

Ecuador: Prosecutor Recuses Himself In Chevron Case

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QUITO - Ecuador's Prosecutor General Washington Pesantez has removed himself from the prosecution in a case against two Chevron Corp. (CVX) attorneys, the U.S.-based company said.

In a Dec. 3 letter, Pesantez said that he has previously issued judicial opinions related to the current investigation and delegated the case to another high official of the Prosecutor's office.

In 2007 Pesantez, acting as a district prosecutor, said that there "were no indications of civil, administrative or criminal liability against the officers of the Ecuadorian Government and the representatives of Texaco in relation to environmental damages which may have taken place in the Amazon region."

In a press release Chevron said that Pesantez' decision "illustrates the meritless nature of the Ecuadorian government's persecution of our attorneys. No new evidence has been presented and this decision by the Prosecutor General simply highlights the overwhelming body of evidence exonerating Texaco Petroleum as well as the conduct of its attorneys."

Chevron is facing a lawsuit in Ecuador for Texaco's alleged contamination in the Amazon region of Lago Agrio.

The company is accused of having used out-of-date technology that led to environmental damage.

Chevron acquired Texaco in 2001.

The complaint started in 1993 with a lawsuit in New York courts, which ruled that the case should be tried in Ecuador. In May 2003, several indigenous groups filed a lawsuit against the company in Lago Agrio, Nueva Loja.

The company denies the allegations and said it had met all requirements for environmental cleanup that were agreed upon with Ecuadorian state oil company, Petroecuador, spending about \$40 million.

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The plaintiffs said that this release isn't from individual claims and that the so-called "cleaned up" pits remain contaminated.