

NEWS RELEASE *from*

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY

4 June 2008

www.eccr.org.uk



Shell Corrib (Ireland) gas project: ECCR urges once-in-a-lifetime chance to resolve bitter community dispute

The Ecumenical Council for Corporate Responsibility (ECCR) is this week urging Royal Dutch Shell Plc to accept the offer from local residents in Rossport, County Mayo, Ireland, of a historic, peace-making compromise, backed by Irish church and political leaders.

The offer comes after a bitter six-year dispute over the location of an onshore gas refinery for the Corrib offshore gas project. Five local residents – the ‘Rossport Five’ - were imprisoned for 94 days in 2005 for defying a Dublin high court order forbidding them from interfering with Shell’s engineering works.

The dispute, which has badly divided the local community, has centred on the plan of Shell and its consortium partners – including Norway’s Statoil - to bring unprocessed gas ashore for refining inland at Bellanaboy. Local people claim that the land-based pipeline route and processing plant on peaty terrain involve major health and safety risks.

Three local parish priests have written to the Irish Minister for Communications, Energy and Natural Resources to propose relocating the gas refinery to an uninhabited coastal site at Glinsk, a location previously identified by Shell’s own consultants as a possible alternative. No land-based pipeline for unprocessed gas would be required.

ECCR has forwarded to Shell’s directors a statement signed by three of the Rossport Five and other residents in support of the relocation proposal, along with a public endorsement from Bishop of the Diocese of Killala Dr John Fleming. Others supporting the proposal include President of the Irish Labour Party Michael D. Higgins, the Erris Inshore Fishermen’s Association, the Mayo Green Party, and the Norwegian oil and gas workers’ union.

The residents’ statement argues that the cost of the new refinery development can be entirely written off for taxation purposes and that no net cost will arise for Shell’s Corrib consortium.

ECCR has also sent Shell a message from musician and retired teacher Vincent McGrath, one of the Rossport Five, stating that ‘the vast majority of the receiving community at the heart of the campaign for health and safety’ would accept the relocation of the refinery ‘in the interests of healing the deep divisions in their community’.

Bishop of Killala John Fleming’s statement describes the relocation proposal as a ‘significant attempt to resolve the ongoing difficulties which have surrounded the Corrib Gas Project in north Mayo’. The Bishop acknowledges the residents’ ‘courage in dropping their demand that the refinery be located at sea and agreeing that it be sited onshore.’

ECCR is urging Shell to consider very carefully all relevant factors, including the long-term reputational benefits it will gain from reaching a settlement with the vast majority of the local Rossport community. ECCR is also notifying UK and Irish church investors, trade union and other pension funds, and the wider responsible investor community about this development, asking all concerned to join calls on Shell to accept the relocation proposal for the greater public good.

more...

Notes for editors

For more documentation see ECCR's background summary at <http://www.eccr.org.uk/Article65.html>

See also:

<http://www.corribsos.com/index.php?id=1763>

<http://www.corribsos.com/index.php?id=1759>

<http://www.corribsos.com/index.php?id=1755>

<http://www.corribsos.com/index.php?id=1740>

The relocation proposal was first made by one of the parish priests in early 2007 and is mentioned in ECCR's visit report dated May 2007 (full version available on request).

Please see below for:

Copy of residents' statement dated 27 April 2008 - including on pages 2-4 a map and a copy of the parish priests' letter to the Irish Government minister

Endorsement statement by the Bishop of Killala

Message to ECCR from Vincent McGrath's message, including his list of the advantages of an agreement on re-siting the refinery

Media inquiries

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ECCR

ECCR (www.eccr.org.uk) is a church-based membership organisation. It undertakes research, advocacy and dialogue with companies and investors and seeks to influence company policy and practice and to raise awareness of corporate and investor responsibility issues among the British and Irish churches, the investor community and the general public.

ECCR has researched, published and undertaken dialogue and engagement on companies' corporate responsibility policy and performance since the 1990s, including published reports on food and drink companies' water sustainability (2008), Rio Tinto (2006), BHP Billiton (2005), GSK (2004), AstraZeneca (2003), Shell (2002) and BP (2002).

