

Ecuador state-owned oil company declares Force Majeure on all oil contracts



Quito, October 10 (RHC)-- Ecuadorean state-owned oil company Petroecuador has declared 'Force Majeure' on all crude oil trading operations and other contractual obligations that the firm maintains due to ongoing protests against Lenin Moreno's government across the country.

'Force Majeure' refers to a clause that is included in contracts to remove liability for natural and unavoidable events that interrupt participants from fulfilling obligations, thus serving as a justification to avoid fines or penalties for breaches.

The measure will last as long as the country remains under protests. The company estimates that to date there have been \$12.8 million in losses, due to the fact that 231,800 barrels of crude oil have ceased to be produced.

Currently, Ecuador has medium-term contracts with the state-owned companies of Petroperu and Enap of Chile, and long-term contracts with the Asian firms PetroChina, Unipet, and PetroThailand.

Over the past week, massive protests have erupted across the country to protest against the neoliberal

economic measures announced by Moreno last week. Pichincha Universal has been reporting the incidents on the ground, especially police repression against thousands of protesters that reached Quito on Monday.

The Ecuadorean government is implementing such policies to comply with conditions from the International Monetary Fund (IMF), an institution that will lend \$4.2 billion to this Andean country.

<https://www.radiohc.cu/index.php/en/noticias/internacionales/204503-ecuador-state-owned-oil-company-declares-force-majeure-on-all-oil-contracts>



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