



Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-5546

8/03/2012

Dear Secretary Murphy,

The Asociación de Forestería Comunitaria de Guatemala Ut'z Che' appreciates the opportunity to provide comments to the Securities and Exchange Commission on the proposed rules regarding the Disclosure of Payments by Resource Extraction Issuers to implement Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. We are a Guatemalan community forestry association composed of more than 36 communities numbering 300,000 members nationwide. We work in the forest sector, promoting sustainable forest management, environmentally friendly wood products, and attempt to lift our forest owning communities out of poverty by encouraging environmentally friendly entrepreneurship.

We believe that Section 1504 is a great opportunity for our country to obtain information to continue to combat corruption and demand accountability and transparency for our use of natural resources.

The problem of corruption, inequitable use of natural resources and lack of transparency in our country is evidenced by the massive deforestation that has occurred in Guatemala over the last 50 years, with 50% percent of our intact forest having been eliminated, due to the spread of unsustainable agriculture and cattle grazing livestock, the expansion of mining and oil extraction permits without following due process and the construction of mega-highways, all of which have led to one of the worst rates of deforestation in Latin America. Currently, it is estimated that 95% of all forest related activities in Guatemala is carried out illegally. The Environmental Impact Assessment law in place, which is meant to limit the effects of projects like those of the extractive industry, is still not properly applied to the aforementioned projects due to a lack of resources, hindering the ability of the state to limit the environmental effects of the extractive industry on the environment. The information available related to how the extractive industry affects local environments and forest operations is scarce, and the resources provided to the Forest and Environmental Authorities are amongst the lowest in the region, affecting the capacity of the state to prevent illegality and continued environmental degradation due to the expansion of the extractive industries.

With greater transparency regarding payments in the extractives sector, we will be able to hold our government accountable and ensure that the natural resources benefit all citizens and not just a small elite. Our organisation is particularly concerned over the environmental impacts of exploration and extraction of natural resources, and feels that information on natural resource agreements will help us hold the government to account.

The purpose of this letter is to support the recommendations and comments on the proposed rules submitted to you by the Publish What You Pay coalition.

Specifically, we agree with Publish What You Pay that no exemptions should be provided, that the Commission should define "project" in relation to each lease, license and/or other concession level arrangement entered into by a resource extraction issuer, and that a reasonable minimum threshold for payments to be reported should be set.

Yours sincerely,
Victor Lopez

Directing Coordinator of the Association of Forest Communities in Guatemala

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