

PUBLIC EDUCATION AND AWARENESS

ExxonMobil Corporation & the People of Guyana



ECONOMIC COSTS
MAKING GUYANA POORER NOT RICHER!

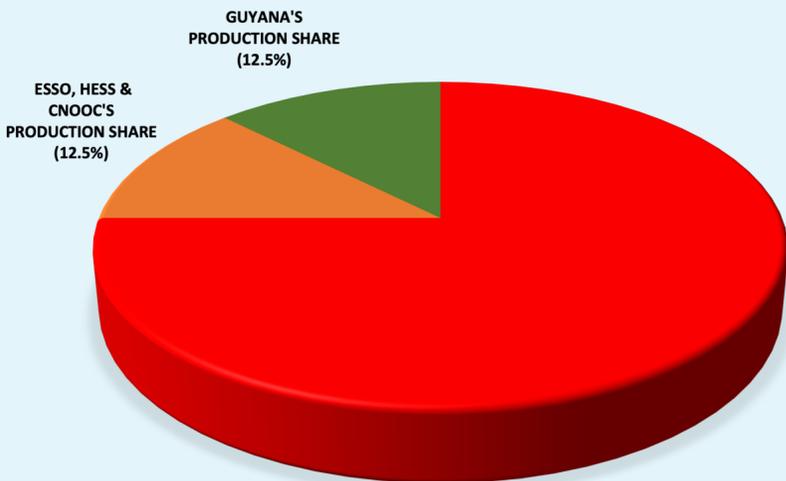


"...our incompetent government trudged in there unprepared and stuck us with a contract that would harm us for decades into the future. They sold our patrimony". VP Bharrat Jagdeo (when Leader of the Opposition)

KEY FACTS ABOUT THE OIL DEAL

- The oil contract is with Exxon's small offshore subsidiary Esso Exploration and Production Guyana Ltd. Two other small offshore companies are involved - Hess Guyana Exploration Ltd. and CNOOC Nexen Guyana Petroleum Limited

- 'below average government take' (IHS Markit) - Esso, CNOOC and Hess get 87.5%. Guyana gets 12.5%.



- Low royalty: Guyana gets 2%

- Unlimited cost recovery: Guyana pays all the expenses for Esso, Hess and CNOOC including the Liza Destiny, Liza Unity and every other FPSO costing billions of \$US, all exploration costs even dry wells that have no oil, all development costs, employees' costs including bonuses and travel costs and personal costs for relocation and so on...

- Esso pays Guyana US\$1M in licence fees every year. But Guyana has to pay US\$450M in pre-contract costs - 450 years' worth of licence fees!

- The International Energy Agency says there is no need for investment in new fossil fuel projects. Will Guyana be left with stranded assets and the bill for shutting down the oil wells safely?

- The oil deal is so BAD that even the International Monetary Fund (IMF) criticised it for being favourable to the oil companies.



ESSO, HESS & CNOOC'S
RECOVERY COSTS (75%)

A THREAT TO EXISTENCE: CLIMATE CHANGE

"Guyana as a net carbon sink, is 'particularly vulnerable' to climate change because of its geography and historical settlement patterns." President Irfaan Ali (G77 Flagship event 2020)

FROM CARBON SINK TO CARBON BOMB- KEY FACTS ABOUT THE ENVIRONMENTAL COST

- Guyana is one of the world's few carbon sinks! Our forests take out more CO₂ than we use. BUT Exxon has found over 10 billion barrels of oil. Burning that oil would release more than 4 billion tons of CO₂. Guyana will become a carbon bomb!
- In 1982 Exxon Research and Engineering Company warned Exxon management that the amount of carbon dioxide in the atmosphere would affect the global climate and lead to a hotter earth. Exxon scientists called it the 'Greenhouse Effect' but publicly Exxon denied the greenhouse effect and climate change and kept on burning oil and gas! #Exxonknew
- In the Paris Agreement, every country in the world, including Guyana, agreed to halt global warming to 1.50C. Why is Guyana letting Esso and its partners produce so much oil when we know that burning that oil will make the earth hotter, and threaten our existence?
- WHAT HAPPENS WHEN THE EARTH GETS HOTTER? Excess CO₂ radiates the sun's heat back on to the earth. It makes the earth hotter. This heat affects the global climate system, leading to:
 - CLIMATE CHANGE - More extreme weather events like droughts and floods, extreme heat and extreme cold
 - RISING SEA LEVELS - As the earth gets hotter, the ocean warms up and the sea water expands.
 - KILLING OUR OCEANS - The excess CO₂ also dissolves in the ocean and makes it more acid, this affects marine life, especially shellfish and coral reefs.
- Deep water drilling could lead to spilling; The ocean is a mile deep. The oil is about 2 miles below the seabed. It is under extremely high pressure. A well blowout is a terrifying risk. Esso admits to using a faulty gas compressor. How safe is this operation? Exxon's maps in their Environmental Impact Assessments show that if there was a well blowout, oil could reach as far as Jamaica.

