



SATIIM'S POSITION PAPER – 09th March 2011

“No drilling in the Sarstoon Temash National Park, Protected Areas or Offshore”

1. Background:

“**Drill we will**”. This is how the Prime Minister of Belize, Hon. Dean Oliver Barrow summed up his government's position on oil drilling in the Sarstoon Temash National Park (STNP), noting that this position “will not change”. These statements illustrate the adamant position of the Government of Belize (GOB) to totally disregard the protection of our natural heritage, the rule of law and the rights of Belizean citizens to make decisions on the life and future of this country.

In 2006, when SATIIM filed lawsuit in the Supreme Court of Belize to seek judicial review of a permit granted by the forest department to US Capital Energy to conduct seismic testing in the park, we were seeking the protection of one of our natural wonders vested upon us by our ancestors. Today, with a sense of *déjà vu*, we again take the same position of defending our natural heritage, as well as the life and rights of the indigenous communities around it.

It is extremely important for all Belizeans to understand that the issue of oil development isn't isolated to the STNP and the indigenous communities of Toledo. All of Belize's 8,867 square miles of territory and much of the waters offshore have been parcelled out in petroleum concessions to approximately 18 different companies from the USA to as far as Taiwan. This has been done without the informed consent of all Belizeans and the free, prior and informed consent of the indigenous communities that are most directly impacted. We must realize that the outcome in Sarstoon Temash will set a precedent for the treatment of protected lands throughout Belize.

It appears that the GOB's primary objective is to increase revenue from oil activities in Belize, seeking a quick fix for our current economic adversity, which includes the pressure of paying the billion-dollar super bond. In the process the government is set to violate the legal framework for the protection of our environment, as well as the health and rights of our communities. Oil concessions have already been granted in fragile ecosystems such as Protected Areas and along the Mesoamerican Barrier Reef. The impacts of these decisions will resonate throughout all of Belize for many generations to come.

As of now, the government has little capacity to monitor oil exploration and extraction activities. “We would be the last ones to assume that we know everything about petroleum,” remarked Minister Gaspar Vega, head of The Ministry of Natural Resources, referring to



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Belize's lack of experience with oil drilling¹. His agency, which is responsible for oil oversight, recently had its budget cut by \$1.8 million². The risk to fragile ecosystems, including along the Barrier Reef and in Protected Areas is just too great.

In this case, **the safest drilling is no drilling**. Hence, we believe that we as citizens hold the responsibility of arduously working to protect our reef, coasts and protected areas **permanently**, by not allowing oil drilling in these areas and by reducing our oil dependence. Most urgent though, we see the need for the government to begin a transition into clean sustainable energy development, focusing on the use of renewable energy. Belize is already using the sugar cane waste for the production of energy, which in turn is used by the sugar industry. We need to dramatically expand this work, in addition to solar energy, to reduce fuel and electricity prices without running the risks of oil drilling.

It is time for the GOB, in conjunction with the Belizean People, to steer a different course; that of moving towards a more clean and sustainable path to development that reduces national poverty while protecting the environment and respecting the preservation of our natural heritage, cultures and indigenous lands; versus continuing with an unjust system where Belizeans neither have ownership nor enjoy equitable benefits from development initiatives. We no longer have a choice: Toledo remains Belize's most impoverished district and the number of impoverished Belizeans increased by 58% (from 90,000 to 142,000) between 2002 and 2009³. We need brave policies and bold actions to reverse this trend.

Contrary to the notion that oil revenue will help alleviate Belize's debt problems, the opposite has been proven true time and again throughout the developing world. Stephen Kretzmann and Irfan Nooruddin's study, "Drilling into Debt," is one of several reports to demonstrate that increased dependence on oil drilling and exports is directly related to increased national debt loads in developing nations. "Ten years after a decision to increase oil production by 40 per cent, the predicted level of debt is predicted to have doubled (an increase of 110 per cent), all else equal."⁴ SATIIM understands that these are very trying times for Belize, but insists that we look carefully at the mistakes of others so that we do not repeat them here.

SATIIM recently shared a vision of a future in which we can keep our oil underground while also paying our debt obligations. Ecuador recently proposed a plan to prevent oil drilling in its treasured Yasuni Ishpingo Tambococha Tiputini National Park if the international community contributes half the value of the known reserves. We can make this happen here in Belize, as we are world famous for our natural wonders. SATIIM calls on the government to courageously explore options, as Ecuador did, that will provide Belize with the cash it needs while saving the natural treasures on which we depend.