ECCR has been in dialogue with Shell since the mid-1990s, informed by contacts with local communities and its own research. ECCR submitted a shareholder resolution to Shell's AGM in 2006 arising from concerns about social and environmental performance in the Niger Delta, Ireland (Corrib, County Mayo) and Russia (Sakhalin Island). This followed an earlier ECCR shareholder resolution in 1997 concerning environmental and human rights impacts of Shell's operations in Ogoniland, Nigeria, and an ECCR visit to Nigeria in 2001.

Attachments below:

- Copy of residents' statement dated 27 April 2008 - including a map and a copy of the parish priests' letter to the Irish Government minister
- Endorsement statement by the Bishop of Killala
- Message to ECCR from Vincent McGrath's message, including his list of the advantages of an agreement on re-siting the refinery

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a Body in Association with Churches Together in Britain and Ireland.

Statement by Rossport (Kilcommon Parish) Residents - 27/04/2008

We the undersigned, as concerned residents of Rossport (Kilcommon Parish) in North Mayo, fully support the initiative as proposed by our three priests, Fr. Michael Nallen, Fr. Michael Gilroy and Fr. Sean Noone, in their effort to help resolve the disputed and controversial Corrib gas project.

Their proposal, to consider relocating the Corrib refinery to a much more remote and coastal location, is the first real attempt at finding a solution to the ongoing dispute that understands the many concerns surrounding the current location. All of the problems surrounding the Bellanaboy site would be solved in one move. Our stance has never been anti-gas, but our priority has always been health, safety and the environment, and this remains the case.

This proposal has come about after a series of events, culminating in our recent visit to Norway as community representatives alongside west-of-Ireland politicians from Labour, Sinn Fein and the Green Party, which included discussions with representatives of the Norwegian oil & gas workers unions and Shell's Corrib partners Statoil.

This conflict has always been capable of being resolved by agreement and respect, and we call on all genuinely interested parties to respond positively to this move. Failure to do so would inevitably see the situation revert to compulsory land acquisition, court orders, court cases, conflict, and more suffering and trauma for our families, neighbours and community.

The current Corrib project has done untold damage to this community, the reputations of Shell, Statoil and successive Governments, and the integrity of numerous State agencies. We sincerely hope that this chance for agreement is not lost, as it represents a clearly long-overdue opportunity for resolution, agreement and healing.

Signed:

