





Chevron-Texaco and the environmental disaster in the Amazon

Background

Giant oil company Texaco, bought by Chevron in 2001, operated in Ecuador from 1964 to 1992. Chevron has admitted that Texaco dumped over 18.5 billion gallons of toxic water into the rainforest during this period – about 4 million gallons daily at the height of its operation – contaminating two million acres of the Ecuadorian Amazon.

This is one of the world's greatest environmental disasters, with the amount dumped or spilt estimated to be roughly 30 times the amount discharged in the Exxon Valdez disaster.

Chevron-Texaco has never carried out a meaningful clean-up and today noxious pools of oily sludge still drain into water courses used by the Amazonian communities. Cancer, lung disease and chronic skin lesions are now more frequent through the indigenous population.

In 1993, 30,000 local people organised themselves into the "El Frente de Defensa de la Amazonia" (The Amazon Defence Front) and filed a class action against Chevron-Texaco in the US to demand repairs to the environmental damage as well as compensation to the Amazonian communities.

Chevron-Texaco lobbied for many years to have this trial moved to an Ecuadorian court anticipating a more favourable judgment. In 2002 the U.S. courts approved the transfer and Chevron-Texaco undertook to respect the decisions of Ecuadorian courts on the case. The Amazon Defence Front then took legal action in Ecuador and as a result, in 2011, an Ecuadorian court sentenced Chevron to pay \$9.6 billion rising to \$18bn without a public apology. Chevron refused to apologize and has never paid the damages.

As Chevron-Texaco has moved all its assets from Ecuador, the Amazon Defence Front has filed enforcement petitions in Canada, Argentina, and Brazil for Chevron's assets to be frozen.

Chevron has campaigned against the Ecuadorian judgment being enforced anywhere. Amazonwatch reports that Chevron is already spending an estimated \$400 million per year just in legal fees, dwarfing the \$40 million it claims it spent on a woefully inadequate clean-up in Ecuador.

Chevron-Texaco has sought to dismiss the validity of the Ecuadorian court judgment by taking action against the Ecuadorian government in The Hague's Permanent Court of Arbitration – though it was the Amazon Defense Front, which is suing them not the Ecuadorian government.

Chevron-Texaco has sought to retrospectively use bilateral investment treaties between the US and Ecuador to avoid responsibility even though this trade agreement took effect five years after Texaco ended operations in Ecuador in 1992.

The European Green Party Council

Notes the European Parliament legislative resolution of 21 May 2013 on the proposal for a regulation of the European Parliament and of the Council on safety of offshore oil and gas prospection, exploration and production activities.



Resolution as adopted



Oil exploration is getting more and more harmful to the environment no matter where in the world and has to be seen very critically in principle.

Notes that businesses should not get competitive advantage out of acting irresponsibly.

The EGP further calls for Chevron's and other's oil and gas exploration activities *outside* the EU to have to meet EU standards. See more <u>HERE</u>

And opposes Chevron operations in the EU if Chevron continues to refuse to meet such standards in the rest of the world.

And expresses deep concern about the retrospective use of the Ecuador-USA Bilateral Treaty by the Permanent Court of Arbitration to reach a partial decision in Chevron's favour.

And challenges Chevron's attempt to seize the data of activists and others who have campaigned against their activities. See more <u>HERE</u>

The European Green Party Council proposes

To promote awareness of and action in support of the Amazon Defence Front's ongoing case against Chevron-Texaco via constituent European Green Parties and the Global Greens:

To call upon Green Party MEPS and Global Greens to support the claims for full compensation and reparations demanded by the Amazon Defence Front's for the damages caused by Chevron's activities.

To call upon Green Party MEPS to support attempts by the Amazon Defence Coalition's to have Chevron's assets frozen in Europe until the case is settled in Ecuador.

To challenge Chevron's attempt to seize the personal data of activists who oppose their environmentally destructive activities.

To oppose the introduction of provisions for Investor-State-Dispute Settlements in future EU Free Trade Agreements with intention to preempt similar cases and to make sure the investor-state-dispute mechanisms and private arbitration are not used to sidestep the responsibilities of businesses. ISDS give foreign investors the right to sue states in front of international arbitration panels when governments put in place social or environmental regulation that "affects" the investors.

To support the ECI End Ecocide http://www.endecocide.eu/ proposing a directive according to which 'extensive damage' or 'destruction' of ecosystems would become a crime and those committing ecocide would be held responsible according to criminal law.