

## Iraq's untold story

Report on PLATFORM's Trip to Iraq

"Iraq is a rich country, but its people are poor," Hassan Juma'a tells me as we sit in the sparse living room of his crumbling rented house in Basra.

Hassan is lucky: he earns just over 300,000 Iraqi dinars (IQD) per month (about £120). With that he is just able to pay rent of 50,000 IQD and provide food for his family – which with current shortages can cost more than 250,000 IQD. Many oilworkers earn just 100,000 IQD, and if it weren't for successful campaigns by the trade union Hassan leads, the lowest wage would be only 69,000 IQD.

Hassan is President of the General Union of Oil Employees (GUOE). With 23,000

members - more than half the oilworkers in southern Iraq - the union has built an impressive base in the two years it has existed. Wisely, it has remained independent of all political parties and factions.

Unions were banned by Saddam Hussein in 1987 – with the exception of the phoney 'yellow' unions which served as part of the dictator's security apparatus. In fact, many of the GUOE's leaders, including Hassan, were imprisoned by Saddam for criticising his regime.

As a result, Hassan tells me, many people in the south of Iraq actually welcomed the American/British invasion, which ousted Saddam. But their support quickly evaporated in the face of the occupiers' thugish self-interest.



Drilling rig, South Rumailah field (Above & left)

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In the first two months of the occupation, workers were not paid. By June 2003, they'd had enough. About a hundred refinery workers blockaded the fuel collection point of the British army's tankers, sitting down in front of the trucks. While soldiers threatened them, they bravely sat firm and told them to shoot if they wanted to. The protest spurred frantic negotiations, and within hours, all salaries were paid. Following that incident, the union's membership leapt from 100 to 3,000.

However, the Americans tried to assert control over the oil industry, through Halliburton subsidiary KBR. In August 2003, the union called a strike, which for two days completely shut off southern Iraq's oil production. The following month, when

US administrator Paul Bremer proposed a table of wages for oilworkers, the threat of further strikes forced a negotiation, in which the bottom two wage levels were abandoned.

### For Iraqi oilworkers, it is unthinkable that their oil could become the property of foreign companies

But the union's primary aim was to organise workers to repair oil facilities and bring them back into production, following the invasion. The Iraqi Drilling Company is a good

example. The publicly-owned IDC was decimated after the invasion by four months of looting. While British and American soldiers looked on, drilling rigs were stripped of their equipment, leaving just steel skeletons. By July 2003, many were writing IDC off as incapable of recovery.

That the looting went on for so long casts doubt on the popular account that occupation forces had simply made a mistake in not anticipating the problem. According to Ghaffah Talib, a union organiser in the drilling company, "It was as though they had placed bets that in a short space of time IDC could be declared a failure".

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## BP's Caspian pipeline - an end or a beginning?

BP's official inauguration of its Baku-Tbilisi-Ceyhan (BTC) oil pipeline in May contained in a nutshell the controversy of the last ten years – and a glimpse of what can be expected over the next forty.

As BP's PR machine was telling positive stories of 'the new silk road', pro-democracy demonstrators were recovering from a violent clampdown by Azerbaijan's riot police - in the capital Baku - four days earlier. Up to 100 people were arrested, and the offices of opposition party: the Azerbaijan Popular Front were stormed.

Throughout its planning, the BTC pipeline has always been a political project – embodying US geopolitical designs on the region, at the expense of democracy, human rights and the environment. Azerbaijan's autocratic President, like his father before him, has built his political power on the back of his relationship with Western oil interests.

The inauguration of 25<sup>th</sup> May will be one of several 'inaugurations' expected over the coming months, as BP seeks to convince the public that the pipeline is complete and the issues that it raises are resolved. However, construction is not over. The ongoing building of pumping stations, of associated infrastructure, and of the parallel South Caucasus Gas Pipeline, will continue to disrupt the lives of thousands until at least 2008.

For all BP's claims of closure, for human rights in the region and for the ecology of the Caucasus, the real threat is only just beginning.

The pipeline is set to exacerbate human rights violations in the region as governments clamp down on any signs of dissent against their new 'national asset'. Ferhat Kaya, a human rights lawyer in Eastern Turkey, who has struggled to remedy the poor compensation given to farmers, has repeatedly been arrested and he has suffered physical abuse at the hands of the Turkish police.