**Mary Corduff PJ Moran Philip McGrath Caitlín Uí Seighin
Willie Corduff Pat O'Donnell Vincent McGrath**

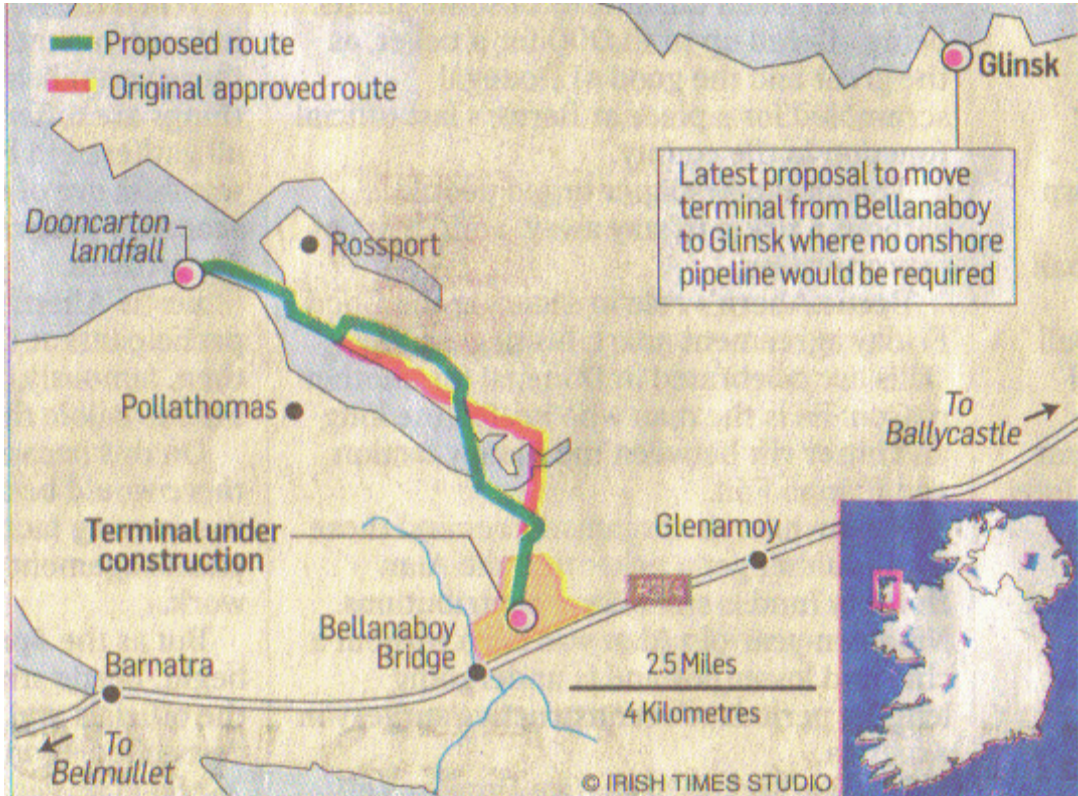
For comment or verification please call Vincent McGrath 087 7557244

Residents' briefing note for media

A delegation of local people visited Norway on early April. The delegation was made up of the signatories of this statement [above]. The delegation was accompanied by Michael D Higgins President of the Labour party, Cllr Niall O Brolchain of the green party and Cllr Noel Campbell of Sinn Fein. The delegation received full support from Terje Nustad leader of Norway's important oil and gas workers union. With him, they held meetings with Statoil and also met with Norwegian political parties.

The proposed new pipeline route [a minor modification to the current plans, proposed by Shell earlier in 2008 and shown in green on the map below] will need approval from An Bord Pleanála and consent from the Minister of the Marine, Eamon Ryan. It is certain that oral hearings will be required. Compulsory Acquisition Orders for the pipeline route will be contested which will involve further oral hearings and court actions. Because the route crosses an SAC it will also need approval from the Minister of the Environment, John Gormley. The government

will need derogations from the EU for the SAC infringements. Given that viable development alternatives exist, it is likely that the EU will have serious difficulties approving the project.



The cost of any new refinery development can be entirely written-off for taxation purposes by Shell. No net cost will arise for them for a new development.

A new refinery project will provide further employment and investment in North Mayo. A new project can be processed through the new Strategic Infrastructure legislation. The existing terminal site can be modified for use as a center of excellence for renewable energy. The community will be coming forward with a plan for this modified use. The construction at the present Bellanaboy site is 30% completed. No off-shore or onshore production pipelines from the Corrib well have yet been laid so the project remains at an early stage of physical development.

Letter from Priests of Kilcommon Parish to Minister Eamon Ryan T.D. on next page

Parish of Kilcommon Erris

Christ the King
Aghoose

St. Paul's Church
Glenamoy

St. Patrick's Church
Inver

Star of the Sea
Cornboy

Séipéal Muire gan Smál
Ceathrú Thaidhg

November 14, 2007

**Minister Eamon Ryan T.D.,
Minister for Communications, Energy, & Natural Resources,
29-31 Adelaide Road,
Dublin 2.**

Re: Corrib Gas Project

Dear Minister Ryan,

Thank you for your letter of November 5, 2007 outlining your response to our letter of October 16, 2007. We would like to make the following observations to your reply.

We wish to reiterate that we believe most people are not opposed to the gas coming ashore. Benefits for community and country are something that most people would welcome. It should be possible to achieve this goal in an environmentally and community friendly way without the flaws which are linked to the Ballinaboy site.