¹ Ramos, A. (Feb 11 2011). Minister "Gapi" Vega publicly faces Coalition rep on oil exploration issues. *The Amandala*. www.amandala.com.bz

² Ramos, A. (Mar 26 2010). PUP bomb Barrow's budget. *The Amandala*. www.amandala.com.bz

³ Country Poverty Assessment. 2009.

⁴ Kretzmann, S & Nooruddin, I. *Drilling Into Debt*. Oil Change International, 2005.



Together we must resolve the economic, social, cultural, environmental and political concerns that have been raised as a result of the manner in which the government is managing oil development, and **seek alternatives that minimize risks, optimize benefits and are based on safeguarding our environment, respect for the rule of law and human rights**. SATIIM's Sustainable Forestry initiative, along with education and development of the eco-tourism industry in Toledo are a few of these alternatives. We must, as Peoples, value and protect the true riches of our country - our cultural diversity and natural heritage. We must not allow irreversible damage to our living heritage and must work to eradicate discrimination and marginalization of our Indigenous Peoples.

2. The legacy of oil on Indigenous Peoples around the world

There's a vast range of experiences worldwide, from which we can learn lessons regarding the disastrous impacts of oil development on local communities, and in fragile ecosystems, such as offshore or in Protected Areas. We also have learned about terrible discrimination and human rights violations suffered by communities who were told they would benefit.

For instance, many Native American tribes have “supplied access to abundant natural resources under trust protection at rock bottom prices in sweetheart deals promoted by the federal governments, yet often go un-served or underserved by the benefits of such development”⁵. Furthermore, “the toxic legacy left by fossil fuel and oil developments on tribal lands remain today and will persist for generations, even without additional development”⁶. Added to this, tribal communities have suffered devastating health and cultural impacts at all stages of the oil development cycle.

Drawing from the Ecuadorian experience, Ecuador's locals know that while petroleum can mean big money, it can also leave behind lasting repercussions. “Crops were damaged, farm animals killed and cancer increased,” when Texaco dumped an alleged 18 billion gallons of toxic waste into pits in the Ecuadorian countryside.⁷ Local Indigenous Peoples recently won an US\$8 billion settlement against Texaco/Chevron, but even if they do receive this compensation, their livelihoods can never be restored.

In the case of the Ogoni Peoples of Nigeria, oil pollution caused by oil exploitation has impacted their community in several ways, including adverse impacts on their physical health, socio-economic situation and surrounding biodiversity. The impact of gas flares directly impacts the Ogoni's local ecology, while indirectly contributing to climate change on the global scale.

⁵ Energy Justice in Native America. *A Policy Paper for Consideration by the Obama Administration and the 111th Congress*. 2009.

⁶ Energy Justice in Native America. *A Policy Paper for Consideration by the Obama Administration and the 111th Congress*. 2009.

⁷ Feb 15, 2011. “Chevron fined for Amazon pollution by Ecuador court” *BBC Latin America*. www.bbc.co.uk



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In sum, we know that oil is a NON-renewable FINITE resource, meaning there is not an endless supply. We are currently hitting global peak oil levels; hence governments are increasingly targeting more vulnerable ecosystems, such as Marine areas and other ecological Protected Areas, for exploitation. However, we must all be aware that over time oil fields become less productive and eventually run dry, along with the jobs the industry provides. Jobs are few in comparison to the hundreds of thousands of existing jobs and millions of tourism dollars that will be threatened by opening up these Protected Areas and Barrier reef to oil development. We must also be cognizant that many of these local communities face oppression, human rights violations, environmental destructions, toxic rivers, militarized zones, etc, and we cannot allow this to happen in our country.

3. SATIIM's Position:

The Sarstoon-Temash Institute for Indigenous Management's (SATIIM) position is no drilling in the Sarstoon Temash National Park, Protected Areas or Offshore.

We call upon all Belizeans, especially those who will be most affected, **to stand up and share your voice** in the decision making on the issue of “to drill or not to drill in Protected Areas in Belize”. It is by exercising our human right to fully and effectively participate in the decisions that affect our lives that we will shape a better future for our country. The government exists as an instrument of the people to create the conditions for the fulfilment of the aspiration of its people. At SATIIM, we strongly believe that there is an **URGENT** need for a more participatory and democratic process that will include the voices of Indigenous Peoples in reaching a united decision through a national referendum.