Meanwhile, BP has chosen a faulty corrosion protection coating, which corrosion experts say make leaks inevitable. Areas of fragile ecology such as the Borjomi region will be continually

under threat from oil spills; a threat that could ruin Georgia's biggest export-commodity, Borjomi mineral water.

At a global level too, the threat increases. The oil which the pipeline feeds to Western consumers will add about 170 million tonnes of carbon dioxide per year to the Earth's atmosphere - over 30% of the UK's annual emissions – locking us into dangerous levels of climate change.

These impacts and others are not just incidental – they are built in by a draconian legal regime, negotiated between the company and the host governments, which guarantees the rate of oil flow by empowering governments' security forces, while disempowering their regulatory functions.

### Deficiencies in environmental impact assessment remain - USAID



Contractors lay the pipeline in a flooded trench

Nor is it a 'done deal' for London-based institutions – such as BP, the European Bank for Reconstruction and Development, the Department for International Development and Royal Bank of Scotland – or for other international financial institutions such as the World Bank.

To those institutions' embarrassment, many of the concerns raised by the campaign recently received corroboration from an unlikely source – the US government. Its development agency USAID wrote in a report that serious deficiencies in the project environmental impact assessment – which USAID had raised with financial institutions prior to their decisions to back the project – remained unresolved.

The Baku-Ceyhan Campaign, including PLATFORM, Friends of the Earth, Cornerhouse and Kurdish Human Rights Project, has pledged to continue supporting affected communities along the pipeline route, monitoring the impact of the project and holding UK institutions to account for their role in the project. The pipeline is not complete when construction ends: it will be a danger for the next forty years. In many ways, the campaign is only just beginning.

[www.baku.org.uk](http://www.baku.org.uk)

## Development aid or oil industry subsidy?

As the G8 meeting has brought Africa and climate change to the fore, a report by Platform Research reveals that British development aid is being spent on oil projects that exacerbate both climate change and poverty.

'Pumping Poverty' details how the government's Department for International Development (DfID) supports oil projects, both through direct grants and through Britain's contribution to multilateral development banks such as the World Bank and the European Bank for Reconstruction and Development (EBRD) - despite recognition that both climate change and the so-called resource curse impact primarily on the poor.

Many DfID projects, especially those in the Former Soviet Union, have sought to change tax regimes and other regulations to favour foreign investment in the oil sector. While the poverty alleviation benefits of this are highly questionable, the benefits to British oil companies such as BP and Shell, who have been amongst the biggest investors in the region, are strikingly clear.

### It is the poor who bear the greatest share of the burden of oil development

For example, one DfID grant to Russia hired consultants to recommend that the Russian government slash its tax rates for foreign oil companies operating in Russia, thereby cutting the state's access to revenue, while boosting company profits.

Meanwhile, DfID has supported World Bank and EBRD loans to mega oil projects such as the Baku-Tbilisi-Ceyhan and Chad-Cameroon pipelines, projects which have failed to realise benefits to the poor. Over 80 per cent of World Bank lending for oil projects goes to projects that primarily export oil to



Nigeria's oil wealth has not reached the poor

industrialised countries, any claims that this lending supports much needed provision of energy to the poor are unfounded.

The report clearly details how oil has become a curse rather than a blessing for many developing countries with oil resources. This affects these countries at four key levels.

Locally: oil production damages people's livelihoods and health – through direct pollution, by threatening food production and water supplies, and through the spread of diseases related to the activities of migrant workers.

Nationally: there is a growing consensus among economists that the disruptive economic effects of oil investment drastically reduce growth and undermine the non-oil economy, as well as often leading to declining governance structures and a weakening of democracy.

Regionally: oil is frequently associated with greater militarization and conflict – through disputes over the control and ownership of resources, through the use of revenues to purchase arms, and through the targeting of oil infrastructure by terrorists and other armed groups.

Globally: burning oil is one of the primary causes of climate change, which threatens catastrophic damage including massive sea-level rise, increasing incidences of flood, drought and other extreme weather events, major water and food supply reductions, and the spread of disease.

At all of these levels it is the poor who bear the greatest share of this burden. Given DfID's main goals – the allevia-

tion of poverty through sustainable development – it is difficult to see how continued support for oil development can be justified.

In the World Bank's own review of its lending to extractive industries, a recommendation was made to phase-out loans for oil, but the Bank, supported by DfID, rejected the recommendation outright.

