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The Brazilian government fined oil giant Petroleo Brasileiro (PETROBRAS) following the nation's worst oil spill in 25 years. Environmental damage from the spill could take 20 years to repair, say environmentalists. As much as 3.8 million liters of crude oil leaked when an underwater pumping line ruptured Jan. 18. The line transports industrial petroleum from the Reduc refinery in Duque de Caxias, just north of Rio de Janeiro, to a byproducts warehouse on an island in the bay. Oil soon began to wash up on beaches near Rio.

The effects were aggravated by winds that spread the slick over 80 sq km, reaching the Guapimirim mangrove swamps, an environmentally protected area deep in the bay that is an important breeding ground for fish and wildlife. The swamp is home to endangered species such as the yellow-throated alligator and the blue egret. The Guapimirim swamps were declared a protected area 20 years ago, but biologist David Zee of the Rio de Janeiro state university said that "in just a few hours, all the effort realized since then has been lost."

Biologist Mario Moscatelli sat on the bank of the Surui River and looked at the black scum covering the rocks, sand, and mangrove roots. Dead sea birds coated in oil floated in the tide, although dozens of volunteers have been trying to clean the feathers of the birds that have been rescued. "The Surui River is practically dead," said Moscatelli, of the Rio de Janeiro state environmental affairs department. "If this isn't an environmental crime, I'll tear up my biologist's certificate."

Although PETROBRAS installed floating fences to contain the spill, scientists said it was too late to stop the damage to the area's ecosystem. "The buoys are for the next spill, because it's already too late for this one," said Moscatelli. "What PETROBRAS did was asphalt the marsh. The crabs and other animals are submerged in the oil."

The oil will also allow pollutants like mercury that nearby industries have dumped into the waters to enter the food chain, experts said. "If you consider the ecosystems surrounding the spill, it's the worst accident ever in Brazil and comparable to the one in Alaska," said Roberto Kishinami, director of Greenpeace in Brazil.

Refinery operated without license

On Jan. 21, PETROBRAS published an ad in major newspapers admitting its responsibility for the disaster. "PETROBRAS has no excuse," the text read above a picture of an agonizing, oil-covered egret. "It has an obligation to regain the confidence of Brazilian society." Environment Minister Jose Sarney Filho, who flew over the bay with PETROBRAS President Henri Philippe Reichstul, said the company would be fined the maximum US$28 million. "As a state company, PETROBRAS should set an example," Sarney Filho said. "They will be punished in exemplary fashion."
But although federal Instituto Brasileiro do Meio Ambiente e Recursos Naturais Renovaveis (IBAMA) levied the maximum US$28 million fine, PETROBRAS received a 30% discount for paying in cash. Reichstul, who only became PETROBRAS president last April, said the company would pay the fines along with all other cleanup costs. The environment committee of the Rio state legislature filed charges against PETROBRAS for crimes against the environment. The Globo TV network reported that, in addition to the US$28 million fine, the company could be fined US$2,780 for each animal that dies because of the spilled oil. State environmental officials said the leak was caused because PETROBRAS' pipelines are old and poorly maintained.

On Jan. 25, the company issued its initial investigation report, which blamed the accident on a pipeline that ruptured from a combination of thermal expansion causing pressure inside the duct and unstable footing underneath it. The report said human error allowed the leak to continue for four hours before being detected. Rio state authorities said the Reduc refinery had a similar leak in 1997 and was operating without a required license.

Environmentalists say the disaster could have been prevented and blame PETROBRAS for sloppy management that kept the unlicensed refinery running after the 1997 spill. "Why didn't PETROBRAS take the steps it should have, allowing a repetition of the accident, this time with a much bigger spill?" asked Vilmar Berna, editor of the Brazilian environment newspaper Jornal do Meio Ambiente. On Jan. 30, Leonel Brizola, president of the Partido Democratico Trabalhista (PDT), said the spill could have been caused by sabotage against PETROBRAS to demoralize the company and facilitate its privatization. "All indications point in that direction," said Brizola.

The PETROBRAS engineers association called for a detailed investigation to determine the causes of the oil spill. "There are questions that have not been answered, and sabotage cannot be discounted," said association president Fernando Siqueira. "This accident happened just as negotiations for the purchase of stock in the refinery were well-advanced between the Spanish company Repsol and PETROBRAS. A major accident like this would damage the image of the company and create a favorable climate for its privatization or sale."

Local jobs threatened

The disaster left about 10,000 members of the local fishing community without a source of income. Their lawyers said they would sue PETROBRAS for US$67 million for material losses, as well as monthly payments for the period of forced inactivity. Many fishers have put their boats up for sale. Tourism has also been affected. The beaches on Ilha do Governador and Ilha de Paqueta in the middle of the bay, major tourist attractions, are now covered with oil.

On Jan. 31, Reichstul said PETROBRAS would begin monthly payments of between US$84 and US $280 to about 3,000 people who earned their living fishing. He said the payments would continue as long as the IBAMA prohibits commercial fishing in the bay. Another 2,000 people, mostly merchants in beach communities who earn their livelihood from tourism, will also receive payments from PETROBRAS.

The announcement of the payments came a few hours after fishing boats blocked the entrance to the bay in a protest that halted all ships headed to the city. The fishers said the oil spill had caused
more than just ecological harm. "We are criticizing what is being done," said Joberto Alves. "We don't have any way to make money, but what they are offering doesn't cover even half what we earn fishing." "All parts of society must be included in this discussion," Rio state Deputy Carlos Santana told protesters. "You don't see the oil on top of the water anymore, it has sunk down and is killing everything underneath." [Sources: Inter Press Service, 01/21/00; The New York Times, 01/24/00; CNN, 01/24/00, 01/25/00; El Nuevo Herald (Miami), 01/22/00, 01/29/00; Spanish news service EFE, 01/19/00, 01/21-24/00, 01/28/00, 01/30/00, 01/31/00; Reuters, 01/19/00, 01/24/00, 01/25/00, 01/28/00, 01/31/00; Associated Press, 01/19-21/00, 01/24/00, 02/03/00]

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