The remit of Shell's consultants, RPS, is to identify an acceptable pipeline route. However, given the strength of community opposition to the project in its present form, it is difficult to see how any route will be acceptable. The consultation process for this project has been entirely inadequate because the objections and concerns of the local community are not being taken seriously. Among the concerns not being addressed is the location of the terminal within our Carrowmore Lake drinking water catchment, which, we understand, is in breach of codes of practice and EU directives. Other concerns relate to the potential negative impact on the local fishing industry and the environmental and ecological integrity of Broadhaven Bay. As stated in our previous correspondence, the present location of the proposed refinery necessitates the construction of a raw gas pipeline close to human habitation, a situation which to our knowledge is unprecedented. The assurances given to date have done little to alleviate the worries of the community.

In an attempt to find some resolution to the current impasse we suggest that an alternative site for the refinery should be explored. One such option would be to explore the possible relocation of the refinery to an uninhabited coastal area such as Glinsk, a location already identified by RPS as a possible alternative corridor for the pipeline (Corridor G). We believe such a solution is technically and economically feasible and would comply with the codes of practice and EU directives. It would be our fervent hope that this solution would gain widespread community support and we would, therefore, ask you to give serious consideration to this option in an effort to bring the sorry history of this project to a peaceful and just conclusion.

While there may be conservation issues wherever the refinery is located, we believe it is paramount that human life be protected. In the event of the relocation of the refinery being explored, we respectfully urge all involved to learn from the mistakes of this project to date. It is incumbent on all of us to explore all viable options in the hope of reaching an amicable solution.

We are concerned about the impact, past, present and future, for the people to whom we minister in our community. We have a moral obligation to highlight the fears of our parishioners and to urge those in positions of authority to safeguard the rights and dignity of our people.

Yours sincerely,

Fr. Michael Nallen
Co-Pastors

Fr. Michael Gilroy

Fr. Seán Noone P.E.

Aghoose, Pullathomas, Ballina, Co. Mayo
Parish Office 097-87701

Catholic Communications Office

PRESS RELEASE
28th April 2008

Statement by Bishop John Fleming, Bishop of Killala, on the Corrib Gas Project

I welcome the statement, dated 25/04/08, issued by seven Kilcommon residents, Mary and Willie Corduff, Philip and Vincent McGrath, PJ Moran, Pat O'Donnell and Caitlin Ui Seighin. It is an important and significant attempt to resolve the on-going difficulties which have surrounded the Corrib Gas Project in north Mayo.

I appreciate their courage in dropping their demand that the refinery be located at sea and agreeing that it be sited on-shore. I now invite the partners in the Corrib Gas Project to consider this proposal carefully.

I accept that substantial investment has already been made in the site at Bellanaboy and I realise that relocation to a new site will increase the overall cost of the project. However, I believe that the benefits of relocation will far outweigh the financial considerations involved.

Importantly, a decision to relocate could significantly allay the fears that have plagued the people of this area in recent years. The process of healing the deep hurt felt within the parish of Kilcommon and the wider community in Erris could also begin. Furthermore, it is my hope that this may allow the Corrib Gas Partners to open a new and more peaceful chapter in their relationship with the local community.

The site at Glinsk was first identified last year by RPS acting as a consultancy for the Corrib Gas Project. Since then an increasing awareness of the suitability of the site has grown. The priests of the parish recommended it to Mr Eamon Ryan TD, Minister for Communication, Energy and Natural Resources, and it has now been given further support. I suggest, therefore, that the Glinsk proposal be examined carefully as a viable alternative with the potential to bring closure to this issue.

ENDS.

Further information:

Martin Long, Director of Communications (086 172 7678)

Brenda Drumm, Communications Officer (087 233 7797)

[The Catholic Communications Office is an Agency of the Irish Bishops' Conference](#)

Note from Vincent McGrath to ECCR

Received by ECCR: 27 May 2008

Subject: Shell-Rosspport

The priests of the parish of Kilcommon have put forward a compromise proposal aimed at finding a resolution to the long-running dispute between Shell and the local community. Their proposal, to relocate the refinery to a remote uninhabited coastal location, has already been endorsed by the President of the Irish Labour Party, Michael D. Higgins, by the Bishop of the Diocese of Killala, Dr. John Fleming and by Michael Ring, the most popular public representative in Co. Mayo. The Erris Inshore Fishermen's Association and the Mayo Green Party have come out in support of this proposal.