DfID appears to have no coherent programme for providing renewable, sustainable energy to the poor who need it. Instead 'development money' is funding industrialised nations' thirst for oil and oil companies' requirements to gain access to new reserves. This is not development aid but a way of ensuring energy security for the UK and US.

The report has been welcomed by environment and development groups and has received a lot of interest from parliamentarians. Friends of the Earth, and Plan B, the partners in producing the report, worked with Michael Meacher MP to table an Early Day Motion (EDM) a kind of parliamentary petition, to gauge support amongst MP's for a phase-out of UK and multilateral development aid for oil. The EDM was cut short by the election but not before receiving the support of 116 MPs. The EDM is being re-tabled and we are confident that it will be more widely supported. As a result, we expect greater scrutiny on the use of development aid for oil projects, increasing support for a phase-out of such subsidies & a greater emphasis on supporting alternatives.

You can download the report & read the EDM at [www.carbonweb.org](http://www.carbonweb.org)

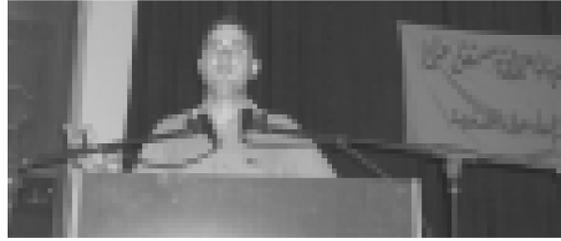
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However, starting in August 2003, workers proved the sceptics and privatisers wrong. Cobbling together components where they could be found, workers had the first drilling rig up and running within 45 days.

The oil multinationals' culture is a long way from the Iraqi socialist model, and the workers' strong sense of collective pride in their industry. That model of course has its problems – such as corruption and political patronage. But many in Iraq are talking about ways to solve these problems within the public sector – such as through revenue transparency. And given the way America and Britain want Iraq to be the blueprint for other major oil-producing countries in the region (what George Bush refers to as introducing democracy to the Middle East), it is a key battleground against the expansion of the western oil majors.

That cultural gap can be seen clearly in the Basra refinery, walking around the plant, the equipment has a clear look of age. Many of the pipes are rusty, and the computer screens of the control room look like something from a 1970s movie.

In many refineries, the failure of old pipes and valves



PLATFORM speaking in Basra Photo Ewa Jasiewicz

under pressure has been a key cause of accidents. So I ask the manager if there are a lot of safety problems. He looks quite surprised by the question. Accidents are very rare, he says, because everything is constantly checked. "For the operator, the refinery is part of him", he explains.

## The oil multinationals' culture is a long way from Iraqi workers' collective pride in their industry

Contrast this with the appalling safety record in British and American refineries, where extensive downsizing leaves much unchecked, and faulty parts are often not repaired or replaced.

But now the western companies are hoping once again for access to the oil they have been denied since the nationalisation of 1972. In the next few months, they will

know if they have been successful. The new Iraqi Constitution, which should be drafted by mid-August, will set out the framework of ownership over natural resources. It will be closely followed by a Petroleum Law, which will give the details.

Last September, US-appointed Interim Prime Minister Ayad Allawi pre-empted the January elections and the Constitution, by setting oil policy on his own course. His plan was to part-privatise the state oil company, while handing development of Iraq's substantial undeveloped fields exclusively to foreign companies, through the mechanism of production sharing contracts.

From September, the Oil Ministry began developing these policies, aiming to set a process in train that would be difficult to reverse. This process can only have been helped by the ten-week delay in forming a government after elections, and the inevitable subsequent

rushing of the Constitution's drafting.

As it turned out, the elections presented no threat to this agenda, as the Oil Minister post went to Ibrahim Bahr al-Uloum, who in 2002 participated in the US State Department's Future of Iraq working group, and is sympathetic to foreign investment in Iraqi oil.

But the privatisers may face a greater political challenge in the oil-workers. As one puts it, the oilworkers have themselves rebuilt the industry following the three wars of the last twenty years. As a result, the workers have a deep sense of ownership of the industry - to them it is unthinkable that it could become the property of foreign companies.

This is the struggle that will take place over the coming months.

PLATFORM travelled to southern Iraq in May, hosted by the GUOE. Also on the trip were Iraq Occupation Focus, Jubilee Iraq and US Labour Against the War. Go to: [www.carbonweb.org](http://www.carbonweb.org) to read PLATFORM's paper, presented at GUOE's conference: 'Production Sharing Agreements – Oil Privatisation by another name?'

spent the past eight years attempting to take their cases through the Colombian courts but local lawyers have faced intimidation and one has been murdered.

