

RPT-Camisea Killing Tribes, Harming Amazon

Robin Emmott

Reuters

March 27, 2004

LIMA, Peru, March 27 (Reuters) - Peru's controversial Camisea gas project is killing off native tribes in the Amazon jungle, polluting the environment with diesel spills and waste dumps and causing large-scale deforestation, two leaked government reports released by environmentalists said on Saturday.

Between May 2002 and May 2003, 22 indigenous people died after exposure to respiratory illnesses from gas pipeline workers and 30 percent of the 500-strong Nanti tribe has died since 1995, the Health Ministry said in a study released by U.S. lobby group Amazon Watch at the Inter-American Development Bank annual meeting in Lima.

A separate Energy and Mines Ministry report carried out last September but never made public said the Argentinian-led Camisea consortium had failed to clear up diesel spills and waste dumps in the gas pipeline area.

Reuters obtained copies of the report, which Amazon Watch said were leaked by officials. Neither the Health Ministry nor the Camisea consortium were available for comment.

Energy and Mines Minister Jaime Quijandria declined to comment on the two reports, but said the government was "doing everything necessary" to enforce environmental standards and protect Peru's indigenous groups in the project area.

"No one has been able to prove the source of any deaths. This rumor about epidemics is repeated every few years," Quijandria told Reuters.

Transportadora de Gas del Peru, or TGP, the Argentine-led consortium, said on Friday it had met all environmental requirements.

The IADB, which expects to sign the \$75 million loan for Camisea in April or May -- meaning the money can be paid out -- said it had seen the reports and that they were genuine.

"It may look bad, but there are things in the field that have to be corrected ... and are being corrected," said Elizabeth Brito, the IADB's natural resources specialist.

NEGATIVE IMPACTS

"Negative environmental impacts generated during the construction (of the gas pipeline) are significant and of great magnitude," said the Energy and Mines Ministry report, which Amazon Watch said was distributed to officials on Sept. 5, five days before the IADB approved a \$75 million loan for Camisea.

Until now, Peru has always said Camisea met international environmental standards, a prerequisite for project financing from the IADB.

The Health Ministry report said half of indigenous children in the Camisea area were suffering from chronic malnutrition, without giving more details. Amazon Watch and indigenous groups said deforestation had destroyed food plantations.

Camisea is expected to supply gas to Lima in August and could begin exporting gas in 2007.

The Camisea gas field was discovered in 1982. Royal Dutch/Shell and Exxon Corp. spent two years in exploration, but pulled out in 1998 amid commercial doubts. The U.S. Export-Import Bank last year refused to back a \$214 million loan because of environmental worries.

Argentina's third-biggest oil group, Pluspetrol, leads the Camisea development group that includes Hunt Oil of the United States, SK of South Korea and Argentina's Techint. Techint is leading the transport consortium with Pluspetrol, Hunt, SK, Algeria's Sonatrach, Peruvian construction company Grana y Montero and Belgium's Tractebel.