## STUDY ON BUSINESS, ENVIRONMENT AND HUMAN RIGHTS IN HONDURAS

EXECUTIVE SUMMARY

The impacts of businesses on the environment, communities, and individuals can be approached from a human rights perspective. The overall objective of this study is to contribute to the implementation of the UN Guiding Principles on Business and Human Rights (UNGPs) in Honduras through the identification of gaps and opportunities in law, public policy, and practice related to environment, business, and human rights. Furthermore, the study aims to contribute to a future National Baseline Assessment on business and human rights. It is expected that the findings and recommendations from the analysis can contribute to future human rights and sectoral policies, as well as updates of environmental licensing processes.



To begin, Chapter 2 focuses on how indigenous peoples and human rights defenders may be disproportionately affected by the environmental and human rights impacts of business activity in Honduras. The country has a long history of attacks, threats, and prosecution of human rights, territorial, and/or environmental defenders. This chapter also highlights the high proportion of women among the victims. Furthermore, it highlights the most urgent steps toward stopping human rights abuses and facilitating access to reparations and guarantees of non-repetition for the benefit of those primarily affected. It also describes the legal and political circumstances that may negatively impact indigenous and Afrodescendant peoples as rights holders in relation to corporate conduct in Honduras.

Further, the report introduces international and regional human rights and environmental standards and instruments applicable to the context of business activities in Honduras. The first section is dedicated to general human rights instruments, which mainly contains obligations for the Honduran state. The second part includes human rights and environmental standards which are regulated at the international and inter-American levels. The final part explains the responsibility of businesses vis-a-vis the environment and human rights. To conclude, it is important to mention that Honduras has ratified the majority of international and regional conventions, with the exception of the Regional

Agreement on Access to Information, Public Participation and Access to Justice in Environmental Matters in Latin America and the Caribbean (Escazú Agreement).

Chapter 4 analyses how the standards listed in Chapter 3 are incorporated in Honduras and how they interact with national regulation. It also identifies some institutional gaps and barriers to the effective implementation of the UNGPs in the Honduran context. The report examines how environmental and human rights standards and instruments are integrated into the Environmental Impact Assessment (EIA) and environmental licensing processes in Honduras. It identifies good practices and opportunities to strengthen these processes, especially the need to strengthen access to information, effective participation of potentially affected communities, and the incorporation of aspects of human rights in



the elaboration and process of EIAs. Information is presented on human rights impact assessments (HRIAs) which is an important methodology to implement elements of corporate due diligence that allows for the analysis of the impacts that business activities have on rights holders, such as workers, members of the local community, and consumers, among others.

To provide an example, the report presents an analysis of the impacts on human rights in the of sustainable energy and underwater fishing sectors in Honduras which identifies challenges and opportunities regarding the protection of, and respect for, human rights in these economic activities. Emphasis is also placed on the opportunities to build multisectoral due diligence mechanisms at State and company levels in these sectors. Furthermore, the report highlights reflections that emerge from the data contained in the analysis, and some steps are proposed for the actors involved in the process of implementing the UNGPs for consideration in future actions and processes. This includes supporting Honduras to engage with the Voluntary National Report of the 2030 Agenda and the Alliance for the Development of the Honduran Mosquitia. Based on the analysis presented in each of the chapters of this study, it is suggested that the State of Honduras should consider within its plans, policies, programs, or actions, the following:

- Updating and strengthening human rights aspects in the regulations of the National Environmental Impact Assessment System (SINEIA, based on its Spanish acronym), including aspects related to the content, transparency requirements and public consultation processes, training of MiAmbiente+ personnel, as well as the adoption of other instruments, such as strategic impact studies, health, and human rights impact studies;
- Fully complying with the reparations ordered in the judgment of the Inter-American Court of Human Rights in the case of the Miskito Divers (Lemoth Morris et al.) v. Honduras;
- Producing a National Baseline Assessment to inform a forward-thinking National Action Plan (NAP) on business and human rights, and adopting and implementing such a NAP;
- Adhering to the Regional Agreement on Access to Information, Public Participation and Access to Justice in Environmental Matters in Latin America and the Caribbean (Escazú Agreement).

The findings of the study highlight the importance of fully implementing the ILO Convention 169 in Honduras. In this process, the effective participation of indigenous and Afro-Honduran peoples in national regulation is essential. The support of international actors, such as the Inter-American Commission on Human Rights or the Special Rapporteur on the Rights of Indigenous Peoples, is also recommended.

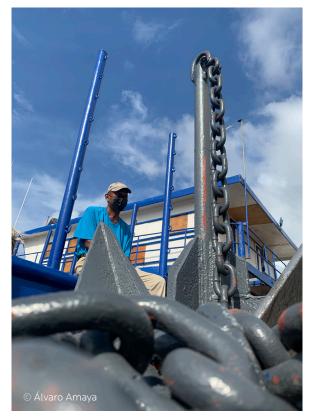


In all the suggested measures, it is critical to integrate a focus on gender and impacts on vulnerable groups, such as indigenous communities and human rights defenders. While there are initiatives by the business sector to advance respect for human rights in economic activities, Honduran companies, as well as foreign companies with operations in Honduras, should:

Strengthen their commitment to human rights;
Adopt internal human rights due diligence policies and practices throughout their value chain, including supply, operation, and final offer of goods and services;

• Structure and implement, as appropriate, mechanisms for access to operational remedies.

The above can be strengthened by public policy measures (such as the NAP), with the adoption of regulation on corporate due diligence and/or with awareness-raising and training for company employees, as well as active business support in spaces for participation in the formulation of public policies on business and human rights. Finally, the role of National Human Rights Institutions (NHRIs) in the implementation of business and human rights standards is highlighted. The "Comisionado Nacional de los Derechos Humanos" (CONADEH), the NHRI of Honduras, can play a special role in promoting a human rights approach to environmental protection. This can be realised through its participation in the process of building the NAP and through conducting a national baseline assessment. Other actions that CONADEH can consider are the production of special reports on the human rights situation in Honduras on priority issues and sectors. Furthermore, include sections in the annual report on the development of the UNGPs in Honduras.



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