

U.S. Supreme Court Rules Ecuador Owes Chevron \$96 Million



Washington, June 8 (RHC)-- The U.S. Supreme Court has rejected Ecuador's challenge to a \$96 million international arbitration award in favor of energy company Chevron Corp. in a dispute over the development of oil fields in the South American country.

The high court's refusal to hear the case leaves in place an August 2015 ruling by the U.S. Court of Appeals for the District of Columbia Circuit upholding a 2011 award in Chevron's favor from The Hague's Permanent Court of Arbitration in the Netherlands.

The dispute stems from a 1973 deal that called for Texaco Petroleum Co, later acquired by Chevron, to develop oil fields in exchange for selling oil to Ecuador's government at below-market rates. Texaco filed several lawsuits in the 1990s accusing Ecuador of violating the contract.

Chevron initiated an arbitration proceeding at The Hague in 2006, claiming Ecuador's courts failed to resolve the lawsuits in a timely manner, violating a treaty between Ecuador and the United States. A panel awarded Chevron \$96 million plus interest, which was subsequently upheld by the Dutch court system.

Chevron then filed a federal lawsuit in Washington, seeking a judgment confirming the panel's decision in order to collect the award. After a federal judge affirmed the award in 2013, Ecuador appealed to the Court of Appeals for the District of Columbia Circuit.

Ecuador said the arbitration tribunal has no jurisdiction in the case because the bilateral trade agreement took effect five years after Texaco ended operations in Ecuador in 1992.

The case is not part of a separate legal battle brought by a group of Ecuadorean villagers who claim Texaco caused billions of dollars in pollution damage when it began exploring oil deposits in the 1960s.

<https://www.radiohc.cu/en/noticias/internacionales/96178-us-supreme-court-rules-ecuador-owes-chevron-96-million>



Radio Habana Cuba