

Peruvian leader appeals to watchdog over 'terrible harm' caused by oil firm

Chief representative of Quechua communities in north Peru urges OECD to support battle against 'the tainting of land and rivers'

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Dan Collyns in Lima

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An Amazonian leader has travelled from Peru to the <u>Netherlands</u> to lodge a complaint with the global trade watchdog about an Amsterdam-based oil firm, demanding that the company clean up decades of pollution from his people's lands.

Aurelio Chino has accused Pluspetrol of using "letterbox" holding companies in tax havens like the Netherlands to avoid paying taxes in developing countries such as <u>Peru</u>.

The company, he alleged in his representations to the Organisation for Economic Cooperation and Development (OECD), has caused devastating health impacts through oil exploration and drilling in remote parts of Peru's rainforest.

"We have come to the Netherlands seeking justice because there is nowhere else to go," said Chino, leader of Fediquep Federacion del Pastaza, an organisation that represents Quechua communities from the Pastaza River, in Peru's northern Loreto region.

"In our own country, we were called terrorists when our only option was to pick up our spears to protest against the tainting of our rivers, our land, our fish and our animals," said Chino from The Hague.

"We hope that here we will be treated like human beings and that the Dutch government can convince Pluspetrol to take responsibility for the terrible harm the oil industry has done to our peoples."

On behalf of the <u>Achuar</u>, Quechua, Kukama and Kichwa peoples, Chino submitted the complaint to the Dutch contact point for the OECD in The Hague. His delegation called on the Dutch government to stop allowing foreign companies to abuse the country's tax law and to close the loopholes that make the Netherlands one of the world's biggest <u>tax havens</u>.

The complaint is part of a global trend towards civil society in developing countries using global legal tactics to address environmental crimes.

On Wednesday, the Peruvian delegation met Dutch MPs as well as officials responsible for processing the OECD complaint. Chino briefed them on the indigenous communities' unsuccessful efforts to convince Pluspetrol to address their demands, which date from 2000 to 2015.

The OECD's <u>guidelines for multinational corporations</u> allow individuals and communities to seek redress from powerful multinationals that have violated human rights or flouted environmental laws in developing countries.

The Peruvian delegation accuses Pluspetrol of contravening OECD guidelines by using "artificial tax avoidance structures and strategies", impacting the "human rights of the local indigenous population" and causing the "contamination of <u>at least 1,963 sites with spilled oil</u>, industrial waste, and other pollution from industrial oil extraction."

The civil society groups <u>Perú Equidad</u> and the Amsterdam-based Centre for Research on Multinational Corporations (<u>Somo</u>) have supported the complaint against Pluspetrol. The firm was founded in Argentina but now has Dutch headquarters with just one employee.

"The company has a long history of failing to comply with environmental standards and of contesting sanctions and corrective measures ordered by Peruvian environment agencies," said Yaizha Campanario of Perú Equidad.

The complaint argues the company failed to prevent and remediate harm caused by its operations in oil block 192 (formerly known as 1AB), which it is alleged contaminated local sources of water and food, affecting the health and wellbeing of roughly 25,000 people who live in the Peruvian rainforest.

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Multiple studies show the company's dumping practices have resulted in widespread contamination of natural watercourses that contain unsafe levels of heavy metals such as chloride, barium, hexavalent chromium, cadmium and lead.

More than half of the indigenous residents in the region's four river basins have blood lead levels that surpass international recommended limits, while a third have levels of arsenic and mercury above the levels recommended by Peru's health ministry, according to a <u>2018 study by Peru's</u> centre for occupational health and environmental protection for health.

Pluspetrol did not immediately respond to requests for comment.