

Co-op bank to help fund action against oil sands development

OIL & GAS

By Ed Crooks

The Co-op banking and investment group is paying £50,000 to fund a legal action in Canada that could block the development of the country's oil sands by companies such as Royal Dutch Shell and BP.

The money will be used to fund evidence-gathering for the case being brought by the Beaver Lake Cree nation, an aboriginal community in Alberta, the province where the oil sands industry is based.

The Beaver Lake Cree argue that their rights to hunt, fish and gather plants in the area, granted by treaty in 1876, have been violated because of pollution created by oil sands developments.

Shell, which is a big investor in the oil sands, and BP, which began looking at a possible investment only relatively recently, would be less affected than some other companies active in Alberta if the case were to succeed.

However, the legal action keeps up the pressure on an industry that is hated

by environmentalists, and threatened by political opposition and financial difficulties caused by the fall in the oil price.

Co-operative Financial Services, the mutually-owned group that includes the Co-op bank, is supporting the case as part of a campaign against the oil sands that it is launching this week.

It plans to spend £500,000 in its campaign against what it describes as "Toxic Fuels", in association with WWF, the environmental group.

The Co-op has since the early 1990s pursued policies of ethical investment and campaigning on social issues.

Co-operative Asset Management, a socially responsible investment fund that is part of the CFS group, last year urged British companies to abandon plans for further oil sands developments.

The industry has been a lightning rod for environmentalists because of its carbon dioxide emissions, which are typically higher than for conventional oil production, and because of its effect on the area, which



United in purpose: Chief Al Lameman of the Beaver Lake Cree, inspects a lump of oil sands with members of staff from the Co-op bank

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is scarred by huge open-cast mines and ponds that collect polluted waste water.

Aboriginal communities have taken varying attitudes to the industry. The Beaver Lake Cree, who are further from the heart of the devel-

opments than some, say the animals they traditionally hunt, such as caribou and elk, have been either driven away by disturbance by the oil sands projects, or contaminated by the industry's pollution. Their case,

brought against the governments of Canada and Alberta, argues that the permits granted to companies to develop the oil sands are unconstitutional, because the right to hunt promised in 1876, and incorporated

into the Canadian constitution in 1982, has not been adequately protected.

But the Beaver Lake Cree do not have scientific evidence to support their claims and hope to use the Co-op's funding to gather a

weight of anecdotal evidence. The case will take several years to come to trial but Jack Woodward, their lawyer, said he hoped this year to apply for an injunction to block one or more specific developments.