

President of Ecuador Denounces Pressure by OXY Oil Company



Quito, December 23 (PL-RHC)-- Ecuadorian President Rafael Correa denounced the U.S. oil company OXY seeks to impose a clause that would allow it to continue to sue Ecuador, after the payment of a fine imposed on the South American country by an arbitration tribunal.

Correa said on Tuesday that Ecuador requires a comprehensive agreement in which both sides agree to settle the matter, and affirmed that "we are negotiating really hard" with Occidental Petroleum Corporation (OXY) on the payment of the nearly \$1 billion 400 million imposed by the Annulment Committee of the International Center for Settlement of Investment Disputes (ICSID) on November 2nd.

The president recalled that the trial won by the oil company before ICSID tribunal was totally illegitimate, and said it is the result of the Investment Protection Treaties signed by neo-liberal governments that preceded him.

Unfortunately, the sentence was the result of treaties signed by submissive governments, the president said, and noted that these tribunals always favor big capital.

OXY sued Ecuador in 2006, after the Ministry of Energy canceled his contract to exploit an oil block in the Amazon region.

Ecuadorian authorities decreed the expiration of the agreement, because the oil company gave 40 percent of its exploitation rights to a Canadian company, without the consent of the State.

Although the decision of the arbitration tribunal states that the transnational must get only a 60 percent plus interest, as was decided by ICSID in 2012, it is still a prohibitive figure for Ecuador.

Correa, since his assumption of power January 2007, established a government program known as Citizen Revolution, and in 2009 decreed the exit of Ecuador from the ICSID, which is a member and operates under to the World Bank Group.

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