.S. International Development Finance Corporation
1110 New York Ave NW
Washington, DC 20527

August 13, 2020

Dear Mr. Boehler,

We write to express in the strongest possible terms our opposition to the U.S. International Development Finance Corporation's announced plan to invest \$1 billion in controversial projects in Honduras over the next three years. There are elements of the proposed investment that run in direct and flagrant contradiction to DFC's stated commitment – and Congress's stated intent in creating DFC – to promote and facilitate investment with respect for human rights, the environment, and worker rights. It is a staggering disappointment, just seven months into DFC's existence, that it would take such a profound misstep.

The Jilamito hydropower project, the only project named in your press release, has met a sustained campaign of opposition from affected local communities since it was announced. That campaign has been the subject of criminalization and harassment from the Honduran state and powerful economic interests in Honduras. Organizers against the project, including the young attorney Carlos Hernández representing them, have been murdered. Others have received death threats. The company in charge of the project, Inversiones de Generación Eléctricas, S.A. (“Ingelsa”), is credibly accused by local community leaders of corruption, intimidation, and violence. The river that is being dammed is the only source of clean drinking water for the communities in the area.

The larger context in Honduras is telling. President Juan Orlando Hernández has a record that includes gross human rights violations, credible accusations of electoral fraud, deep connections to narco-trafficking and organized crime, and corruption. Multiple defendants in federal narco-trafficking cases in the Southern District of New York have named him as a co-conspirator and have testified that he received campaign donations from drug cartels. The United Nations High Commissioner for Human Rights office in Honduras documented 16 people killed by Honduran security forces in the immediate aftermath of the contested 2017 presidential elections. One of the people murdered in the context of the post-electoral crisis in 2017-18 was Ramón Fiallos, an organizer against the Jilamito dam who was targeted by security forces for his activism.

Indigenous, afro-indigenous, and *campesino* organizers in Honduras have been criminalized and murdered. The most prominent – but by no means only – example is the case of Berta Cáceres, the indigenous leader who was assassinated by a collusion of economic and political interests in 2016. Just days ago, five Garifuna community leaders were forcibly disappeared by men dressed in military and police uniforms in Triunfo de la Cruz, less than 20 miles from the Jilamito dam site. It is deeply alarming that you, Chargé Hoey, and Mr. Claver-Clarone found it acceptable to appear with President Hernández and announce an investment in the same region of the country where those disappearances – and years of human rights violations – have taken place. As you know, members of Congress were deeply shocked by the murder of Berta Cáceres and have repeatedly urged not only justice for her murder but also changes in policy to ensure that the United States stands on the side of human rights defenders and environmental activists in Honduras defending their communities’ rights.

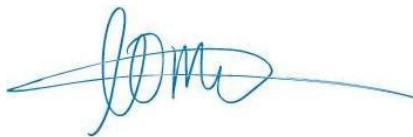
By any reasonable standard, the human rights and environmental impacts of the Jilamito hydropower project and the record of both Ingelsa and the Honduran state should have prevented this investment from going forward. Given that existing protocols at DFC have failed, we will now consider legislative options to prevent this project going forward.

In addition, we are gravely concerned regarding the overall lack of transparency and consultation that led to this investment, and that there are no oversight mechanisms to prevent corruption. Adequate corruption controls must exist to ensure funds are not stolen. Corruption is endemic in Honduras and too often, funds are stolen and projects are never completed. A classic example is the Inter-American Development Bank’s financing of the public transportation project Trans-450 – a project that was never completed yet Hondurans are left paying the debt.

Anti-corruption measures have been actively thwarted or weakened by the Hernandez administration – the DFC should not invest any US tax dollars until anti-corruption mechanisms are in place. Finally, we urge full disclosure regarding the other projects that this \$1 billion investment plans to support in Honduras.

We welcome a conversation about the role DFC intends to play in promoting a sustainable development that respects human rights, the environment, and labor standards. Your planned investment in Honduras is a grave mistake, and we sincerely hope not a sign of things to come.

Sincerely,



Ilhan Omar
Member of Congress

cc: The Hon. Mike Pompeo, Secretary of State
The Hon. Colleen Hoey, Chargé d’Affaires, U.S. Embassy Honduras
Mauricio Claver-Carone, Deputy Assistant to the President and Senior Director for Western Hemisphere Affairs, National Security Council

Additional signers

Rep. Nanette Barragán
Rep. Earl Blumenauer
Rep. Suzanne Bonamici
Rep. Joaquin Castro
Rep. Danny K. Davis
Rep. Peter A. DeFazio
Rep. Anna G. Eshoo
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