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A number of DVD documentaries about oil development in Ecuador, Peru, and Costa Rica are available to share— please contact SATIIM for more info.

Oil Discussions Heat Up in Toledo

Oil talk is hot talk in Toledo these days. And it should be. With SATIIM's legal case resulting in an injunction of US Capital Energy Ltd.'s, oil exploration activities in the Sarstoon Temash National Park (STNP)- there are a lot of reasons why community leaders, workers, protected area managers, government and civil society should be asking hard questions and engaging in a dialogue about what kind of development people want for Toledo.

One of the most exciting events was an open Public Forum on Oil Development hosted by SATIIM on Wednesday June 28, 2006 in Punta Gorda. Approximately 150 members of the public gathered in Parish Hall to listen and have their say. The eve-

ning began with a showing of three short documentaries produced by Amazon Watch on the environmental and social impacts of oil development on indigenous territories in Ecuador and Peru. Mr. Greg Choc, ED of SATIIM, provided the history of the organization, the STNP and the reasons SATIIM decided to take this case to the Supreme Court. Ms. Antoinette Moore, one of the three lawyers representing SATIIM, explained the legal arguments, Judge Awich's decision for the injunction and the context of the Judicial Review. From Spanish Lookout, Mr. Alan Reimer spoke about his experience with Belize Natural Energy (BNE) - the good and the bad. Mr. Reimer showed some photographs and explained how important it is for communities to come together so they can communicate effectively with the oil company.



Full House at Punta Gorda's Parish Hall for a public forum on Oil Development, June 28, 2006.

Finally, Mr. Bobby Lopez and Mr. Paul Morgan passionately presented their concerns for public health and safety where oil is drilled. After the presentations there was a good deal of heated and healthy public debate. People in Toledo are concerned about oil development and want to learn more.

SATIIM thanks all the guest speakers for coming out and looks forward to more dialogue in the near future.



Mr. Greg Choc and Ms. Antoinette Moore, lawyer for SATIIM, discuss the case outside of the Supreme Court, June 8, 2006.

SATIIM Wins Injunction: Final Decision to come September 29, 2006

On Thursday June 8, 2006, the Supreme Court of Belize agreed to a full judicial review of the case SATIIM vs. Ministry of Natural Resources and the Environment and placed an injunction on US Capital Energy Ltd.'s oil exploration activities in the STNP, pending

a full trial hearing on the substantive legal issues brought before the Court. The trial has reviewed the legality of the government's issuing of the oil exploration permit in a protected area. The final hearing of the case was held on Wednesday July 19, 2006 in

Belize City when Judge Awich announced that he would make his final verdict on September 29, 2006. Until then, the Park remains protected by the injunction. See page two in this bulletin for more details on the legal arguments in this case.

National Media Tour Park & Speak with Community Members

"Along the banks the presence of wildlife is evident and so too is the verdant, unexplored mangrove forests. Moving further up river, the landscape changes into majestic hardwood forests. This is what the contention is all about between U.S. Capital Energy, SATIIM and the government of Belize."

- Channel 7 News Reporter

On Friday July 14, 2006 SATIIM hosted a "Media Tour" that brought Belize's national television news services Channel 7 and Channel 5, the Amandala newspaper, The Reporter, and Krem Radio (all major National news services were invited), to Toledo. They attended a meeting, toured the Park and visited Barranco and Midway villages.

The media coverage told both sides of the story— but images of the Park spoke for themselves— resulting in very positive National coverage for SATIIM's case.

After attending a meeting with Toledo's Alcaldes and Village Council Chair people in Punta Gorda, the media headed by boat south to the Sarstoon River that borders Guatemala, then up to the Temash River. Finally they landed at the dock in Barranco, a Garifuna village, where they spoke with those they met along the way. Afterwards they traveled by van to the Mayan village of Midway. Again members of the media had a chance to speak with villagers, and villagers had a chance to voice their concerns and positions. Some stated

that they want jobs with the oil company, some were concerned about what price they will have to pay in the long term for those jobs.

The issue itself was not necessarily new, but it was told from the source— from the community members themselves and from the banks of the Sarstoon and Temash rivers.