In preparing the landmark case, law firm Leigh Day & Co. have visited Colombia and taken statements from more than 60 farmers who say that since the pipeline

has been built, their land can no longer support them. Springs have dried up, other areas have been flooded, crops have failed and livestock have died, or been killed for food by government-aligned paramilitaries who guard the route of the pipeline against frequent insurgent attacks.

Lawyers hope that BP may settle out of court to com-

pensate the farmers who say they were paid just a few hundred pounds for their land, without any additional payments for damage caused during construction. Many of the farmers are illiterate and could not read the contracts they signed with the BP led pipeline consortium.

[www.colombiasolidarity.org.uk](http://www.colombiasolidarity.org.uk)

## Remember Saro-Wiwa

On 10<sup>th</sup> November 1995, Ken Saro-Wiwa and eight of his colleagues were executed by the Nigerian dictatorship following their campaign against the devastating environmental impacts of oil companies - including Shell and Chevron - in the Niger Delta.

Ten years on and the Nigerian government has changed but sadly little has changed for those living in the Delta. Escalating violence in the region is being fuelled by the continued extreme poverty in the area in the face of over 100 million dollars of oil being pumped daily. Additionally, the pollution of land, water and air has been ongoing for nearly half a century, further disenfranchising the farms and fisheries of the Delta. At many levels, oil extraction is turning the Niger Delta into a living hell for millions. While international attention is beginning to focus on the region, the concern is more for the security of oil supplies than for the wellbeing of the Delta's people.



To help draw attention to this, and to honour the struggle of Ken Saro-Wiwa and the thousands of Ogoni who died with him, PLATFORM is leading a coalition of environment and human rights groups together with writers, artists and the Saro-Wiwa family, to memorialise Ken in London and re-focus international attention on the ongoing crisis.

The Remember Saro-Wiwa project was launched on 22<sup>nd</sup> March at London's City Hall by the coalition along with Ken Livingstone, Ken Wiwa and Anita Roddick. The evening witnessed the announcement of an international open call for ideas to find an inspiring idea for a 'Living Memorial' to Ken Saro-Wiwa. The call closed on 30<sup>th</sup> June and a shortlist of five will be announced in late July. The five shortlisted works will be exhibited in the lead up to the tenth anniversary and the winner will be announced at a special event on the anniversary: 10<sup>th</sup> November 2005.

The winning piece will be commissioned in 2006 and for the first two years will tour as a unique mobile public art project, raising awareness about Ken's life and work and about the situation in the Niger Delta. After the two year tour a permanent site in central London will be sought.

A number of other events will take place around the anniversary including book launches, plays and speaking events. For details of these and further details about the Living Memorial, see the project's website: [www.remembersarow-wiwa.com](http://www.remembersarow-wiwa.com)

## New company, same old Shell

Forty-two years since the official opening of the Shell Centre, Tuesday 28<sup>th</sup> June was perhaps the most significant day yet in the life of that prominent building on the South Bank. Those who photograph it from the London Eye will not notice the difference, but it has been relegated from being one of Shell's two global headquarters to not much more than the base of just its UK operations.

Simultaneous votes at shareholder meetings of Royal Dutch and 'Shell' Transport and Trading approved the merger of the two companies, which for 98 years have jointly owned the group.

The unified Royal Dutch Shell will be headquartered in Den Haag, but its shares will be listed on the London Stock Exchange, rather than split between London and Amsterdam. With Shell's share of the FTSE 100 going up from below 4% to 9.4%, with BP at 10.1%, some are talking of sterling looking like a petro-currency. Fund managers will be snapping up Shell shares to try and balance their portfolios with the FTSE.

Although the merger itself was prompted by pressure from investors following the reserves scandal of last year, it was the culmination of changes begun in the late 1990s to move away from the company's committee culture, towards a leaner, hierarchical structure more typical of oil companies.

Those internal changes happened at exactly the same time as Shell's public campaign to reinvent itself, following the crises of the Brent Spar & Ogoni in 1995. Ironically, just as Shell was publicly talking of a newly open, listening company which stakeholders were

invited to "Tell Shell" what they thought, it was making its decision-making much more centralised, taking it away from country managers, and even further from affected communities.

