

Topic: In the Shadow of the Oil Palm

Updated as of April 2025

No.	Date and Topic	Complainant	Allegations
Q.001	May 2024 Chapter 6 of the document <i>In the Shadow of the Oil Palm</i> refers to the case of Dinant in Honduras, associated with violent actions and the disregard for Human Rights.	CIR Romero	#1- Dinant is accused of violence against small-scale farmers, and it is alleged that its CEO has ties to an armed criminal organization. #2- It is alleged that palm oil production in Honduras is linked to serious human rights violations that have gone unpunished for decades, such as the illegal appropriation of land by agribusinesses and the ongoing use of force by both governmental and non-governmental security forces, including the targeted persecution and killing of members of social and farmers' organizations. It is alleged that agribusiness companies used unlawful methods to take control of lands that were part of the agrarian reform program, starting in 1992 when a new agrarian reform law came into effect. #3- It is alleged that in 1995, the murder of Jannette Kawas took place after she denounced environmental destruction in the Punta Sal protected area, which had been purchased by Dinant. It is noted that the company's senior management was summoned to appear but failed to do so. #4- The contamination of the Tocoa River has been denounced in connection with the operations of palm oil agribusinesses. #5- It is reported that the plantations of large agribusinesses in the Aguan region are used for the landing of small planes associated with drug cartels.

			#6- It is reported that on January 19, 2023, a member of the Los Laureles cooperative, Omar Cruz, was murdered. #7- It is reported that the violence in the area intensified starting in 2023, including evictions, persecutions, and threats by armed groups linked to security guards of agro-industrial companies. #8- A complaint filed on January 11, 2024, implicates Dinant as a direct actor and accomplice of a criminal organization called "Los Cachos," which is responsible for violating human rights in the Aguán region.
Description of the Facts	Allegations # 1,6,7 and 8: The false allegations are made by the Agrarian Platform, the name given to the group of people who forcibly took over Dinant's palm plantations. These accusations are yet another mechanism to try to maintain the illegal occupation of land, as otherwise, they lack legal support and logical sense. Almost 8 years ago, when these invading groups took over the land that legally belongs to Dinant, the company lost control of the plantations and their production. Security guards on the farms have not been armed since 2013, and based on recent events, it was decided that the guards inside the palm oil extraction plant would be equipped with rubber bullets and personal protective equipment. No guard or personnel from Dinant has been accused in relation to these aspects, nor has anyone been accused of acting outside of Dinant's facilities and/or under Dinant's orders. Some facts have been clarified through the work of UMVIBA, for example: • In 2016, the accusation was presented on Friday, October 28, against Céleo Rodríguez, Armando Rodríguez Ulloa, Santos Lemus and Tito Andrés Doblado. The above-mentioned are allegedly responsible for the homicide to the detriment of farmers Víctor Manuel Mata Oliva, Sergio Magdiel Amaya Miranda and the minor Rulbin Villeda Miranda (16 years old). • In 2021, it found Mr. Osvin Nahúm Caballero Santamaría guilty, of the murder of Farmer leaders José Ángel Flores, president of the Unified Farmers Movement of Aguán (MUCA), and Silmer Dionisio George Henríquez, a member of the farmers company "Camarones". On the other hand, in 2025, according to information from the director of the INA, the Police Investigation Directorate (DPI) already has information on the criminal gangs known as the "Canechos" and the "Cachos." The		

director also reported the involvement of the mayor of the municipality of Iguala and another mayor as promoters of land invasions, aiming to gain votes during this electoral year. Additionally, the director mentioned the presence of criminals and mayors in the municipality of Quebrada de Arena, further highlighting the extent of the criminal activities tied to land disputes.

Allegation #2: The agrarian reform process in Honduras dates to the 1970s, when the State, through the "Agrarian Reform Law," established the conditions under which individuals or legal entities could make use of lands granted by the State through the National Agrarian Institute (INA for its Acronym in Spanish), under ownership titles. In 1992, [the "Law of Modernization and Development of Agricultural Sector"](#) came into effect which allowed the farmers who had benefited from the agrarian reform to sell the land that had been granted to them.

The conflict in the Aguán region did not begin with an illegal act of dispossession, neither by the State nor by third parties, whether companies or individuals; it arose when groups of people decided to forcibly take over palm plantations in production, attempting to use property titles as a shield—titles that have no legal value, as they had already been transferred decades before the invasions.

At the time, Dinant legally purchased the lands that the cooperatives voluntarily sold under the existing legal framework and without any form of coercion, following the parameters of negotiation outlined below:

- If the land had a plantation, the pricing factors included the type of species planted and/or the livestock present.
- In the case of oil palm plantations, more specific criteria were defined based on the physiological condition of the plantation (such as the age and health of the trees).
- Existing infrastructure on the land is to be purchased, such as fences, drainage systems, and internal roads.

After the sale of the land in 1997, these cooperatives were legally dissolved; therefore, those now invading the land do not even represent the same organizations.