To read the stories please visit:

www.7newsbelize.com,
www.channel5belize.com,
www.amandala.com.bz,
www.reporter.bz

Lessons and Support from Costa Rica and Cayo District

During these challenging times it has been useful to gain support from those who can say "we know how you feel, we've been there— you can do this." From June 20-23, 2006 Emily Yozell and Enrique Joseph from Costa Rica and Candy and George Gonzalez, and Marconi Leal from Cayo District provided that type of support to SATIIM's staff and Board of Directors. They shared experiences from simi-

lar legal and political struggles, lessons learned and even materials and resources. They traveled to Midway and Sundaywood villages to share their stories and they spoke with members of PG's NGO and tourism community. SATIIM would like to thank them, as well as ELAW for the financial support that allowed Emily and Enrique to travel all the way from Costa Rica to PG.

One of the strategies we learned was the value of showing and sharing DVDs from Ecuador, Peru and Costa Rica with communities and the public in order to demonstrate visually the environmental damage and risk associated with oil development. In CR, a broad based coalition of supporters was formed— we aim to create the same sort of coalition in Belize.



Marconi Leal, George & Candy Gonzalez from Cayo, Peter Shol & Greg Choc from SATIIM and Emily Yozell, & Enrique Joseph from Costa Rica work with SATIIM staff on June 22, 2006.



SATIIM supporters from Toledo in front of the Supreme Court in Belize City on June 5, 2006.

SATIIM's Legal Arguments: Making the Case

The Supreme Court's Judicial review is analyzing the following violations:

- Violation of the National Park Systems Act, which makes no exception, even with ministerial discretion, for oil exploration activities within the National Park;
- Violation of the Environ-

mental Protection Act, that specifically requires an Environmental Impact Assessment (EIA) for seismic testing activities be conducted before a permit is issued;

- Irregularities in the way the USCE permit was issued by the Chief Forest Officer and not the Forest Department

Administrator, as per the National Park Systems Act; and

- The "legitimate expectation" of SATIIM that under the signed Co-management Agreement between SATIIM and the Forest Department, SATIIM would have been consulted and involved in the decision to issue the permit.

SATIIM Confronts Divide and Conquer Tactics

Despite efforts by the Government of Belize and US Capital to use traditional “divide and conquer” tactics to weaken community leadership in the villages of Toledo, SATIIM and other leaders continue to communicate, consult and bring together the Alcaldes and Village Council executives of the District.

Back in early May, SATIIM held meetings with each of the five communities, making presentations on oil development, the risks and why there is con-

cern for exploring for oil in a National Park. On May 13th, a meeting was organized with the Toledo Alcalde Association (TAA) and the District Association of Village Councils (DAVCO), at which time both organizations publicly developed a resolution in support of SATIIM's position to keep oil exploration out of the STNP. Yet, less than a month later, a few leaders from the same organizations signed onto an affidavit that claimed that they supported the oil company. In response, Mr. Pop, Chairman

of the TAA and executive members of DAVCO went to each village in Toledo and spoke with the Alcaldes and Village Councils to see if they had known that those representing them had signed onto the affidavit. They found that the majority of the Alcaldes and Chair-people were not aware that such an affidavit was written on their behalf. They then signed onto a petition that stated that the affidavit signed on their behalf was not representative of their position on the issue. On Friday



On May 31, 2006 community members protested outside of SATIIM's office. The event was orchestrated by the oil company and was an early effort at dividing and conquering.

July 14 they came together and voted to submit another affidavit that would quash the first, stating that it did not represent their membership.

What we know about US Capital Energy and the Production Sharing Agreement



David Itch, SATIIM's GIS data analyst explains to community members where US Capital Energy proposed to cut seismic testing lines.

US Capital Energy is a privately-held Texas-based corporation that owns oil and gas properties in the US and has concessions in Guatemala (Block A-7) and Belize.

They signed a Production Sharing Agreement (PSA) with the Government of Belize (GOB) on January 22, 2001. The terms of the agreement include rights for seismic blasting and exploration for three two-year periods which can be extended. If the company

decides to drill an exploratory well, they only have to give the GOB 24 hours notice. If commercial oil is found, the company and the government have 15 days to submit a work program and then if approved, drilling can begin. The company then has the right to exploit it for 25 years. Every time US Capital Energy finds a financially viable site they can get another 25 years. This means that if commercial oil is found—US Capital will be in Toledo for the long term.

