

US firm to make pay-out for China oil spill: report

April 2 2012



This file photo shows a general view of the Chinese energy giant CNOOC facility in southern China, pictured in 2009. ConocoPhillips and its Chinese partner, CNOOC, will pay around 305 million yuan (\$48 million) to fishermen in a northern port city over a major oil spill last year, a state-backed newspaper said Monday.

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The US oil giant and state-owned CNOOC, which jointly developed the offshore Penglai field, had reached an agreement to compensate fishermen in Qinhuangdao city affected by the spill last June, the [Shanghai Daily](#) reported.

Several groups of fishermen have filed [lawsuits](#) against [ConocoPhillips](#), seeking compensation for alleged losses to their livelihoods due to the

spill, which triggered a huge public outcry and critical media coverage in China.

The two firms have previously said they would pay a total 1.0 billion yuan in compensation for the spill, which allowed more than 3,000 barrels of oil and oil-based mud -- used as a lubricant in drilling -- to spill into the sea.

In January, ConocoPhillips announced the 1.0 billion yuan would be paid as compensation to settle both public and private claims of affected fishermen.

It was unclear if the latest compensation was part of that 1.0 billion yuan package. The companies and the local government could not be reached for comment Monday, a public holiday in China.

The newspaper quoted Qinhuangdao officials as saying they were studying how to distribute the money to those affected by the spill.

Environmental groups and local [fishermen](#) have accused ConocoPhillips and CNOOC of initially covering up the spill, saying it was discovered in June but only made public nearly a month later.

Both firms deny the allegations. ConocoPhillips says it cooperated with authorities as soon as the accident occurred.

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