Allegation # 3: The murder of Jeannette Kawas occurred on February 6, 1995. According to an article [by El pulso](#), there are three alleged intellectual authors: Colonel Mario Amaya (known as "Tigre Amaya"), Sergeant Ismael Perdomo from the Tela police headquarters, and Mario Pineda (also known as "Chapín"). An article by [La prensa](#) also mentions that a colonel was possibly responsible. The company has no responsibility whatsoever in the accusations mentioned.

Allegation #4: The Aguán agro-industrial complex is located approximately 3.5 km from the Aguán River, and the plant does not discharge into receiving bodies of water, making contamination associated with production processes impossible. In addition, there is a system for the treatment of industrial wastewater, which consists of:

Lagoon Treatment System: For the treatment of effluents generated in the palm oil extraction plants, the treatment system includes several components: The **degreasing or equalization lagoons**, which regulate the flow, recover the oil, and reduce the temperature; the **cooling towers**, which ensure the proper temperature for microorganisms; The **anaerobic lagoons**, where anaerobic bacteria break down organic matter in two stages, reducing between 80% and 90% of the organic load and solids; and **the facultative lagoons**, which have both aerobic and anaerobic layers, achieving degradation.

Prior to the invasions on the farms, once the organic load of the effluent is reduced in the anaerobic lagoons, the water moves to the aerobic system. Due to its high organic nutrient content, the effluent is reused in our oil palm plantations as a **liquid organic fertilizer**, which is monitored and applied through an irrigation system).

Due to the issue of invasions on the oil palm farms, the application of monitored liquid organic fertilization has been halted, as the company no longer has control over them. Consequently, the following measures have been implemented:

- Construction of new drying yards; after the drying process, the sludge is transferred to the oil palm farms as part of the organic fertilization program.

Expansion and improvements to the wastewater treatment system. This expansion includes the installation of an aerobic reactor and a dissolved air flotation (DAF) system, in order to discharge the water into a receiving body, in compliance with the regulations established by the Discharge Unit of the Ministry of Environment.

Allegation # 5 In 2010, for the first time, the United States designated Honduras as a primary drug transit country, as local drug trafficking groups have taken advantage of the country's geographical location to expand their business in the region. Unfortunately, like many other individuals and companies in the Aguán Valley, Dinant became a victim of drug traffickers who, at least on one occasion, illegally and without their knowledge, cooperation, or permission, used Dinant's property to land one of their planes. As soon as Dinant became aware of the situation, they immediately informed the competent authorities. At no point have Dinant or its owners been questioned by the competent authorities regarding any involvement in drug trafficking or any other illegal activities.

No shareholder or executive of Dinant has ever been included in the U.S. Specially Designated Narcotics Traffickers (SDNT) list, which was created in 1995 and remains in effect to this day.

Company's Response

Allegation # 1,6,7 and 8:

- Dinant has publicly and categorically rejected the unfounded accusations made by the Agrarian Platform of the Aguán and the Coordinator of Popular Organizations of the Aguán (COPA), which aim to link the company and its president with criminal organizations and activities.
- These false accusations are distractions that conceal a serious situation of violence in the Bajo Aguán region, supported by the existence of an illegal economy that has been on the rise, and which seeks to cover up the illegal land dispossession that the company has been subjected to.
- Dinant has publicly called on the government of Honduras to expedite the investigations that will lead to the swift clarification of these crimes and confirm the falsehood of the serious accusations made.
- Dinant has a policy of respect for Human Rights that is shared with all its employees and contractors.
- Dinant is a member of the Voluntary Principles on Security and Human Rights. In addition to this, it has provided training not only to its employees and contractors but also to the communities in its area of influence.

Allegation # 2

Dinant has provided the government with all the required information regarding its property titles, which have been audited numerous times by competent authorities, financial institutions, certification bodies, among others, without any irregularities being found in them.

Allegation #3

Dinant sent a letter to Mongabay referring to an article that claimed Dinant had plantations within the Janeth Kawas National Park, along with other allegations. Dinant has communicated twice to Mongabay, proving the falsehood of these claims.

Allegation # 4.

- Dinant has established a complaints mechanism for communities to submit their grievances and claims as they see fit and receive a response within the timeframe stipulated in the procedure.
- Dinant has established a social team that is constantly meeting with the communities in order to address any complaints or dissatisfaction from the communities.
- There is an environmental and social impact study conducted in a participatory manner with the affected communities, along with a plan developed together with them that is updated every two years. The results have consistently been favorable for the company.

Allegación# 5:

- Dinant is unaware of the veracity of this incident; the only case it is aware of is the one reported above, which was promptly informed to the authorities.

	• Dinant currently does not operate and has closed the landing strips that once existed near its sites of operation. • Dinant strongly condemns the use of any of its properties for illegal activities, including those related to illicit drug trafficking. • Dinant does everything within its power to cooperate with Honduran and U.S. authorities in their efforts to combat drug trafficking, immediately reporting any illegal activity discovered on its premises.
Status	Closed