We stand firm in the belief that we must protect the STNP against oil drilling! Our Indigenous Peoples – the Q'eqchi's and Garifuna – were forced to sacrifice when the STNP was declared in 1994 in the national interest. With respect to its ecological value, the STNP habitats are vital for the survival of fisheries, as well as for the protection of national lands from erosion. The park is also home to many endemic species of flora including the “comfrey palm”, as well as to 13 critical ecosystems, including a broad leaf forest⁸. The Q'eqchi's and Garifuna Peoples accepted these restrictions, only to have the government turn around and demand that the land be used for extractive purposes again. This hypocrisy is more than these communities can or should bear.

We **MUST** be aware that the decisions we make today will have a monumental impact on the future of Belize, and it is imperative that all Belizeans are involved in this process. We must demand respect for the rule of law, participatory and effective consultations, free, prior and informed consent, and respect of the sovereign right of communities to maintain their own, culturally appropriate and environmentally sustainable development models on the lands they

⁸ Sarstoon Temash National Park Management Plan. 2005



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have historically occupied and traditionally used. We are optimistic that if we as Peoples think collectively towards our future, we will make the right decisions regarding development framed by cultural equality, ecological integrity and economic equity, from which we will all reap the benefits.

Our position is guided by four critical principles, which we rely upon in the current debate surrounding oil development in the STNP. These are the:

- i. Respect for the Rule of Law
- ii. Observance of Human Rights
- iii. Protection of our Environment
- iv. Guarantee to Economic Equality

i. Respect for the Rule of Law: We at SATIIM strongly believe in upholding the law that protects our country and citizens. Permitting petroleum exploitation in the STNP would be *ultra vires* (illegal under) the National Parks System Act. Legal experts have agreed with SATIIM that this DOES NOT permit oil drilling and extraction in a national park under Belizean law. For SATIIM and for the people of Belize, de-reservation is not an option.

Drilling in Maya lands would also be contrary to the Supreme Court judgement of 2007 (Cal vs. Attorney General), as Chief Justice Conteh issued injunctions that prohibited the government from issuing oil concessions on the lands of ANY Maya villages, absent the express consent of the affected villages, which has not yet been obtained.

Additionally, when the Prime Minister says he will “honour all legitimate contracts”⁹ with petroleum companies, we maintain that the Belizean people also have a legitimate contract. We have a contract among ourselves as Belizeans that we will protect some of the inherited natural wonders entrusted to us. As a people, we have bound these contracts in law – the National Parks System Act and the Environmental Protection Act, both which protect sites such as the Sarstoon Temash National Park and our great barrier reef. These laws have existed well before the contracts the PM is referring to, and exist to protect the Belizean Peoples and their territory from this type of blatant disregard for the environment, human rights and democracy.

Therefore, **to drill** in the Sarstoon-Temash National Park, without first obtaining the free, prior and informed consent of affected Maya and Garifuna villages, is to disregard laws that preserve our country and national interest. Furthermore, we have bound ourselves to the international community through conventions such as the Convention on Wetlands of International Significance and the UN World Heritage Sites. Consequently, we urge the Government to fulfil its legal and moral obligations by acting according to the articles of the said conventions and to respect the important advances that we have made in the conservation of our protected areas and in being a conservation example in our region.

⁹ 28/1/2011. “A Hell of a Storm is Coming”: Coalition to Save our Natural Heritage. www.amandala.com.bz



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SATIIM is prepared to do what it takes to ensure that these legal instruments are respected and adhered to for the benefit of all Belizeans and the international community.

ii. Observance of Human Rights: We at SATIIM soundly believe that the basis for a holistic and appropriate development model for rural communities in our country is the respect for all human rights. It is imperative to ensure that the development of communities in the southern region of Belize be guided by respect for human rights, especially those of our Indigenous Peoples.

The Belize constitution in its Section 3 (d) and 17 safeguards every Belizean's right to property and in Section 3 (a) and Section 4 guarantees the right to life and protects everyone from discrimination. These are the principles on which all Belizeans should be able to rely. However, for Indigenous communities in Toledo, these rights have not been safeguarded. Throughout history, Indigenous communities in the south have been continually marginalised and discriminated against. National development programs have repeatedly been pushed upon them without their full and effective participation in the design and implementation of such programs.

Today we want to remind the GOB that in the Supreme Court Judgment of 2007, judge Conteh found that 'without the legal protection of the rights to and interests of the customary land, the enjoyment of the right to life and the very lifestyle and well-being of the Maya communities would be seriously compromised and be in jeopardy'¹⁰. With regards to the right to property, he concluded that 'the rights and interests of the Maya communities in their property are anchored in the Maya customary land tenure system and which does not make them any less deserving of the Constitution's protection afforded to other forms or species of property'¹¹.

