> Asociación Montelimar Bendición de Dios (AMBED) c/o Edwin Cáceres Centro Escolar Modesto Armijo, 3 blocks south, 1/2 to the west Sutiaba, León Nicaragua

August 23, 2015

Compliance Advisor Ombudsman International Finance Corporation 2121 Pennsylvania Avenue NW Washington D.C. 20433 USA CAO@worldbankgroup.org

Re: Complaint of Project 32253

We, the members of AMBED and workers, former works, residents and members of the communities belonging to the Montelimar Sugar Mill ('Ingenio Montelimar') of the NAVINIC company, deliver this complaint concerning Project 32253 of the International Finance Corporation (CFI – Corporación Financiera Internacional). The project is located in the municipality of San Rafael del Sur, department of Managua, Nicaragua.

This complaint is made by our community and our association, Asociación Montelimar Bendición de Dios (AMBED). We live in various rural communities around the Montelimar Ingenio, and there is no office for our organization in the zone where we live for reasons of safety. One may get in touch with our Principal Advisor, Edwin Cáceres.

Asociación Montelimar Bendición de Dios (AMBED)

The mission of the Asociación Montelimar Bendición de Dios (AMBED) is to serve as a vehicle for the grassroots organization through which the current and former sugarcane workers, their families and members of the community who reside close to the Montelimar Ingenio near San Rafael del Sur, Nicaragua, seek reparation for the injustice of the impacts on workers who suffer from Chronic Kidney Disease, which we consider an epidemic due to the many cases in our communities and the degradation of the environment due to the industrial cultivation of sugarcane. AMBED is convening the workers and members of the affected communities for actions of the Sugar Mill to respond to the crisis of health and environment, and to develop viable measures to restrict it. AMBED represents the sugarcane workers and members of the community before the actions of NAVINIC to challenge the following:

- The forced eviction of the workers and their families;
- The labor practices of the Montelimar Sugar Mill, in not giving adequate protection or incentives to prevent the conditions tied to Chronic Kidney Disease;
- The labor practices of firing workers who catch chronic kidney diseases while working for the Sugar Mill;
- "The law of silence:" the practice of intimidation/
- The damage to public health due to the agricultural practices of the Sugar Mill;
- The environmental pollution of the air and water with agrochemicals;

#### Our Organization

AMBED is an organization with an active membership of 700 people. We are workers, former workers and residents of the communities of: San Pedro, Las Vivas, San Bartolo, San Cayetano, Los Gutiérrez, Loma Alegre, La Gallina, Km. 54, El Bongo, Madroñal, Masachapa, San Rafael del Sur, Pochomil. We are men, women, young people and the elderly. Most of our membership are indigenous people.

AMBED has a board of directors of six officials of the community and two advisors:

José de la Cruz Bermúdez Sánchez – President Victor Manuel Solórzano Flores – Vice President Victor Hernández Sequeira – Council Member Basilio Antonio Martínez – Secretary Lester Yony Alemán García – Treasurer Cecilio Francisco Rojas Ramírez – Legal Counsel Edwin Cáceres Rojas – Principal Advisor Verónica Hernández – Advisor

Since February 2014, the membership of AMBED has convened an assembly every two weeks, or at the discretion of the board of directors and the advisors to establish a solid organization of the aforesaid communities in one single association. In general, the board of directors of AMBED and the advisors meet every week and at their discretion.

We are affected by the project in three principal ways, which we describe in detail in the following pages:

A high incidence of Chronic Kidney Disease among sugarcane workers, the disease, the social crisis, etc.

- Pollution of the environment due to the agrochemicals used on the cane crops.
- The eviction of families established in the Project.