While the company was publicly stating that it valued both "profits and principles", that it was responsive to a "triple bottom line" in which social and environmental goals were as important as financial ones, staff were told internally to focus ever more closely on purely financial performance.

That Shell's ethical performance has not improved was seen in the shareholder meetings that discussed the merger, also attended by representatives of fence-line communities, who live next-door to Shell facilities.

They talked about the health problems caused in their communities – by repeated leaks and explosions at Shell's refinery in South Durban (South Africa), by continuous pollution from gas flaring in the Niger Delta and by emissions of toxic gases from its oil depot in Pandacan (Manila, the Philippines). By dumping of toxic wastes from pesticide production in Sao Paulo (Brazil), and by failure to clean up its former refinery site in Curaçao (Netherlands Antilles), By persistent emissions of dangerous gases at Shell refineries in Port Arthur (Texas) and Norco (Louisiana), and by irresponsible construction activities on its gas developments in County Mayo (Ireland) and Sakhalin Island (Russia).

These are some of the things Shell's neighbours have to live with.

[www.shellfacts.com](http://www.shellfacts.com)  
[www.foe.co.uk/resource/reports/lessons\\_not\\_learned.pdf](http://www.foe.co.uk/resource/reports/lessons_not_learned.pdf)

## News

### BP faces Colombia legal case

BP is facing a £15 million legal claim in London from farmers who have been forced from their land along the route of the OCENSA and ODC pipelines in Colombia. The farmers have

## Problems for Sakhalin project

Shell's controversial Sakhalin II oil and gas development in Russia's Far East has hit new difficulties. In mid July, Shell admitted that the project's cost has doubled to \$20 billion, and that the completion date has been delayed by more than six months to summer 2008.

This is a severe embarrassment for the company, especially since Sakhalin had been billed as a key step in rebuilding its reserves. Now, questions are being asked about Shell's competence to manage its core business. The news will send a warning to potential investors, who are already under fire from civil society groups.

Last month, Credit Suisse First Boston, financial adviser to the project, was targeted by public demonstrations at its offices in New York and Moscow, organised by Rainforest Action Network and Greenpeace. This followed similar demonstrations in New York and Zurich in April. CSFB is the only private bank so far involved in the project, but in an advertisement in the Financial Times, the groups warned other banks stay off.

This came just two weeks after the European Bank for Reconstruction and Development, which is leading the project lender group, announced that the project did not comply with its environmental policy, and could not be sanctioned in June as expected. Given that construction is well underway, it may be too late for the project to be made compliant with EBRD requirements.

The demonstrations at CSFB coincided with a three-day blockade by indigenous people of the construction site on Sakhalin Island. The indigenous protesters, from the Nivkh, Uilta and Evenk

nationalities, are demanding an independent ethnological assessment of the impacts oil development will have on their traditional livelihoods. Research by PLATFORM has found that the project violates Banking's Equator Principles in failing to produce an indigenous peoples plan and the fact that the project threatens Western Gray Whales with extinction.

[www.sakhalin.environment.ru/en/](http://www.sakhalin.environment.ru/en/)

## BP against climate action

The seriousness of BP's public stance on climate change came into severe doubt when it emerged recently that the oil giant has been privately lobbying in Washington to block legislation that would cut US greenhouse gas emissions.

Company lobbyists told Senator Jeff Bingaman, a leading member of the Senate Energy & Natural Resources Committee, that they opposed Bingaman's proposal in the new US Energy Bill for mandatory caps on CO2 emissions.

BP said instead that it supported a proposal from Senator Chuck Hagel, which requires companies only to try to cut emissions with the promise of tax breaks.



## BP stamps on news coverage

BP's aggressive public relations has again come into the spotlight, as its media agency has warned publications to show BP any stories about the company prior to publication.

In a draconian move, WPP subsidiary MindShare - which is hired by BP to place its advertisements -

has warned publications that it may withdraw advertising if they publish any stories that mention BP, its competitors or the energy industry, without first informing the company.

Full story from Advertising Age, available at: [www.spinwatch.org](http://www.spinwatch.org)

## Texas refinery blast inquiry

Investigations continue into the disaster at BP's Texas City plant on 23<sup>rd</sup> March, the worst refinery accident in more than 10 years. A massive explosion killed 15 and injured 170 workers at the plant when oil reached 12 times the safe level in one unit. BP has said the fact that liquid level alarms failed to sound prior to the explosion was "an issue" but the company's own investigation blamed the incident on 'A series of failures by staff.'