Significantly the vast majority of the receiving community at the heart of the campaign for health and safety are prepared to accept a land-based refinery in the interests of healing the deep divisions in their community and getting back to a normal life.

The community endorsement of the priests' proposal came in a statement from local residents [cf. attachment] who along with concerned politicians had visited Norway two weeks previously. One of the aims of the delegation was to bring to the attention of the Norwegian people how their 60% State-owned company, HydroStatoil, is colluding with Shell in breaching human rights and environmental law in Ireland. Another important aim of the delegation was to try and initiate a process that could lead to a resolution acceptable to all the relevant stakeholders.

While in Norway the group met with the Government parties and NGOs such as FORUM and had a face to face meeting with Statoil officials. The visit was reported on the main TV news which included footage of the police manhandling peaceful protesters in the Rosspport area. The Norwegians were visibly sickened and embarrassed that they should in any way be seen to be complicit in such behaviour.

Shell remains the only obstacle to a resolution of the conflict, and the only argument Shell has left is the amount of work carried out and money already spent on the refinery. Shell commenced work on the refinery (helped by hundreds of police) before they had permission for an operating licence from the EPA and before they had found a route for the pipeline. It was their decision to pour speculative money into the refinery. This is an attempt to put pressure on the authorities to grant the remaining consents. They have applied for Compulsory Acquisition Orders to enter private lands for the purpose of laying an unprecedented high-pressure raw gas pipeline. They will never have the consent of a large number of landowners nor of the majority of the residents. They are heading down the road of conflict that will be far more serious than in 2005.

On a positive note, [below] are the advantages (as I see it) of relocating the refinery - no significance in the order. I see the compromise as a "win win" situation. The opportunity shouldn't be lost.

See also <http://www.corribsos.com/index.php?id=1763> and <http://www.corribsos.com/index.php?id=1759> and <http://www.corribsos.com/index.php?id=1755> and <http://www.corribsos.com/index.php?id=1740>

Advantages of relocating refinery to "remote uninhabited area such as Glinsk"

(According to engineering sources this option is technically feasible and there are no major engineering difficulties involved)

1. Uninhabited area
2. Not an environmentally protected area
3. Full pressure from well can be achieved. No **pressure limiting valve** necessary (to limit pressure from 345 bar to 144 bar). This is at design stage and is proposed close to landfall within an SAC and close to homes)
4. Fishermen's concern re outfall pipe allayed
5. Room for expansion to accommodate further discoveries
6. Light pollution mitigated

7. Noise pollution mitigated
8. Visual pollution mitigated
9. Explosion impact would be cushioned
10. Extra construction jobs in new refinery
11. Present jobs in tourist industry in Erris no longer at risk from actual or perceived pollution
12. Refinery removed from water catchment (Carrowmore Lake); threat to region's drinking water supply removed
13. Potential for Erris region to develop in a sustainable manner.
14. No need for upstream/production pipeline through populated areas. Further conflict with the local community avoided.
15. Gas can come to market sooner; new fast-tracking planning laws; project already 7 years behind schedule; Shell/Statoil can give a completion date for project to their shareholders
16. Plant and equipment already in place can be relocated from Ballinaboy.
17. Costs incurred by oil companies can be written off for tax purposes (1992 Licensing Terms).
18. Old refinery site at Ballinaboy could be modified and used as research centre for renewable energy - extra jobs.

A "WIN-WIN" for all?

[About Vincent McGrath:

`Vincent McGrath , a musician and retired teacher, was one of five men jailed for 94 days in 2005 for disobeying a court injunction preventing him interfering with Shell's engineering works. He objected to the firm burying a high-pressure gas pipeline 70 metres from his front door. "We are not against the gas being brought to market," he explains. "We are against the way the project is configured." ' – *The Guardian* 7/3/07]