### 1. The workers and members of AMBED demand the following:

Adequate response and treatment for Chronic Renal Insufficiency

- 1. Within AMBED, the vast majority of the membership is affected by CRI. Of the communities of Montelimar, there are some 2000 residents affected by CRI. The community and the workers demand that NAVINIC recognize the existence of the epidemic in the communities and respond in an appropriate fashion, including, though not limited to, the following:
- a. To give treatment to workers when there is an indication of the illness, and not only when a worker is in the final stages of CRI;
- b. To administer appropriate treatment to workers in their clinic and look into healthy practices for living with the disease;
- c. To recognize that everyone has a right to live with dignity, and to reduce the stigma of the people affected. Not to treat workers or the people in the affected communities with policies or actions of reprisals in either written or spoken form;
- 2. That NAVINIC should report the correct number of weeks credited to workers to the Nicaraguan Institute of Social Security (INSS *Instituto Nicaraguense de Seguridad Social*), and the responsible parties within NAVINIC should help workers with any problem in reporting working information to the INSS, particularly considering that fact that for many of its former workers who are ill with CRI, they cannot obtain a pension, to which they are entitled;

### An Environment without Pollutants

- 3. A community, environment, water and air without pollution from the pesticides used on the sugarcane. They demand tests of the water in public wells in their communities to determine whether the water is suitable for human consumption due to the fact that the cane crops are approximately fifty meters from the slopes that feed the wells to distribute them in the communities, for which reason we think that it is possible to find residues of the pollutants used on the cane.
- 4. That the pollutants should be cleaned from the rivers and wells, and a stop should be put to fumigating poisons in their environment. Therefore, we recommend that non-[aerial] methods be found for the application of chemicals on the cane crops, and to avoid the pollution of the environment.

- 5. In the harvest season when the cane fields are burned, they affect the environment with the smoke and the residues of ashes in all the communities in the vicinity of the sugarcane. During this common activity year after year we can discern in several communities microclimate effects, large amounts of smoke and ashes that affect the residents with respiratory infections, and water polluted by the ash residues.
- II. Land Tenancy. Secure Title and not being Forcefully Evicted
- 6. For communities that live within the property of NAVINIC, they should be able to receive a secure title without having to hire a lawyer to ensure their right to the property. Families must know the status of their situation in clear terms, see the documentation, know of the meeting in advance, and know of the proposed area, properties, houses, infrastructure, and the process suggested by NAVINIC to remove the communities that reside on their lands.

In January/February 2014, according to several members of AMBED, Mr. Oscar Gutiérrez convened a meeting with each individual community to inform them of the plan for them to be evicted so it would be possible to carry out the construction of an electrical power plant. Notwithstanding the fact that the approach to relocating the aforesaid communities amounted to nothing more than empty assurances.

To ensure title is part of the planning prepared by the CFI on the internet at:

 $\frac{\text{http://ifcext.ifc.org/ifcext/spiwebsite1.nsf/DocsByUNIDForPrint/D310031DDBB9E71485257B}{260077F706? opendocument}$ 

- A Transparent Process, and one that Can Ensure Title to Property
- 7. Nevertheless, NAVINIC has only given some of the residents in a few communities a Certificate of Right to Possession of the Property for some of their lands, and with this the residents, after occupying the place for 10 years, have to hire a lawyer to legalize their right to title, and this is impossible to manage because of its high financial cost. So that the company in some cases has taken the initial steps for legalization of the right to the land, but there is a lack of observance of the required period, understanding of the law and funds to legalize and establish the right to property.

The company has begun to draw up a census. Since that time, they have not notified people of their status.

#### III Efforts to respond to the CRI crisis on the part of NAVINIC.

8. To prevent NAVINIC from maintaining its policy of only providing workers who have social security with medical care for one year when they are affected, after which they are removed from the company without the right to medical care or medicine. And this is a factor that accelerates the progress of the disease (CRI) up until the patient's death.

Respond to the CRI Crisis in a Serious Manner with Adequate Treatment

9. NAVINIC has not recognized the high mortality of its workers or CRI. After the start of our movement and the growth of our Association by more than 700 members in 19 months, some of our members were mocked by a campaign by NAVINIC. They delivered acetaminophen to some of those affected during a holiday as positive publicity in the communities and the international community, as well as posting photos on the internet of the event as charity. Therefore, we denounce this kind of activity because of the company deriving publicity benefits while those who are sick were simply used. However, the company does not recognize the CRI of workers or in communities as the result of its agricultural practices or as a social problem.

Better Protections for Workers and Better Working Conditions

10. The workers ask for better working conditions both in teams that are adequate for carrying out their work as well as an incentive to rest and drink clean water.