BP is facing a number of negligence lawsuits brought by workers and their relatives. In an effort to close the issue, BP has moved quickly to pay compensation, an unusual move which

analysts and lawyers describe as BP 'taking responsibility'.

But the company has so far failed to acknowledge that its own cost-cutting may have been partly to blame. Workers at the plant accused BP of a wave of cuts dating back to 2002 and said that equipment upgrades had been axed: Newer units of the type which caused the accident burn off waste gases but at Texas City gases were vented, allowing them to build up in a cloud which then ignited

The US Chemical Safety Board and United Steelworkers union continue their separate investigations.

## Construction of Shell's Sakhalin Pipeline

## Art Not Oil, BP portrait award

BP Chief Executive John Browne was confronted by an alternative portrait of an oil company when he attended the opening of the prestigious BP portrait award at the National Portrait Gallery (NPG) on 13<sup>th</sup> June. Artists and activists brought together by London Risingtide held their own exhibition-opening opposite the gallery. Artworks arrived aboard a tricycle and the exhibition attracted public attention as well as that of around 35 police and BP's security staff.

The mobile exhibition was a taster of Art Not Oil which ran from 9<sup>th</sup> to 18<sup>th</sup> June at the Institute for Autonomy in Bloomsbury. The exhibition, which showcases work addressing the impacts of oil, climate change & corporate 'greenwash' moved to Edinburgh to coincide with the G8 summit, but it will be back in London at Oxford House throughout August.

The exhibition aims to challenge corporate sponsorship of arts and cultural institutions. The National Portrait Award was previously sponsored by John Player, but tobacco sponsorship is now out of the question. BP sponsors not only the NPG but also the Natural History Museum and Royal Opera House, all of which help the company to build what they refer to as "social licence to operate" - a public acceptance that BP is a good corporate citizen.

### Artwork outside the NPG



The exhibition is also viewable online at: [www.artnotoil.org.uk](http://www.artnotoil.org.uk)  
See also: [www.nationalpetroleumgallery.org.uk](http://www.nationalpetroleumgallery.org.uk)

## Five go to jail in Dublin over Shell pipeline

Four landowners and one supporter were jailed in Dublin last month for protesting against a Shell/Statoil pipeline in County Mayo. The five were found guilty of breaching an injunction preventing them from obstructing work on the project. For several years locals have been opposing the proposed pipeline that is set to bring gas from the offshore Corrib field.

Many local people oppose the project because the rural area has never been opened to any major industry before now. Local roads are unsuitable for the heavy construction traffic which has been bringing in pipes as well as aggregate to support the foundations of a pumping station which is being built on soft peat.

More info: [www.indymedia.ie](http://www.indymedia.ie) & [www.rte.ie](http://www.rte.ie)

## Thai pipeline resistance

Villagers in southern Thailand continue to oppose the controversial Trans-Thai Malaysia natural gas project (TTM). A group gathered on 2<sup>nd</sup> July to protest at the involvement of western banks in the project. Barclays is the lead arranger and has been the focus of the campaign.

### The project seized land which should be protected under the constitution.

This follows similar demonstrations on 5<sup>th</sup> May at a gas cracking plant which they say has seized wakaf land: common land under Islamic traditions in the mainly Muslim south of the country. Land which should be protected under the Thai constitution. The group prayed for Allah's blessing in their struggle to regain the land, but this is not an Islamist campaign.

In October last year the red flags of the pipeline protesters were seen flying at the pipeline site alongside green flags of visiting buddhist community groups from 600km north, who have successfully opposed a coal-fired power plant.

Groups including the Cornerhouse, PLATFORM, Friends of the Earth and Banktrack have helped bring the campaign home to the banks in the UK, asking them to account for their support of a project which violates Thai constitutional law and banking's Equator Principles which seek to ensure that project finance is developed in a manner that is socially responsible & reflects sound environmental principles.

## Chevron-Unocal takeover

In a reflection of the growing struggle over future energy supplies between the USA and China, Congress has voted 398-15 to oppose Chinese state-owned oil company CNOOC's bid to take over Unocal, on grounds of national security.

CNOOC was trying to counter the April takeover bid by ChevronTexaco, which is more likely to go ahead. If it does, Unocal may find itself in familiar company.