The GOB is under a legal obligation to recognize and protect the lands that Maya communities use and occupy. Unfortunately, up to now the GOB has not taken the necessary steps to guarantee these indigenous communities their lands, as it has failed to demarcate and issue communal land titles to them.

We also remind the GOB of the day, 13th of September 2007, that Belize voted in favour of the adoption the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) at the UN General Assembly. The GOB agreed to "respect the rights of Indigenous Peoples to their lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired"¹². Furthermore, they agreed that "Indigenous Peoples have the right to the conservation and protection of the environment and the productive capacity of their lands,

¹⁰ Supreme Court Judgement. Cal vs. Attorney General of Belize. 2007.

¹¹ Supreme Court Judgement. Cal vs. Attorney General of Belize. 2007.

¹² See Article 26, Article 29 and Article 32 of the United Nations Declaration on the Rights of Indigenous Peoples, Adopted by General Assembly Resolution 61/295 on the 13th of September, 2007.



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territories and resources”. Lastly, the Government recognized that “Indigenous Peoples have the right to determine and develop priorities and strategies for the development or use of their lands or territories and other resources” and that they “shall consult and cooperate in good faith with the Indigenous Peoples concerned through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources”.

We consider it is also timely for the GOB to remember that in 2007 Justice Conteh reminded the GOB that in ‘Article 42 of the Declaration, the United Nations, its bodies and specialized agencies including at the country level, and states, are enjoined to promote respect for and full application of the Declaration’s provision and to follow up its effectiveness’ and that the GOB should be ‘unwilling, or even loath to take any action that would detract from the provisions of this Declaration importing as it does, significant obligations for the State of Belize in so far as the Indigenous Maya rights to their land and resources are concerned’. Finally, he reiterated that ‘Article 46 of the Declaration requires that its provisions shall be interpreted in accordance with the principles of justice, democracy, respect for human rights, equality, non-discrimination, good governance and good faith’. He concluded that ‘the GOB is bound, in both domestic law in virtue of the Constitutional provisions that have canvassed in the Maya case, and international law, arising from Belize’s obligation there under, to respect the rights to and interests of the Mayas as members of the Indigenous Maya community, to their lands and resources’.

Therefore, the government’s current plans to drill on the traditional lands of Maya communities, without consulting with them and obtaining their free, prior and informed consent, is not in line with the government’s international legal commitments.

Today, we again remind the GOB that SATIIM demands the implementation of the 2007 Supreme Court ruling in favour of our Maya Peoples, seeking that their human rights and fundamental freedoms are not violated.

iii. Protection of our Environment: If we look around the world where countries have hastily allowed international corporations to extract their natural resources in the pursuit of wealth, we see time and time again serious environmental damage, which includes toxic waste pollution and increased health problems of the host communities. SATIIM asks all Belizeans - will we let history repeat itself - this time, in our backyards?

As we are well aware, oil development has shown to be one of the principle causes of deforestation, loss of biodiversity, pollution of air, water and soils. Emissions contribute to global warming and climate change. Offshore drilling poses the risks of an oil spill which would have a long-term detrimental impact on marine life and the Mesoamerican Barrier Reef. The GOB does not have the financial, human or scientific resources to adequately monitor and enforce environmental regulations to minimize the environmental impacts of oil development.



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During the period of seismic testing in the STNP, SATIIM did its utmost to bring to the forefront some of the environmental damage inflicted by US Capital Energy. The energy giant violated many of the environmental regulations applied by the Environmental Impact Assessment (EIA). They built latrines on water sources, constructed roads larger than those specified, and disposed of garbage in incorrect places. We have documented their incompliance with environmental laws resulting from the company entering previously untouched areas of the park to conduct seismic testing. The Government did not take any action regarding these violations.

As Belizeans we have an obligation to manage and minimize the environmental implications of development in our country. Given that we know that US Capital Energy did not comply with the EIA, are we willing to risk their involvement in our country's development in the STNP, the most biologically diverse area of Belize? The preservation of our natural heritage should be paramount.

iv. Guarantee to Economic Equality: Economic development need not come at the cost of sacrificing rich biodiversity, cultural diversity and thriving ecosystems. A development model that ignores these true riches and is based on resource exploitation and oil extraction will only continue the pattern of ignoring the well being of our communities and environment, in favour of short sighted proposals that exploit poor communities and fragile ecosystems while benefiting a select few.