We believe that working conditions are the principal factor in the illness of the workers and former workers.

We want to know what appropriate measures the company is taking in its labor practices to avoid the proliferation of the conditions associated with CRI, including, without limitation: thermal stress and/or heat stress, dehydration, fatigue, exposure to nephrotoxic agrochemicals, and in the pills that the company administers, exposure to nephrotoxic medications.

- IV. Compliance of the International Finance Corporation with its policies and standards [in] our communities
- 11. Independently of NAVINIC, we want the CAO to investigate whether the IFC is in compliance with its policies and standards as they are implementing their Project in our communities. Specifically:
  - We want CAO to determine whether it has followed and whether it is complying with standards and protocols with respect to the involuntary eviction of families.
  - We want to know exactly what the IFC's responsibilities are with respect to the high mortality of the residents in our communities due to CRI, and whether they have complied with the best practices for implementation with regard to public health.

 We want CAO to determine what are the responsibilities of IFC with respect to the implementation of a project that affects the environment, both in terms of public health as well as pollution of the environment.

### V. AMBED asks for dialogue with Ingenio Montelimar for a CAO process.

12. In the past some of our members have tried, individually and collectively, to communicate our concerns to the Sugar Mill. However, we have seen so many times that those who complain are fired and stigmatized. Accordingly, we at AMBED request a dialogue with the leadership of the Sugar Mill or officials of NAVINIC, with the supervision of CAO to ensure that any reprisals will be documented and observed by them.

We request dialogue with Ingenio Montelimar for our demands:

- That the Ingenio Montelimar should not evict families from their homes by force. That it should at least explain to them the written protocol, the plans of the Sugar Mill for the forced eviction of the affected families;
- For the families living on the lands of the Ingenio Montelimar, that the Sugar Mill should implement a transparent process supervised by CAO whereby the residents can ensure title to property without the need for hiring a lawyer;
- That the Sugar Mill should recognize that all of us have the right to live a dignified life in a healthy environment. That the Sugar Mill should recognize the existence of the high mortality of its workers and residents of the communities in this setting;
- That the Sugar Mill should change its practice with regard to the disease of CRI, and
  indemnify the workers and their families affected by the disease in the terminal stages,
  and give adequate treatment to those who are suffering from the disease while it can
  still be controlled;
- That the Sugar Mill should draw up active measures for working conditions to prevent conditions tied to Chronic Renal Insufficiency, specifically, thermal and/or heat stress, dehydration, fatigue and exposure to nephrotoxic agrochemicals;
- That the Department of Human Resources should expedite delivery of the information required by the INSS and help workers to solve administrative problems between the INSS and Ingenio Montelimar, and help workers, in a suitable fashion with management, to choose the process for obtaining their pensions;

- That the pollutants in the rivers and wells should be cleaned up, and fumigation of those poisons used on the cane in our environment should cease.
- That they should find non-aerial methods for the application of agrochemicals to avoid pollution of the water that we drink;
- That they should stop burning cane because it affects public health and our quality of life so much;
- That CAO should investigate the activities of the IFC in this project to ascertain
  whether their practices with respect to forced eviction, use of agrochemicals, treatment
  of public health and implementation of projects in areas affected by Chronic Renal
  Insufficiency are complying with the social and environmental standards of the World
  Bank.
- We want to know what are the justifications for this project insofar as the IFC has authorized it in light of its social and environmental standards.
- Board of Directors of AMBED

José de la Cruz Bermúdez Sánchez - President

Victor Manuel Solórzano Flores - Vice President

Victor Hernández Sequeira - Council Member

Basilio Antonio Martínez - Secretary

Lester Yony Alemán García - Treasurer

Cecilio Francisco Rojas Ramírez - Legal Counsel

Edwin Cáceres Rojas - Principal Advisor

Verónica Hernández - Advisor

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[signed:] Victor Manuel Flores

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[signed:] Basilio Antonio Martínez

[signed:] Lester

[signed:] Cecilio Roja

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[signed:] Veronica Hernández

AMBED Membership

Page 7 of 14