

Dutch ruling: What does it mean for Shell in Nigeria?

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Shell has been drilling in Nigeria for the last half-century and is the country's biggest producer

A Dutch appeals court on Friday permitted four Nigerian farmers and fishermen to sue oil giant Shell for environmental pollution at a court in the Netherlands.

The farmers are pushing to have Shell held liable for pollution caused by



oil spills in the Niger Delta, an oil-rich but poverty-stricken region.

They want Shell to clean up the spills, pay <u>financial compensation</u> for economic losses and better secure and maintain pipelines to avoid further damage to the region.

Shell has always blamed sabotage for the spills, which under Nigerian law would mean it's not liable to pay compensation.

The ruling could pave the way for many Nigerians to take Shell to court for financial compensation after their livelihood were hurt by spills.

What is Shell accused of doing?

The four farmers, backed by the Dutch branch of environmental group Friends of the Earth, accuse Shell of neglecting to maintain pipelines, which they say have resulted in oil spills.

Farmer Eric Dooh described his life in the village after a 2004 oil spill as "miserable." With the environment polluted, Dooh was unable to fish and people were turning into "walking corpses" and falling sick from eating contaminated food.

Environmental and <u>human rights</u> groups say the spills could have been preventable if Shell had properly maintained and patrolled the pipelines.

Shell is the biggest producer of oil in Nigeria, the continent's largest economy.

Since it began pumping oil in the late 50s, the company has been heavily criticised for failure to stop oil spills and, when they happen, to clean them up.



Why is Shell being sued in the Netherlands?

"Hundreds of lawsuits in Nigeria have almost never led to any results, due to the ineffective legal system and corruption in that country," said Friends of the Earth on its website.

In a bid to get Shell's parent company in the Netherlands to take responsibility for the environmental impacts of their operations in Nigeria, the farmers and the environmental group filed the case in a Dutch court in 2008.

But in 2013 a lower Dutch court ruled that Shell could not be held liable for what happened in Nigeria.

The issue is a matter of jurisdiction: can companies be subject to court proceedings in their home country for acts committed overseas?

In this case, the Dutch <u>appeals court</u> said yes, Shell can be held liable for negligence of their overseas subsidiaries.

"The Dutch courts and this court consider it has jurisdiction in the case against Shell and its subsidiary in Nigeria," Judge Hans van der Klooster said at the appeals court in The Hague, ruling that Shell also had to turn over documents that the farmers believe will show the company's negligence in maintaining its oil pipelines and guarding against sabotage.

The case is expected to be heard next year.

Why is the ruling important?

In the past, Shell has not been held liable in the Netherlands for environmental damage its operations have caused in Nigeria.



This landmark ruling could set a precedent that would allow Nigerians who have suffered from environmental damage caused by Shell's oil spills to have cases heard in the Netherlands.

Environmental groups have long accused multinationals of double standards in developing countries as opposed to regions such as Europe and North America.

The recent Shell judgement may help address the imbalance. "This ruling is a ray of hope for other victims of environmental degradation, human rights violations and other misconduct by large corporations," said Geert Ritsema, a Friends of the Earth activist.

"It will open the floodgate to other suits," said Godwin Ojo of the Environmental Rights Action (ERA), a Port Harcourt-based environmental rights group.

"It will now make Shell socially responsible for the impacts of its operation in the Niger delta," said Ojo. "It will compel them to pay compensation and take the issue of environmental degradation and neglect seriously."

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