

June 2, 2014

Dear World Bank Executive Directors,

It is our understanding that on June 4, 2014, the Board of Governors of the World Bank intends to review and vote upon a \$340 million loan to the Government of Guatemala. We write to ask that you suspend that vote until the Government of Guatemala has begun compliance with the 2010 Chixoy Reparations Plan.

As you know, the Government of Guatemala is currently in a dialogue with the World Bank and the Inter-American Development Bank regarding long overdue reparations for the indigenous Mayan communities impacted by the construction of the Chixoy Hydroelectric Dam, which was constructed during the height of Guatemala's armed conflict in the 1980's.

The residents of 33 affected communities have survived over three decades in dire poverty provoked by the flooding of their lands, forced displacement, loss of access to water, loss of transportation routes and other impacts. Many also suffered violence. One of the communities most impacted by the project was Rio Negro. Rio Negro was subject to a series of five massacres, including the March 13, 1982 massacre of 107 children and 70 women, which the United Nations sponsored Truth and Reconciliation Commission found were directly related to the dam's construction.

In April 2010, after decades of protest, international pressure, and repression, the Organization of American States mediated a negotiations process that culminated in a reparations agreement, signed by a Guatemalan government delegation and representatives of the affected communities. The World Bank, Inter-American Development Bank, and the United Nations High Commissioner for Human Rights witnessed the process. However, the agreement was never implemented. Though initially seed funds were designated by the Guatemalan Congress to begin compliance with the plan, the funds were eventually redirected and the executive decree needed to implement the agreement was never issued.

In late 2013, after the U.S. Congress expressed concern regarding the legacy issues related to the Chixoy dam, the World Bank and the IDB again began to raise the issue with the Guatemalan government. However, to date the executive decree has not been issued and the Reparations Plan has not been put into action in a durable way.

More than three decades after the Chixoy development disasters, the World Bank and Inter-American Development Bank have so far been unable to ensure that communities forced into extreme poverty by projects they funded have access to the resources they need to recover a dignified and sustainable way of life. Even in the early 1980's, the World Bank had established safeguards and received extensive reports that the Chixoy dam project was out of compliance with those safeguards, but the World Bank continued supporting the project, which was carried out by a repressive military government.

We ask that you make it clear that the World Bank takes compliance with its safeguards and respect for fundamental human rights seriously by instructing staff that the Board will not be able to review loans to the government of Guatemala until the government of Guatemala has demonstrated its commitment to redressing the legacy issues related to the Chixoy Dam. Loans to Guatemala should be conditioned or delayed until the following occur:

- 1) An executive decree by the executive of Guatemala gives legal effect to the Reparations Plan of 2010 (after achieving the consent of communities for the decree's content),
- 2) The government of Guatemala ensures a funding stream that will last into future government administrations to pay for Reparations Plan implementation in its entirety, and
- 3) Credible steps are taken to implement the Reparations Plan of 2010, as in work on actual projects after the executive decree and long-term funding are set in place.

Thank you for your time and consideration.

Sincerely,

International Rivers Network, US
Rights Action, US
Rights Action, Canada
Guatemala Human Rights Commission, US
Environmental Defender Law Center, US
Amicus Foundation, Canada
Atlantic Regional Solidarity Network, Canada
Building Bridges Human Rights
Bank Information Center
Both Ends, Netherland
Building Bridges Human Rights, Canada
Bretton Woods Project, UK
Center for International Environmental Law, US
Centre National de Coopération au Développement, CNCD-11.11.11, Belgium
Common Frontiers, Canada
Coordinadora de Afectados por Grandes Embalses y Trasvases (COAGRET)
Global Initiative for Economic, Social and Cultural Rights, US
Inclusive Development International, US
Indigenous Peoples Links, UK
Instituto Mexicano Para el Desarrollo Comunitario, A.C., Mexico
Jamaa Resource Initiatives, Kenya
Jubilee Debt Campaign, UK
Mining Injustice Solidarity Network
Oxfam International
Salva la Selva/Rettet den Regenwald, Germany
Social Justice Connection, Canada

The Corner House, UK
Urgewald, Germany
Re:Common Water Campaign, Italy
Rochester Committee on Latin America, US
Salva la Selva/Rettet den Regenwald, Germany
Social Justice Connection, Canada
South Asia Network on Dams, Rivers & People, India
11.11.11-Coalition of the Flemish North-South Movement, Belgium