

# Nicaragua renews environmental permit for Chinese canal project

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A woman is seen in front of a wall with a graffiti reading "No canal, no law" during a protest against the construction of an inter-oceanic canal in Juigalpa, Nicaragua on June 13, 2015

Nicaragua has renewed an environmental permit for a Chinese company to go ahead with planned construction of a cross-country shipping canal to rival the one in Panama, a government document published Wednesday showed.

The permission was renewed back in April but was not made public until

the release of the report on the mega-project.

Excavation work has not yet started on the proposed 276-kilometer -171-mile) [canal](#), which is budgeted to cost \$50 billion.

The Chinese company contracted to carry it out, HKND, has been granted a 50-year concession to run the canal and pocket revenues to cover the costs, with an option to extend that period by another 50 years.

The government said the canal "is a way for Nicaragua to be able to advance economic, social, environmental and [human development](#)."

President Daniel Ortega launched the project in 2013.

The canal was forecast to be built by 2020, but that date has been pushed back indefinitely.

According to the report, the British consultancy that carried out the environmental impact study, Environmental Resources Management, recommended further complementary studies be carried out before work starts.

The document said geological, seismic and acid drainage analyses had been made in the past two years, with more to come.

It noted that around 30,000 people would have to be removed from land to carved up to make way for the canal.

Amnesty International and other independent groups have said that number is an underestimation.

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