

Global Witness in Guyana accuses Exxon of exploitative contract



Georgetown, February 8 (RHC)-- Guyana is losing \$55 billion with its current oil license deal with Exxon according to an analysis of the international human rights and anti-corruption group Global Witness.

The group urged the Guyanese government to renegotiate the agreement as they found that the rushed deal left the country with a lower profit share from Exxon's Stabroek oil license than countries generally get from such negotiations.

The investigation is based on a study by financial analysis firm OpenOil comparing Guyana's contract with Exxon to deals between governments and oil companies around the world. The survey entitled "Signed Away" reports that Guyana could lose up to \$1.3 billion per year.

"It is shocking that Exxon would seek such an exploitative deal in one of the Western Hemisphere's poorest countries," Jonathan Gant, senior campaigner at Global Witness said. Gant also explained the nation's urgent development needs, such as building new hospitals and schools and protecting itself from rising sea levels, that put 90% of the population at risk.

The government's total 2019 annual budget is \$1.4 billion. With additional money from Stabroek, Guyana could double its annual \$172 million health budget, \$251 million education budget, \$185 million infrastructure budget, and still have \$700 million left each year.

Gant pointed out that because of the threats to Guyana posed by the global climate, the nation should "renegotiate the Stabroek license and then ban all new drilling in the country." The group's investigation also threw some light over a possible conflict of interest of Guyanese Natural Resources Minister Raphael Trotman during the deal negotiations because his political ally, Nigel Hughes, was a lawyer for Exxon.

This idea fueled by the fact that Exxon violated its policies when it paid for Trotman to take a lavish trip to the company's Texas headquarters, complete with a first-class flight, a stay at an expensive hotel, and a meal at an exclusive restaurant, Common Dreams reports.

Global Witness also said U.S. authorities, including the State Department, should support renegotiation.

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