

Oil Spillage: Shell Goes to Supreme Court Over N7million Compensation

Shell company has asked the Supreme court to set aside the N7 million damages awarded against it over the oil spillage at Peremabiri community in Bayelsa State.

Although Shell admitted liability for the spillage, which occurred on January 16, 1987, it disputed the amount of compensation the Peremabiri community was entitled to

According to Shell, the trail court which awarded the N7million damages and costs, ought to have awarded a N5,500 for the following reasons:

- That the community did not prove any injury foreseeable from the spillage;
- That the compensation for growing raffia palm trees is a special damage, the exact number of which is not a matter for speculation or estimation; etc.

Sixteen months after the spillage, the community filed an action at a high court in Port Harcourt against Shell, asking for N64 million as compensation.

After hearing the evidence of the parties and addresses of counsel, the trail court rejected some of the claims on the ground that the community failed to establish it suffered the said loses.

The trail court however, awarded N60,000 for the loss of “their sources of water for drinking and other domestic uses.” The court also awarded N5 million as general damages for the presumed loss suffered from the pollution of the environment. Another N1 million was awarded as costs.

Shell was dissatisfied with this judgement and appealed to the court of Appeal in Port Harcourt. The Appellate court upheld the awards made by the trail court.

Still dissatisfied, Shell appealed to the Supreme court for a review of the awards.

The apex court has adjourned the matter to November 11 for hearing.

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