

1 [Resolution Condemning Chevron Corporation for its Domestic and International Business
2 Practices]

3 **Resolution condemning Chevron Corporation for a systematic pattern of ethically**
4 **questionable investments, complicity in human rights abuses, and environmental**
5 **devastation in countries and communities in which it operates.**

6 WHEREAS, Chevron Corporation is a California based company profiteering off of the
7 war in Iraq, and facing serious questions about its human rights and environmental record in
8 countries such as Ecuador, Burma, Nigeria, Canada, and Angola, as well as in the United
9 States, including Alaska and here locally in Richmond, California; and,

10 WHEREAS, From 1964 to 1992 Texaco (now Chevron) built and operated oil
11 exploration and production facilities in the northern region of the Ecuadorian Amazon, and
12 systematically dumped 18 billion gallons of toxic waste directly into the rainforest, and
13 Chevron is a defendant in a class-action lawsuit in Lago Agrio, Ecuador where thousands of
14 rainforest dwellers are seeking clean-up damages; and,

15 WHEREAS, A court-appointed expert in the Lago Agrio trial in Ecuador recently issued
16 a report to the judge recommending that Chevron be held liable for damages of up to 16
17 billion dollars, representing the cost of environmental remediation as well as an "unjust
18 enrichment" penalty for the billions of dollars saved by Texaco (now Chevron) by deliberately
19 using inadequate environmental controls in Ecuador; and,

20 WHEREAS, Chevron has been implicated in a disturbing pattern of threats and
21 corruption in the environmental trial out of Ecuador, and the contractual ties between Chevron
22 and the Ecuadorian military strongly suggest that Chevron is responsible for the surveillance
23 and threats against plaintiffs' representatives, which were in some cases perpetrated by
24 identified military officers; and,
25

1 WHEREAS, The intimidation of the plaintiffs has become so intense that the Inter-
2 American Commission on Human Rights of the Organization of American States, has granted
3 a petition requesting precautionary measures from the Ecuadorian government, the United
4 Nations Secretary General's Special Representative on Human Rights Defenders, Hina Jilani,
5 has written a letter to the Ecuadorian government urging it to prosecute the perpetrators and
6 protect the plaintiffs and their legal team; and,

7 WHEREAS, Chevron is accused of polluting land and water resources in its ongoing
8 operations in the Niger Delta, and four Nigerian plaintiffs are suing Chevron in San Francisco
9 federal court over a 1998 incident in which Nigerian military and police paid by Chevron and
10 using Chevron helicopters shot and tortured villagers who protested Chevron's oil activities in
11 the desperately poor Niger delta; and,

12 WHEREAS, Chevron's activities in Richmond, California have been the subject of
13 ongoing controversy. The EPA reported almost 300 pollutant spills from Chevron's Richmond
14 refinery from 2001 to 2003 alone. These are highly toxic, often cancerous chemicals spilling
15 directly into residential communities. The EPA lists the refinery in "significant noncompliance"
16 for air pollution standards and toxic flaring is a regular occurrence. Deadly accidents are a far
17 too common occurrence, including massive explosions and fires. Richmond's cancer and
18 child-asthma rates exceed area, state and national averages; and,

19 WHEREAS, Chevron's 2007 SEC 10K tax filing states that the company intends to
20 continue the "design and engineering for a project to increase the flexibility to process lower
21 API-gravity crude oil" at its Richmond, California refinery. Lower API-gravity crude is heavy
22 crude which is more laden with toxins and pollutants. Chevron is telling Richmond residents
23 that it does not intend to burn heavier crude in Richmond. Chevron has refused to embrace
24 new, cleaner technology in Richmond. Heavier grade crude oil will require more heat and
25 pressure and result in more pollution, potentially increasing dangerous emissions from the

1 refinery by an estimated 800 tons per year, according to Communities for a Better
2 Environment. Chevron is currently expanding its production in heavy crude areas such as the
3 tar sands of Canada; and,

