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Complaint Seeks Accountability for Human Rights Violations by U.S.-Supported Hydroelectric Project in Oaxaca, Mexico

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FOR IMMEDIATE RELEASE - SAN FRANCISCO, Calif., November 30, 2010 - Today, Mexican villagers filed a complaint to prevent contamination of their drinking water and fishing areas, and other threats to their livelihoods and culture from a U.S.-backed hydroelectric project. Located in Oaxaca, Mexico, the project is financed by the Overseas Private Investment Corporation (OPIC), a U.S. government agency. The project entails converting the Cerro de Oro Dam and altering local waterways to produce energy for private companies. Although construction has begun, local villagers have not been fully consulted or informed of the project's health and environmental impacts.

The complainants are predominantly members of the Chinanteco indigenous group. In the 1980s, the World Bank financed the construction of the Cerro de Oro Dam that forcibly displaced approximately 26,000 Chinanteco and irrevocably and drastically altered the local environment. This project builds on that legacy through harm to the Chinanteco people still living near the Dam.

Mostly farmers and laborers, the complainants are from Mexico's poorest and most vulnerable region. They harvest fruits, rubber, sugarcane, and other natural products from the land and use fishing to supplement their incomes and diets. Project activities already are having harmful impacts: cement has leaked into drinking water, blasts from explosives have damaged homes, and land acquisition practices have disrupted local culture. "The Arroyo del Sal is going to dry up, there's not going to be food for us. There's not going to be anything, everything that we harvest here, the little that we catch, it's what we use to survive[,]" said Yolanda Ortega Estaban, a 36-year-old woman living near the Dam.

According to Komala Ramachandra, an attorney with Accountability Counsel who represents the complainants, "this project is in clear violation of OPIC's own social and environmental safeguard policies. The project company has kept the communities in the dark about the scope of the project and its impacts, and has used intimidation to silence dissent. The impacts are becoming clear as peoples' basic livelihoods are under direct threat." U.S.-based project investor Conduit Capital Partners, LLC received \$60 million from OPIC in 2006 for this project and others.

The complaint was submitted to OPIC's internal Office of Accountability. U.S. Congress created the Office in 2005 so that complaints like this one can be addressed in a fair and objective manner. Only the fifth case to be filed with the Office, the complaint seeks the Office's assistance with resolving community concerns about the project and holding OPIC accountable for its failure to follow its own policies.

The communities are assisted in this effort by a coalition of Mexican and US-based organizations: Fundar, Accountability Counsel, Habitat International Coalition, and EDUCA, with support from Berkeley Law's International Human Rights Law Clinic and Environmental Defender Law Center. Accountability Counsel is a non-profit organization that supports communities in the developing world seeking accountability for human rights and environmental harm through citizen complaints and policy advocacy.

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