



Friends of the Earth
Les Ami(e)s de la Terre

MEDIA RELEASE

Ontario's Top Court Lifts Barrier to Epic Struggle Against Chevron

October 31, 2017 (Ottawa, Canada) - Today, Ontario's top court reversed the decision of a lower court that ordered Ecuadorian villagers to put up almost a million dollars before moving ahead with their case against Chevron.

The Ecuadorian Indigenous people and settlers came to Canada seeking enforcement of the ruling of their court that the polluter must pay. They are asking Canadian courts to make Chevron Canada pay the US\$9.5 billion award made in 2013 by Ecuadorian courts over the company's devastation of their environment and resulting health impacts. Canada's Supreme Court has already ruled that the case can be heard in Canada.

The Court's decision says, "Courts must be vigilant to ensure an order that is designed to be protective in nature is not used as a litigation tactic to prevent a case from being heard on its merits... The Rules explicitly provide that an order for security for costs should only be made where the justness of the case demands it...the unique factual circumstances of this case compel the conclusion that the interests of justice require that no order for security for costs be made. To conclude otherwise, in our view, would result in an unjust order for security for costs."

The Court concluded, "The history of this litigation, which has been ongoing for almost twenty-five years, makes clear that Chevron Corporation has and, it may be anticipated, will employ all available means to resist enforcement of the Ecuadorian judgment. This, of course, is within its rights. However, this reality makes it difficult to accept that the motion for security for costs was anything more than a measure intended to bring an end to the litigation."

The Union of Affected People by Texaco (UDAPT) confirms its commitment to continue fighting until they have access to justice.

Willian Lucitante, President of the Union of Affected Peoples by Texaco, UDAPT, said: We will not rest until we have access to justice. Today's decision puts to rest the outrageous request by Chevron and allows us to move forward."

Humberto Piaguaje, another indigenous leader said, "We were surprised by the unnecessary request by Chevron for \$ 1,000,000. For Indigenous people, that would have been a barrier to access to justice. Now we go forward with resolve to have our case heard on its merits in the courts in Canada. Justice has too long been denied to us."

The Canadian case, launched in 2012, is based on the position that a company cannot hide behind a subsidiary to avoid its creditors. The villagers first sued Chevron in 1993 after Texaco,



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bought by Chevron, polluted their environment, some 1,500 square kilometres of rain forest, village drinking water and farms.

Friends of the Earth Canada's CEO, Beatrice Olivastri said that "Chevron's request for a security deposit was a tactic to try to halt this precedent-setting case that could "pierce the corporate veil" of Chevron and allow the courts to make the polluter pay for its deeds in Ecuador long ago."

Chevron operates 1,500 subsidiaries with \$225-billion annual revenues. The Ecuadorian villagers have an average income of about \$20 a day.

The court recognized that the Ecuadorians "are seeking to enforce a judgment in which they have no direct economic interest. Funds collected on the judgment will be paid into a trust and net funds are to be used for environmental rehabilitation or health care purposes. This is public interest litigation."

The Court has ordered Chevron Corporation and Chevron Canada to pay the appellants' costs of the motion in the agreed all-inclusive sums of \$4,000 and \$7,500, respectively.

For more information, contact:

Julio Prieto, UDAPT representative for English interviews, by phone +1267356098 and by email julprieto@hotmail.com

Beatrice Olivastri, CEO, Friends of the Earth Canada by email Beatrice@foecanada.org
or John Bennett, Senior Policy Advisor, Friends of the Earth Canada 1 613 291 6888

Friends of the Earth Canada (www.foecanada.org) is the Canadian member of Friends of the Earth International, the world's largest grassroots environmental network campaigning in 75 countries on today's most urgent environmental and social issues.

UDAPT is the Union of Affected Peoples by Texaco.