Shell accepts responsibility for oil spill in Nigeria

03 August 2011

In the first case of its kind, oil giant, Shell, has admitted liability in a legal claim brought in the UK on behalf of some 69,000 Nigerians living in one of the world’s poorest communities. The case against Shell results from two massive oil leaks in 2008/9 which caused devastating damage to the environment, in particular the waterways of the fishing community of the Bodo Community in the Niger Delta.

London based law firm Leigh Day & Co represents the Bodo Community and has brought a claim for damages against Royal Dutch Shell plc (RDS) and its subsidiary Shell Petroleum Development Company (Nigeria) Ltd (SPDC). This is the first time these companies have faced claims in the UK for damage resulting from an oil spill from its operations in Nigeria.

Shell says it was informed of the first leak in early October 2008. The community says the leak by then had already been pumping oil for some six weeks. Even then it took Shell over a month to repair the weld defect in one of its pipelines, which had resulted in oil pumping out of the pipeline into the local community at an estimated rate of 2,000 barrels per day.

The oil spill has caused massive contamination in the creek, rivers and waterways in the Bodo area, as well as the areas’ mangroves, causing devastating pollution to the entire Bodo creek. The damage is estimated to have affected an area of 20 km2 in the Gokana Local Government Area of Rivers State in Nigeria.

A further spill occurred in December 2008 and was also the result of equipment failure. It was not capped until February 2009 during which time even greater damage was inflicted upon the creek as tens of thousands of barrels of crude oil pumped into the rivers and creeks.
The amount of oil spilt is estimated to be as large as the spill following the Exxon Valdez disaster in Alaska in 1989 and that the amount of coastline affected is equivalent to the damage done following the BP Deepwater Horizon disaster in the Gulf of Mexico in 2010.

The claim was brought in this country in April of this year and very shortly afterwards Shell wrote accepting responsibility for the two spills. In an agreement between the parties, SPDC has agreed to formally accept liability and concede to the jurisdiction of the UK, which means that the claim against RDS will cease.

The lawyer representing the claimants, Martyn Day from Leigh Day & Co, welcomed the approach taken by Shell. He said:

“This is one of the most devastating oil spills the world has ever seen and yet it had gone almost unnoticed until we received instructions to bring about a claim against Shell in this country. I am pleased that having been notified of the claims Shell has been acting speedily to put right the terrible damage that has resulted. I would hope that we will see urgent work being carried out to remediate the local environment.

“The Bodo people are a fishing community surrounded by water. What was the source of their livelihood now cannot sustain even the smallest of fish. The spills have caused severe poverty amongst the community. We will be pressing Shell to provide them with adequate compensation immediately.”

A United Nations Environment Programme on the impact of oil pollution on Nigeria’s Niger Delta is due to be published on Thursday 4 August.

For further information please contact David Standard on 07540 332717.

Information was correct at time of publishing. See terms and conditions for further details.

Our Expertise

- International and group claims

Who worked on this case

- Daniel Leader
- Martyn Day

Related links

- Shell accepts liability for two oil spills in Nigeria Guardian 3.8.11