



The

Shwe Gas

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Foreign Investment in Oil Threatens Livelihood of Local People in Burma

By Jockai

As foreign investment comes jingling in the oil sector promising to pump blood into the anaemic Burmese economy, the flip side of the story paints a grim picture for the local people, engaged in traditional method of drilling.

Come to Renan Taung (Oil mountain), one of the biggest oil drilling villages, 12 miles off Kyaukphyu in Arakan (Rakhine), the western costal state of Burma, the entire village area is dotted with about 700 oil wells, each with an average size of four square feet.

Traditionally, the local people are engaged in digging the ground for oil by using bamboos and metal pipes. In a hard manual process, which is repeated again and again, they extract about one litre of oil each time they drive the tube deep into the earth. With three to four people being engaged in digging a well, the workers produce a total of about 1,000 gallons of crude oil every day in the village. However, the spectre of unemployment looms large over the area as the foreign companies, putting stakes in Burma's oil fields, have come up with modern drilling machines.

“We are very worried about their future because the foreign companies are looking for oil with modern



Arakanese traditional oil workers are drilling oil in Kyaukphyu Township, Arakan State..

equipment, capable of sucking out much more oil in far less time,” said Hla Shwe, a resident of Renan Taung.

His remarks have close relevance to the fact that a consortium of two Chinese companies—The China National Offshore Oil Company Myanmar Ltd and China Huanqiu Contracting and Engineering Corporation— have started test drilling

onshore block M around the Kyaukphyu township and Rambree areas. The Chinese consortium and Singapore's Golden Aaron Pvt. Ltd were awarded rights in 2004 for oil and gas exploration in the district.

Altogether 150 workers of the Chinese consortium and 600 belonging to Asia World Company are at present engaged in drilling the 3,007-square mile onshore block M. Asia World Company, owned by the son of former drug lord Khun Sa, gets sub-contract from foreign firms. At present it is managing the project. The Chinese company will transfer the oil to Yunan from Sittwe through pipeline.

Most of the residents of the area depend on oil drilling for their livelihood. They drill anywhere around the village and villagers give to the land owner one-seventh of the profit they earn by selling oil.

Mizzima News May 26, 2005

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Editorial

Gwangju International Peace Camp on May 18, 2005 released a resolution in which it stated that in the case of Burma, gas development [Daewoo gas drilling] has meant forced labor, land confiscation, and human rights abuses. The Gwangju International Peace Camp was organized by May 18 Foundation in Korea for international solidarity and workshops with local and international organizations on May 14th through 18th. The workshops covered wars, state violence, recovery of community, and development and its impact on human rights. International representatives were from Nepal, India, Hong Kong, Sri Lanka, Indonesia, Japan, Palestine, Burma, Germany, and the United States of America.

During the workshops, Arakan National Council (ANC) assisted with Korea House for International Solidarity (KHIS) presented Daewoo gas exploration in Arakan State and human rights violation of Burmese junta.

After two workshops in April and May, an impact was made. Korean civil societies and concern elected members of Assembly came to question whether its national corporate investment in infamous Burma was appropriate and damaging national image in international front, especially among Burmese people.

On one hand, Daewoo representatives approached Korea government and civil societies and explained that it is to bring home profits, especially from Burma.

Before the workshops, Korean Federation for Environment Movement (KFEM), a powerful organization, requested Daewoo for a meeting. The corporate did not response.

The meeting took place after MP Jo Seoung-Soo of Labor Party requested Mr. Lee Hee-Beom, Minister of Commerce, Industry, and Energy that Daewoo was already being reported on for fishermen having their fishing vessels taken and being psychically abused by Burmese military. Minister Mr. Lee Hee-Beom replied that Daewoo project was at an exploration stage. Representatives from Daewoo international even went further and telling MP Jo's aids that Daewoo had even not yet got gas buyers in order to make profits. Daewoo even denied that the gas drilling area is far from fishing areas.

According to KFEM, Daewoo explained that it was only an exploration stage. It even denied having any thing to do with arresting a fisherman and confiscating a fishing boat by Burmese authority when the boat went on trespassing into restricted drilling water.

