

Lower House of the States General²

Session year 2021-2022 Questions **put forward by Members of the House**

2021Z22120

Questions to the Ministers of Foreign Trade and Development Cooperation and of Finance by **Mr Teunissen** and Mr **Van Raan** (both PvdD) about *a company financed by FMO that has been convicted of an assassination plot in Honduras* (forwarded 1 December 2021).

Question 1

Are you aware of the report in the Financieel Dagblad of 23 July that 'FMO financed company behind murder plot' on the murder of the Honduran activist Berta Cáceres ¹and of developments in this case in recent months? What is your reaction to this report?

Question 2

Do you acknowledge that mistakes were made by the Financieringsmaatij voor Ontwikkelingslanden (FMO) in this case? If so, have you contacted the FMO to seek clarification and to find out who was responsible for the mistakes made? If not, what is your assessment of FMO's role in the events surrounding the Cáceres murder?

Question 3

Can you confirm that since 2011 civil society organisations have repeatedly asked both you and FMO for attention to the social and political context in the area of Honduras where the Agua Zarca project took place? Is it true that in letters and conversations they regularly pointed out the risk of conflict escalation?

Question 4

Do you share FMO's reaction that the verdict is shocking? How do you reconcile the surprise at the verdict with the frequent warnings from civil society to your ministry? Do you agree that this surprise indicates a lack of attention from FMO and the Ministry of Foreign Affairs to the signals of those directly involved in this and other projects of the bank?

¹ <https://fd.nl/ondernemen/1404178/staatsbank-fmo-financierde-bedrijf-achter-moordcomplot-in-honduras-odk1cashX9aU>

Question 5

In the context of all the warnings that Berta Cáceres and COPINH made to FMO and the Ministry of Foreign Affairs at the time of the financing, and the high risk conditions of the Agua Zarca project, how do you think it is possible that FMO made mistakes in its primary task of monitoring the flow of funds? What did the Ministry do to ensure that FMO's monitoring duty was properly carried out?

Question 6

In your opinion, are the control mechanisms within the Ministry of Foreign Affairs in order? If not, where do you see room for improvement? If so, which control mechanisms do you think are not being properly monitored?

Question 7

What "safeguards" do you think FMO should embed in the current decision-making model that would ensure that such signals are taken seriously? What improvements in the process will you suggest?

Question 8

How will you ensure that FMO embeds a gender lens in its policy and specifically gives women the opportunity to give signals?

Question 9

Do you draw any conclusions from the failures of FMO in relation to the Agua Zarca financing, and if so, what are they?

Question 10

What is your commitment to the new FMO strategy? How will this strategy address existing problems in FMO's approach to repression of local activism against projects supported by FMO? How will you incorporate the lessons learned from Agua Zarca into this strategy process?

Question 11

Do you agree that it is essential that those who ordered the murder of Berta Cáceres be prosecuted? Do you agree that in order to achieve this, transparency on the Agua Zarca project is needed? If not, why not? If so, are you prepared to ensure that the next of kin are given access to FMO's (compliance) files?

Question 12

Are you willing to further the investigation into the possible principals of the murder by providing as much access as possible to FMO's client analysis and all communications with both the staff and the board of the project?

Question 13

Are you prepared to conduct a thorough investigation into the financing of and financial withdrawal from the Agua Zarca project, including at least what controls there were on the authorization of the payments to the Agua Zarca project, who was responsible for them, and how is it possible that FMO overlooked the issues mentioned in the FD article? If so, are you prepared to include in that investigation the structural nature of such errors by FMO? If not, why not?

Question 14

Do you believe that the Dutch government must now take responsibility for the irreparable material and immaterial damage the project has caused? If so, how will you do this?

Question 15

What is your opinion on FMO's statement in the article that "a new and more pressing question before us is the extent to which FMO can and wants to continue operating in fragile states with inadequate laws and regulations"?

where the rule of law is enforced only to a limited extent'? Are you prepared to work towards a modified mandate that would allow FMO to operate in fragile states, with the communities that should benefit from economic development at the core of the projects to be developed? If so, what changes do you think FMO should make to enable this?

Question 16

Are you familiar with the report 'Stripping of controversial loan to Honduran bank' in the Financieel Dagblad of 19 May 2021² about the withdrawn loan from FMO to the Honduran bank FICOHSA, which is accused of involvement in the financing of Agua Zarca?

Question 17

Can you confirm that FMO is not sharing information about why the decision was made not to proceed with the loan to FICOHSA and the process by which this decision was made?

Question 18

Do you agree that, especially after what happened in the Agua Zarca project, it is of great social importance to be transparent about such controversial financing applications, precisely in order to improve conditions in countries that FMO focuses on? Are you willing to urge FMO to share this information with at least interested civil society organizations?

Question 19

Do you recall your answer to earlier questions by Mr Teunissen and Mr Van Raan, in which you stated that there were no major problems in the analyses of International Corporate Social Responsibility (CSR) carried out by FMO?³ Are you now prepared to acknowledge that FMO has structural shortcomings in identifying the risks of financing to the local population and their living environment, and that these are not just incidents? If so, what steps will you take to improve this?

² <https://fd.nl/ondernemen/1384442/streep-door-omstreden-lening-fmo-aan-hondurese-bank-pdk1cashX9aU>

³ Appendix to the Treaties, session year 2020-2021, no. 3893