In a landmark success for human rights campaigners, Unocal last year agreed to settle two lawsuits, brought in the US by EarthRights International together with Burmese plaintiffs, over human rights violations committed by the Burmese army. Up to 2,400 soldiers were hired to guard Unocal's Yadana pipeline, which brings gas from neighbouring Thailand. The troops allegedly used forced labour, raped, tortured and in some cases murdered villagers.

Perhaps now Chevron-Texaco will be comparing notes with Unocal. A US lawsuit challenges two 1998 incidents in which Chevron's Nigerian subsidiary: CNL, hired the notorious Mobile Police Force, known locally as the "kill and go." The forces murdered and injured a number of unarmed Nigerians who were protesting against Chevron's environmental and business practices. On one occasion the forces opened fire without any warning, from Chevron-leased helicopters.

Chevron-Texaco claims it played no role in the killings.

More on Unocal case: <http://earthrights.org/unocal/index.shtml>

More on ChevronTexaco: [www.eff.org](http://www.eff.org)

## Notes from Gog & Magog

Symmetry is beautiful thing and the appointment of JJ Traynor on the 7<sup>th</sup> June to be Shell's Vice-President of Exploration & Production-Business Development Support, is a pleasure to the eye.

JJ was, until January this year, the king of the oil analysts in The City. For several years his team at Deutsche Bank won the Excel Primark award as the leading analysts in The City.

JJ has done good service at Deutsche Bank, joining after a career as a geologist in BP which took him to Nigeria, Mongolia and Angola. He learnt his trade as analyst under the guidance of Fergus McLeod, who lead the oil and gas team at the bank before JJ assumed the crown.

Fergus left Deutsche Bank in early 2002, announcing that he was forsaking The City for other pleasures, such as walking the Great Wall of China for charity. However, he was soon back in The Square Mile, this time as poacher turned gamekeeper, the head of Investor Relations at BP.

How perfect then that JJ should mirror his mentor and become his approximate opposite number at Shell. The beauty of a revolving door!

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JJ's central task will surely be spending some of Shell's cash-pile, in part generated by the hasty sale of assets such as oil retail in Spain and Portugal, on acquiring new, badly needed oil and gas

reserves. This will doubtless put him in the front line for further investments in Nigeria (more deepwater offshore?), Russia and Iraq.

Lucky for him that he doesn't have to worry about investing in renewables. At a presentation shortly before leaving



Report by JJ's team

Deutsche Bank, JJ was asked from the audience: "With Shell and BP's investment in solar, should I now - as an ethical investor - be buying shares in these companies?"

Quick as a flash JJ explained that as far as he was concerned he didn't want oil companies investing in renewables, it was a distraction which he'd discourage. Renewables investment reflected a classic case of the conflict between the shareholder agenda and the corporate agenda.

Presumably he won't be pedeling that line much in the future. It's important to stay on message.

## New Nigeria court-case

On 20<sup>th</sup> June, communities from across the Niger Delta filed a case in the Federal High Court of Nigeria against Shell, ExxonMobil, ChevronTexaco, TotalFinaElf and Agip, the Nigerian National Petroleum Corporation, and the Nigerian government, to stop gas flaring. The communities are from four Delta states (Akwa-Ibom, Bayelsa, Delta and Rivers) they filed with the help of Friends of the Earth Nigeria and the Climate Justice Programme.

The plaintiffs are looking for a legal declaration that their fundamental human rights have been violated by gas flaring as guaranteed by the Nigerian constitution and are seeking an injunction on all gas flaring in their communities.

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**Plaintiffs are looking for a declaration that fundamental human rights have been violated.**

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Shell has recently put back by a year to 2009, the date when it plans to end flaring in Nigeria. Gas flaring in Nigeria contributes more greenhouse gas emissions than all other sources in sub-Saharan Africa combined and Nigeria is the most prolific gas flarer in the world.

A report detailing the problem of gas flaring in the Niger Delta was simultaneously published by the Climate Justice Programme and can be downloaded at: [www.climatelaw.org](http://www.climatelaw.org)

Welcome to the first issue of 'Carbon Web' PLATFORM's quarterly newsletter, detailing the latest from our 'Unraveling the Carbon Web' project. In these pages we aim to give you a taste of our latest research and campaigning, as well as a rundown of the news stories which matter from the world of oil and gas - and some analysis of those stories. We would like to invite your input: if you spot a news story or if you are working on a project - in the industry, the arts or the world of campaigning - which you think might appeal to others in this 'community of interest' then let us know. We need your feedback for the newsletter to develop.

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