Contrary to Daewoo argument, on January 14, 2005, India agreed to buy gas and built a pipeline from Burma to India via Bangladesh. It is very surprise to learn that Daewoo and Burmese junta have even in a single moment of thought come into their mind to provide electric city and gas for Arakanese people who live under dark and use firewood for cooking.

A fishing vessel was confiscated by Burmese authority and beaten the owner and his other three crews in this year in Arakan State while the boat accidentally entering the restricted area of Daewoo gas grid.

Burmese junta has ordered every fishing and passenger boat not to enter a restricted water of 27 square miles and 13 miles from Akyab City since November 14, 2003. The order affected local fishermen for hardships because fishing business is their only source of income.

In deed, Daewoo's exploitation of the weak on the part of unscrupulous strong shelled by Burmese tyranny is no more than devastation and moral corruption. By using technology and under table financial assistance to gain their business and protection in the name of taking maximum profits home but ignoring people of Arakan must be explicitly declared a new form of economic colonization which is to be justified in creation of economic inequality and social injustice.

Human Rights Activists Protest Against TOTAL in the US for Burma Involvement

May 17, 2005

Human rights activists in the US demonstrated outside French diplomatic buildings in six cities to protest over Total's presence in Burma and France's resistance to greater sanctions against the country.

Demonstrators are demanding that the French government to ask Total, a French oil company, to pull out of the Yadana gas pipeline project in Burma.

The protests are organized by a newly formed 'Total Oil Coalition', a group of 53 organizations based in 18 countries pressuring the company to cut ties to Burmese military regime. The protests are to coincide with a shareholders meeting with Total in Paris.

In 1992 Total launched a project in partnership with the military junta to build and develop a natural gas pipeline from Burma's Adaman Sea, across the country and into neighboring Thailand. The junta was to provide security for the pipeline in the region.

"France has repeatedly fought, diluted and otherwise tried in every possible way to undermine support for human rights in Burma solely to protect the interests of Total's operations in the country," said Aung Din, a former political prisoner and the co-founder of US Campaign for Burma.

Despite accusations from human rights organizations that it supports the country's military regime, Thierry Desmarest, chief executive of Total, rejected calls for the French oil company to pull out of Burma.

The EU imposed investment sanctions against Burma in October of last year but the oil and gas industry was exempted from the ban following French government pressure, said the US Campaign for Burma.

There have been several human rights violations reported since the gas pipeline was constructed in Burma. Amnesty International, the US-based EarthRights International, Burma Campaign UK and other international organizations have documented Burmese army's practice of forced relocation of villagers, forced labor, rape and torture while protecting the gas pipeline, which served the interests of Total.

Source- Agence France Press

Mohona Holding Ltd. Begin Negotiation for Tri-Nation Gas Pipeline Project

May 26, 2005

With potential investors from private and public sectors and financial institutions, a Bangladesh construction company, Mohona Holding Ltd. has begun negotiation to set up an international consortium for financing the planned tri-nation Burma-Bangladesh-India gas pipeline project, according to Bangladesh independent news.

Although the Bangladesh government has not finalized its decision to go ahead with the project, the company has already started negotiations for financial package with some Indian and Korean firms.

“The gas pipeline will be funded by an international consortium”, Bangladesh Independent news quoted Managing Director of Mohona Holding Ltd. as saying at press briefing in Dhaka.

The international consortium will build, own and operate some 897 kms of pipeline covering 289 kms in Bangladesh territory. The construction cost is estimated US\$ 1 billion but the

