

Ecuador and Chevron

For almost four years, a Court in Lago Agrio, Ecuador has been collecting evidence to determine the validity of claims that Texaco Petroleum Company (Texpet) is somehow responsible for the current environmental condition of the Oriente region of the Ecuadorian Amazon.

During this time, there have been many headlines from lawyers and activists condemning Texpet for its environmental track record, despite the fact the company has not operated in Ecuador for the last 17 years.

While this very aggressive extrajudicial campaign makes for interesting news, the publicity is silently overshadowed by extensive evidence and a legal, science and factual record that has been generated over three years through 47 court-ordered oil field inspections and more than 1,200 water and soil samples. From the credible evidence submitted to the Court, the record shows that Texpet's remediation was properly conducted and met the requirements of the Government of Ecuador. In fact:

- Between 1995 and 1998, Texpet completed a \$40 million environmental remediation program in proportion to its approximate 1/3 share of the oil-producing consortium with Petroecuador.
- In 1998, the Government of Ecuador declared the remediation met Ecuadorian and international standards and released Texpet from future obligations or liabilities.

And the results demonstrate...

- Greater than 99 percent of all soil samples collected from Texpet-remediated areas confirm that the remediation met the standards set by the Government of Ecuador and that the remediated areas pose no significant risk to human health.
- Greater than 99 percent of all drinking water samples meet safe drinking limits for petroleum compounds as defined by the World Health Organization.

The scientific evidence is clear. The people and the environment of the Oriente region face no significant oil-related threat in the areas remediated by Texaco Petroleum Company.

Petroecuador Responsibility

This is not to say that oil production in the Oriente has been without impact. The simple truth is that the existing oil contamination of the Oriente is the acknowledged responsibility of Petroecuador. These are the facts:

- Petroecuador owned 62.5 percent of the consortium and has been the sole operator of the oil fields for almost two decades.
- For 17 years, Petroecuador has ignored its legal obligations to remediate the areas outside of Texaco Petroleum Company's responsibility, for which Texpet was fully released of any further environmental obligations under an agreement between the Government, Petroecuador and Texpet.
- According to publicly available information, Petroecuador has recorded 882 oil spills just in the period from 2002 to 2006 alone.

- Petroecuador has publicly admitted that it is responsible for cleaning up the pits and spills in the Amazon.

Anyone looking for the source of oil contamination in the Oriente need look no further than Petroecuador. But plaintiffs' trial lawyers don't want to talk about Petroecuador. And there's a lot more they don't want to talk about, like the fact they are failing to prove their case in Court.

The plaintiffs' attorneys don't want you to know that:

- More than 75 percent of the soil and water samples collected by the plaintiffs come from areas outside of Texpet's responsibility, often from areas around Petroecuador pits and spills.
- Every soil and water sample submitted by the plaintiffs' experts during the first three and half years of the case has been analyzed by an unaccredited laboratory, meaning that the results are scientifically unreliable and pose little legal value.
- None of the plaintiffs' water samples contained oil-related chemicals exceeding international standards.
- The plaintiffs have presented *no* credible scientific evidence linking health concerns to Texpet's former oil operations.
- Some of the world's leading epidemiologists and medical and scientific experts have reviewed the studies used by the plaintiffs' attorneys to support their claims and each expert independently concluded that the studies are flawed, biased and inconclusive.
- For more than 15 months, the Civil Court of Pichincha has been trying to inspect the plaintiffs' main laboratory in order to determine if it is qualified to perform the necessary soil and water analyses. On eight separate occasions lawyers for the plaintiffs and the laboratory have obstructed justice and blocked the Judge's inspection.
- According to the Government of Ecuador's official data, cancer death rates are higher around Quito (the capital city) than they are in the area around Lago Agrio.

Of additional interest, it is well known that drinking water in the Oriente *does* contain dangerous levels of microbial contamination due to poor sanitation, not oil operations. In fact,

- Dangerous levels of bacterial contamination from human or animal waste were found in 90% of drinking water samples. This type of contamination is not in any way related to oil operations, but rather, insufficient sanitation infrastructure. Guidance from the World Health Organization states that "*the potential health consequences of microbial contamination are such that its control must always be of paramount importance and must never be compromised.*"
- In the Oriente, access to running water, toilets, and sewer treatment is much lower than national averages. In Sucumbíos province, 96.6% of the population does not have basic services, according to *Vanguardia Magazine*, (April 10, 2007). Even in those areas that have drinking water systems, only 60% are chlorinated, and testing for coliforms or other microbial contaminants is rare.
- A February 13, 2007 article in *El Comercio* reports, "*Many cantons aren't able to purify water because of the high cost and lack of infrastructure.*"