However, this doesn't necessarily mean that there will be long term employment for local people. In fact, the PSA states that there is a guarantee that the Government must grant work permits and visas to bring in outside workers.

In terms of environmental concerns, the PSA states that “the contractor shall undertake relevant environmental studies to identify any and all sources of potential pollution which

may cause harm and damage to the environment prior to the commencement of any drillings operations in Belize.” How do we ensure this happens? If the company can begin drilling 15 days after oil is found, how much time will there be to do a proper EIA and what impact will it have on decision to move forward?

The only other mention of environmental concerns in the contract is a requirement of the company to pay a one time fee of \$2000US to be contributed upon execution of the PSA to a research fund to undertake research for the protection of manatees and any other endangered species which may have been found in the contract area. SATIIM is not aware of any fund established to date.

In terms of overall risk and accountability the contract states in Article 27.2 that **the Company will not hold the**

Government responsible for losses, damages, without limitation, claims for loss or damage to property or injury or death to persons caused by or resulting from only petroleum operations conducted by or on behalf of the contractor, **provided that the contractor shall not be held responsible to the Government** under this paragraph for any loss, claim, damage or injury caused by or resulting from any negligent action of personnel of the Government. *Then...WHO is responsible and accountable?*

And who benefits? Under the PSA, the GOB will only get US\$0.05 for each US \$1.00 of oil US Capital Energy takes out of Belize.

To find out more about US Capital Energy visit www.uscapitalenergy.com

If you would like a copy of the PSA please contact SATIIM.

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"To safeguard the ecological integrity of the Sarstoon-Temash Region and employ its resources in an environmentally sound manner for the economic, social and spiritual well being of its indigenous people."

From the Executive Director

The last three months have been challenging for SATIIM. It has been a time when our values and principles are being tested. We have and will continue to stand firm because no one has come forward to show us that we are absolutely wrong – that we are unreasonable. Despite the fact that some members of our communities have been rallied against us, many remain steadfast to the principles and ideals of good governance, benefit sharing, dignity and human rights.

I deeply respect those in our communities who have demonstrated that despite their sickening poverty that in them lies a sense of duty and responsibility to their generations. On either side, one common theme has emerged and that is, our communities desperately need development to meet their basic amenities. However, we have different views on how to reach this goal that has eluded us for so long. This is where we need to find consensus and I hope that SATIIM is contributing towards this end.

Greg Ch'oc

International Solidarity—over 3000 signatures submitted to GOB & US Capital Energy Ltd.

Thanks to EcoLogic, over 3000 citizens from Belize and around the world signed onto an online petition that asks the GOB and US Capital Energy to stop oil exploration in the STNP. This international support and solidarity will only increase with the help of Global Response, an internat-

ional environment action and education network that organizes effective letter writing campaigns to stop communities stop environmental destruction. Global Response has agreed to take on SATIIM's case as one of their campaigns. We send thanks to both EcoLogic and Global Response for their support.

"I am enclosing the signatures and comments of 3,404 concerned citizens of both Belize and the world—many of whom have either visited or hope to visit Belize one day— who add their voices to saying no to short-sighted squander and yes to long-term sustainability" - Shaun Paul, Executive Director of EcoLogic

For more information on Global Response please visit www.globalresponse.org



This is one of the popular images that was used in the successful Costa Rica campaign on stickers, posters, t-shirts, etc.

What next?? How You can Get Involved!

What are your thoughts on the next steps that should be taken by the company and the GOB?

What concerns you about oil exploration in the STNP?

How can more individuals and organizations get involved in their own way?

Here are some of our ideas—please let us know what you think!

- Research the issue, US Capital Energy, the Production Sharing Agreement and the effects oil development have had on other communities and protected areas
- Write letters to GOB and local Government outlining your concerns for oil development in Toledo
- Talk to your neighbors, friends, family and co-workers about what future you want for Toledo
- Come out to public forums or organize your own community meeting on the issue
- Create your own publication, poster or pamphlet
- Show Amazon Watch DVDs to your colleagues, friends and family
- Donate funds to SATIIM's campaign
- Call SATIIM and offer your support and ideas