

Chevron Corp. (formerly ChevronTexaco)

Headquarters:	San Ramon, California, USA
Branch of trade:	basic materials, major integrated oil and gas
Turnover / net profit:	US\$ 151 billion / US\$ 13,3 billion
CEO:	David J. O'Reilly
Owned by:	Publicly-traded corporation
Employees 2004:	47'000
WEF-Participant 2006:	yes

Summary

During almost 30 years of oil operations in the northern Ecuadorian Amazon, Chevron (known then as Texaco)¹ contaminated large parts of pristine rainforest by using substandard technology in order to save money and increase its profit margin. Since then, affected indigenous communities are suffering an exploding health crisis and two tribes are faced with extinction. Today, the company refuses to undertake a full clean-up of the contaminated areas. Amazon Watch urges Chevron to fund and implement a major environmental clean-up operation and provide health care to the people whose lives have been ruined by this disaster.

Information on the case and characteristics of irresponsible corporate behaviour

From 1964 to 1992, Texaco (now Chevron Corp.) systematically dumped 70 billion litres of toxic wastewater into rivers, streams, wetlands, and 627 waste pits in the Ecuadorian Amazon. These waste pits contain heavy metals and cancer causing chemicals such as benzene, arsenic, lead, mercury and cadmium. The industry standard at the time of Texaco's arrival in Ecuador was to re-inject toxic wastewater back into the earth. Instead, the company chose to save \$3 per barrel by deliberately dumping its toxic wastewater into the rainforest. The company's operations resulted in 30 times more crude oil spilled from oil pipelines than was spilled during the notorious Exxon Valdez disaster. As a result, hundreds of thousands of hectares of pristine Amazon rainforest have been heavily contaminated.

According to Amazon Watch, Texaco was particularly irresponsible in its behaviour in the Ecuadorian Amazon because although the technology existed to re-inject toxic wastewater, the company's executives decided to use substandard technology which caused this environmental

¹ Chevron and Texaco merged in 2001 to form ChevronTexaco. In 2005, the corporation dropped "Texaco" from its name.

disaster (reinjecting wastewater had been a legal requirement in Texas, the state where Texaco was founded, as early as 1919). Even when Texaco agreed to remediate some of its former sites in the mid-1990s, it merely bulldozed over the contamination rather than actually removing it.

To this day, the company continues to deny any responsibility for a full clean-up, citing a lack of scientific evidence. But the technical and scientific evidence linking Chevron to the contamination is undeniable, as studies by recognized scientists have shown. Even Chevron's own evidence has condemned the corporation; 75 out of 77 water samples taken by Chevron at sites where Texaco once operated contained high levels of toxins breaking Ecuadorian laws.

Consequences

As a result of the company's operations, various indigenous communities, including the Cofán, Huaorani, Siona and Secoya, as well as *campesinos* in the affected region are suffering an exploding health crisis. Their drinking, bathing and fishing water contain high levels of carcinogenic hydrocarbons. One sample, taken from the former site of the Sacha 57 drilling well and submitted to the Ecuadorian court, was 2,600 times higher than the U.S. Environmental Protection Agency's safety guidelines. Child cancer rates are alarmingly high.

Since the Ecuadorian government gave Texaco access to the northern Amazon, the land that indigenous communities once depended on for subsistence (drinking water, fish and game), is now so polluted that tribal members have been forced to abandon their ancestral lands. One tribe, the Tetetes (a branch of the Huaorani), has become extinct.

Current status and demands

In May 2003, in response to the environmental devastation and related health crisis in the northern Ecuadorian Amazon, 30,000 people affected by Texaco's operations filed a lawsuit in an Ecuadorian court demanding that the company undertake an environmental clean-up. This is the first time that a U.S. multinational oil corporation has had to accept the jurisdiction of a foreign court. The final judgement will be enforceable in the United States.

In August 2002, Amazon Watch launched the *Clean Up Ecuador Campaign* to support the struggle of indigenous and farming communities affected by this environmental and human disaster. Amazon Watch demands that Chevron Corp.:

- fund and implement a major environmental clean-up operation in areas where Texaco operated;
- compensate local communities that have suffered health and environmental impacts;
- provide affected groups with adequate access to health care and potable drinking water.

Detailed nomination: www.publiceye.ch/nominierungen

Further information and links:

- www.chevrontoxico.com
- www.amazonwatch.org