4 WHEREAS, Chevron has been an early and eager profiteer of the Iraq war.
5 Representatives of Chevron took part in the Cheney Energy Task Force meetings that
6 included the close investigation of Iraq's oil fields and oil productive capacity. Chevron was
7 one of the first corporations to win marketing contracts for Iraqi oil following the war. Chevron
8 has continued regular negotiations with Iraq in pursuit of contracts while the Bush
9 administration pressures the Iraqis to pass the Iraq Oil Law that would all but privatize Iraq's
10 oil system, opening at least two-thirds of Iraq's oil to foreign companies with 20-35 year
11 contracts. If the Bush administration and Chevron are successful, the U.S. military will likely
12 be mired in Iraq for decades; and,

13 WHEREAS, Chevron is a leading producer in the Alberta tar sands and currently has
14 plans to spend an additional two billion dollars to expand its tar sands production. Mining and
15 extraction of the Alberta tar sands has extreme environmental and social costs. Tar sand
16 production generates almost three times more global warming pollution than does
17 conventional oil production; and,

18 WHEREAS, Chevron, through its takeover of Unocal in 2005, is a partner with the
19 military regime of Burma in the notorious Yadana natural gas pipeline project which involved
20 mass forced labor and other human rights abuses, committed by the army on Unocal's behalf.
21 Moreover, Chevron Corporation is one of the largest foreign investors in Burma. Their

22 Yadana project funnels tens of millions of dollars to the regime, money the military needs to
23 retain its stranglehold on power; and

24 WHEREAS, The devastation of the May 2, 2008, tropical cyclone Nargis natural
25 disaster, was compounded by the criminal negligence of Burma's military regime, the refusal

1 to allow relief aid and workers prompt access, and going through with the May 10th election
2 during this tragedy while criminalizing opposition to the referendum. Burma's military regime
3 relies heavily on the oil and gas sector to sustain itself in power. In its latest report, the New
4 York based Human Rights Watch (HRW) pointed out that billions of dollars generated by the
5 oil projects in Burma, which involved at least 27 companies from 13 countries, helped to fund
6 the military without bringing benefits to ordinary people. California-based U.S. oil giant
7 Chevron is one major player cited in the HRW list. This foreign investment provides a crucial
8 source of support to the junta, allowing it to ignore demands that it returns Burma to civilian
9 rule and end human rights abuses. The regime earned approximately \$2.16 billion in 2006
10 from the Chevron's investment, Yadana Gas Pipeline project that channels Burma's gas to
11 Thailand, allowing the regime to tighten its grip on the power greatly oppressing its people
12 and the opposition forces; and,

13 WHEREAS, In 2002, the Angolan government fined Chevron two million dollars for oil
14 spills from a pipeline that polluted beaches and damaged fishing in the Cabinda region; and,

15 WHEREAS, in Pandacan, Philippines, oil depots partially owned by Chevron threaten
16 the health and safety of over 84,000 residents. In February 2008, following a deadly tanker
17 explosion, the Philippine Supreme Court reaffirmed its decision to uphold a city ordinance
18 forcing closure and relocation of the oil depots, citing the need to protect residents from
19 "catastrophic devastation." Despite community opposition to the depots, Chevron has yet to
20 comply; now, therefore, be it

21 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
22 condemns Chevron Corporation for a systematic pattern of socially irresponsible activities
23 and complicity in human rights violations that is at odds with the values of the citizens of San
24 Francisco, and at odds with the standards of ethical conduct those citizens expect from
25 corporations based in the Bay Area, in our own communities, as well as abroad.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 080788

Date Passed:

Resolution condemning Chevron Corporation for a systematic pattern of ethically questionable investments, complicity in human rights abuses, and environmental devastation in countries and communities in which it operates.

June 10, 2008 Board of Supervisors — ADOPTED

Ayes: 8 - Alioto-Pier, Ammiano, Chu, Daly, Elsbernd, Maxwell, Mirkarimi,
Sandoval

Absent: 3 - Dufty, McGoldrick, Peskin

File No. 080788

I hereby certify that the foregoing Resolution was ADOPTED on June 10, 2008 by the Board of Supervisors of the City and County of San Francisco.

Date: June 19, 2008

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.

Clerk of the Board

File No.
080788