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CCJ DISMISSES APPEAL AGAINST PETROLEUM PRODUCTION LICENCE

Port of Spain, Trinidad and Tobago. On Thursday, 27 June 2024, the Caribbean Court of Justice ("CCJ") dismissed the appeal of Ramon Gaskin against the Minister of Natural Resources of Guyana, stating that the grant of the Petroleum Production Licence ("licence") was lawful, and that there was no increased risk of environmental harm.

The licence had been given to a joint venture formed by Exxon Mobil Guyana Limited ("Exxon"), CNOOC Petroleum Guyana Limited ("CNOOC"), and Hess Guyana Exploration Limited ("Hess") to exploit petroleum from the Stabroek Block, offshore Guyana. The Minister entered into a Petroleum Agreement with the joint venture on 27 June 2016, designating Exxon as the operator. Exxon obtained an environmental permit from the Environmental Protection Agency ("EPA") under the Environmental Protection Act of Guyana, but CNOOC and Hess were not included in the permit.

Gaskin challenged the issuance of the licence in the High Court, arguing that the Minister should not grant the licence to Hess and CNOOC without them having separate environmental permits. The High Court dismissed the application but took 366 days to deliver the judgment. On appeal, the Court of Appeal upheld the High Court's decision, stating that the environmental permit was linked to the Liza 1 Project, not the permit holder, and thus the licence was valid. The Court of Appeal also found no undue delay in the trial judge's decision.

The Appellant appealed to the CCJ, raising the two key issues of whether the Minister had acted unlawfully and whether the High Court and the Court of Appeal had breached the law by taking too long to deliver judgment.

The Honourable Mr Justice Winston Anderson, delivering the judgment of the CCJ, highlighted the constitutional emphasis on environmental protection in Guyana. He noted that environmental authorisation under the Environmental Protection Act is a condition precedent for granting a licence. Justice Anderson concluded that the environmental permit granted to Exxon as the sole operator satisfied the statutory requirements and extended the environmental

Tel: (868) 612-5225 ext. 2246 Email: ccjcomm@ccj.org obligations to Hess and CNOOC through joint and several liability. Justice Anderson found that the issuance of the licence was consistent with the environmental permit requirements and international industry practices. Furthermore, he was satisfied that the shared environmental liability was among the three companies, included the two co-venturers (Hess and CNOOC) in the licence, and did not increase the risk to the environment.

Justice Anderson considered that no cost order should be made against Gaskin who had acted as public-spirited citizen concerned about protecting the environment.

CCJ President, the Honourable Mr Justice Adrian Saunders concurred, reasoning that only Exxon, as the developer, needed the environmental permit as it was the one that undertook the activities impacting the environment. The joint and several liabilities of the partners, along with the uncontested authorisations, validated the licence's legality. President Saunders further emphasised transparency and accountability in environmental governance and noted that delays in judgment delivery, while not ideal, must be understood contextually. The President took the view that time limits set out in the *Time Limit for Judicial Decisions Act 2009* must be construed as being of a discretionary nature. He considered that costs orders should be made against a citizen who, in good faith, files proceedings in a genuine effort to comply with their constitutional duty to improve the environment and protect the health of the nation.

The Honourable Mme Justice Maureen Rajnauth-Lee also concurred. In applying this Court's approach to statutory interpretation, Justice Rajnauth-Lee emphasised that the Environmental Protection Act's objectives were met with the grant of the licence to the joint venture. She stressed the role of public participation in environmental decision-making and the importance of balancing sustainable development with environmental protection.

Having regard to the opinions expressed, the CCJ upheld the Court of Appeal's decision and dismissed the appeal. The Court ordered that each party must bear its own costs.

The members of the CCJ panel were Justices Saunders, Anderson, Rajnauth-Lee, Barrow, and Burgess. Mr Seenath Jairam SC, Ms Melinda Janki, C.V. Satram and Mr. R Motilall appeared for the Appellant. Mr Edward A. Luckhoo SC and Ms Eleanor Luckhoo appeared for the Respondents. Mr Andrew M F Pollard SC appeared for the Added Respondents. Mr Sanjeev Datadin and Ms Frances Carryl appeared for the Amicus Curiae.

The full CCJ judgment is available on its website at www.ccj.org.

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About the Caribbean Court of Justice

The Caribbean Court of Justice (CCJ) was inaugurated in Port of Spain, Republic of Trinidad and Tobago on 16 April 2005 and presently has a Bench of six judges presided over by CCJ President, the Honourable Mr Justice Adrian Saunders. The CCJ has an Original and an Appellate Jurisdiction and is effectively, therefore, two courts in one. In its Original Jurisdiction, it is an international court with exclusive jurisdiction to interpret and apply the rules set out in the Revised Treaty of Chaguaramas (RTC) and to decide disputes arising under it. The RTC established the Caribbean Community (CARICOM) and the CARICOM Single Market and Economy (CSME). In its Original Jurisdiction,

Tel: (868) 612-5225 ext. 2246 Email: ccjcomm@ccj.org the CCJ is critical to the CSME and all 12 Member States which belong to the CSME (including their citizens, businesses, and governments) can access the Court's Original Jurisdiction to protect their rights under the RTC. In its Appellate Jurisdiction, the CCJ is the final court of appeal for criminal and civil matters for those countries in the Caribbean that alter their national Constitutions to enable the CCJ to perform that role. At present, five states access the Court in its Appellate Jurisdiction, these being Barbados, Belize, Dominica, Guyana, and Saint Lucia. However, by signing and ratifying the Agreement Establishing the Caribbean Court of Justice, Member States of the Community have demonstrated a commitment to making the CCJ their final court of appeal. The Court is the realisation of a vision of our ancestors, an expression of independence and a signal of the region's coming of age.

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