Oil and gas revenues are currently not contributing to poverty alleviation or to the social progress of our country and local communities. Overwhelmingly, the profits are channelled outside of the country. Currently, in the GOB's contract with US Capital Energy, 95% of profits go to the company based in Texas, while just 5% reaches the GOB. How much actually reaches the people of Belize is yet to be known, as there is lack of accountability and transparency regarding oil revenues.

There are more sustainable, community-based models for economic development, which are occurring throughout the country and which we believe the GOB should support. For example, in the south, SATIIM has been spearheading community-based sustainable forest management in two rural indigenous communities. The communities have secured long-term concessions (20-25 years) on their communal lands, ensuring sustainable employment opportunities are available within the communities. Rotational cycles, reduced impact logging techniques and reforestation ensure that the forests are conserved for future generations. Profits from the sale of lumber are reinvested in the enterprise, the remaining funds are used for community projects and a small percentage is issued to shareholders. Each adult resident of the community is a shareholder in the enterprise. To date they have marketed \$40,000. 00 worth of lumber, generating an income that substantially exceeds their community past annual income.

Up to now, the GOB has not put forward a sound oil development plan that goes beyond its



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interest to generate income for the payment of the super bond and the compliance of the legal contracts it bears with the oil companies.

The government has not shown us any plan of moving towards energy independence; or how oil revenues would be used to reduce Belize's skyrocketing fuel and electricity costs. Nor do we have evidence that this revenue will be used to develop national resources, promote education, or fight crime and poverty. Without these guarantees, set in a vision of Belize's future growth, we at SATIIM do not feel that there can be any assurance that Belizeans will benefit from oil extraction. Since the government is committed to acting in the best national interest, we call upon Mr. Barrow and the GoB to demonstrate how oil extraction will truly benefit all Belizeans.

We must be at the forefront in recognizing the need to promote energy independence and the development of smaller scale, autonomous energy projects (such as solar) that do not require large investments or incur the damages associated with fossil fuels. Providing clean renewable energy development and reversing the trend from exploitation toward energy justice should be a top priority for this government.

Last but not least, SATIIM sees the need for an urgent restructuring of the national financial system currently in place, which up to now has proven to promote unequal wealth distribution in Belize. It is pressing that the current profit sharing and investment agreements that Belize has with oil companies be revisited and that we develop an economic structure and financial mechanism to improve the profits, which will ensure that all Belizeans benefit directly from the exploitation of oil, should there be a decision of the Belizean people to do so.

4. SATIIM's call upon all Belizeans: As Belizeans we are often too complacent with the decisions being made by the political leaders of our country and the development path they are choosing. Our current situation shows that our best interests aren't their top priority. As such, SATIIM poses that it is time that we take responsibility for our own future.

We as a country must ensure the development and implementation of sound policies that protect our resources and Peoples.

We as Belizeans need to be the decision makers. Together we must stand up and ensure our nation's future success.



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Therefore, SATIIM calls upon all Belizeans to exercise their rights and:

- i. Stay informed and actively participate in all oil debates being carried out;
- ii. Be a part of the decision making process on oil development in Belize;
- iii. Sign the oil petition currently being circulated nationwide;
- iv. Actively participate in the National Referendum to decide on whether “**to drill or not to drill**” in Protected Areas in Belize.

5. Our demands to the Government of Belize: In the best interest of all Belizeans, SATIIM urges the GOB:

- i. To initiate a moratorium on oil exploration and development in fragile areas, including Protected Areas, offshore and along the barrier reef.
- ii. To develop a legislative and policy framework for a national energy transition into a system based on sustainable, clean and long-term energy solutions.
- iii. To eliminate all oil activities on Indigenous Peoples lands and territories (both Maya and Garifuna); and seek the way forward, in conjunction with these Peoples, to implement the 2007 Supreme Court ruling that recognized and reaffirmed the land rights of Indigenous Peoples of Southern Belize.
- iv. To ensure that input from communities is fully taken into account, to guarantee their full and effective participation in the development of a greener economy for the future of Belize.
- v. To support local communities, small farmers and Indigenous Peoples enterprises over private multi-national companies for the holistic development of Belize.

In sum, our ultimate goal is to save the Sarstoon Temash National Park and the lands and territories of Indigenous Peoples from oil development, whilst respecting the human rights of these communities and seeking sustainable energy development opportunities for all Belizeans. This must occur with economic equity, environmental justice and respect for human rights as its fundamental basis.