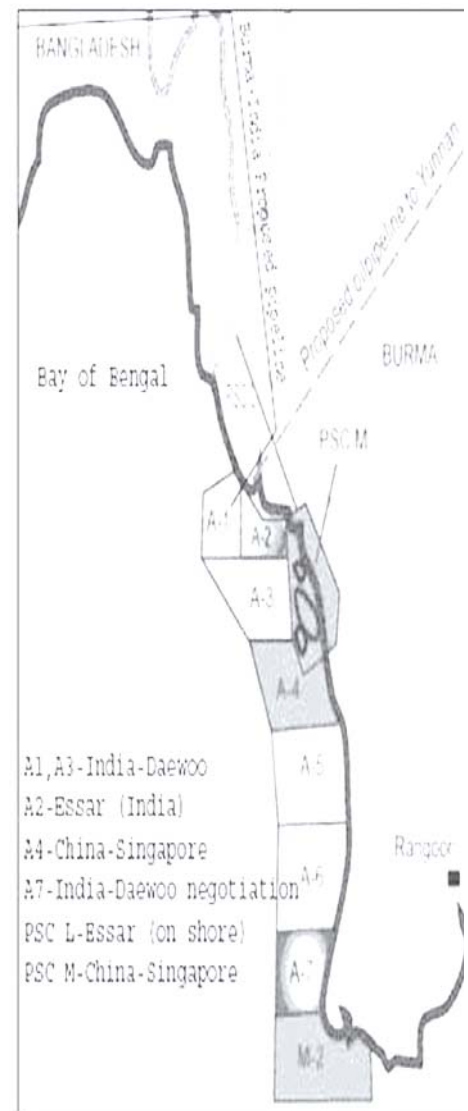
total project cost including gas flow to the pipeline will be about US\$ 1.3 billion, he added. About US\$ 600 million investment will come to Bangladesh as cost of the pipeline construction, while the country will receive another US\$ 100 million annually as wheeling charge and US\$ 24 million in service charges for the payment for gas transmission.

India and Myanmar reached an agreement on the pipeline project earlier this year.

India is looking at importing up to 40 million cubic meters of gas a day through this pipeline. The pipeline from Myanmar to India via Bangladesh could be operational in five years, Associated Press reported as saying an Indian government official.

The proposed pipeline route is started from Burmese western state of Arakan and enters the North East Indian state of Mizoram and Tripura before crossing Bangladesh and reaching Kolkata (Calcutta), India.

The three nation would soon finalize an agreement on MOU, according to Mohona Holdings Ltd.



AASYC joins hands with Bangladeshi activists against the tri-nation gas pipeline project

May 11, 2005

Members of an Arakanese student and youth organization, All Arakan Students and Youths Congress (AASYC), joined hands with Bangladeshi social activists against the tri-nation gas pipeline at a function held at Dhaka University, Bangladesh on 9 of May.

The public meeting was held under the banner of “Preserving Natural Resources and Using Them for the Native People,” organized by Student and Youth Movement Against Plundering Oil and Gas (SYMAPOG) and the Workers Party of Bangladesh (WPB) at Dhaka University’s Teacher and Student Center.

About 100 individuals, including scholars, students, social and

environmental activists attended the meeting. Five members of AASYC who are working against the sale of gas from Arakan State to India through Bangladesh attended the meeting representing the Shwe Gas Movement. During the meeting, a leader of AASYC, Khaing Zaw, explained the current situation of the many gas projects in Burma and Arakan State, focusing on the human rights violations that are occurring.

He also pointed out that the arrangements to sell all the gas found in Arakan State under the name of Shwe Gas Deposit have no consensus from the local people. At the same time, the people believe that this sale would not benefit them, but will only sustain

and strengthen the junta’s rule and oppression over the people of Burma. Khaing Zaw also urged activists and the people of Bangladesh to work together with activists from Burma to stop this tri-nation gas pipeline. Other members also informed the meeting’s attendees by distributing pamphlets and flyers.

The military junta, in co-operation with foreign investors, has found many large natural gas deposits in northern Arakan State. Instead of developing these resources for the people to use in Arakan State, the junta is selling all of it overseas to enrich itself and to sustain its despotic rule in Burma.

Narinjara news

Burma's Murky Water: Environmental Impacts of The Shwe Offshore Gas Project

By Jay Chou

Burma, a country known for its rich biodiversity and natural resources, has been victimized by the government's plan to exploit these very resources to maintain and strengthen their illegitimate hold on power. Since 1988 Burma's military regime, the State Peace and Development Council (SPDC), has opened the country to foreign investments in the resource sector in an attempt to generate hard foreign currency to finance its military ambitions. In the past, foreign interests in Burma's natural resources have seen a wave of investments in Burma's offshore gas. More recently, a consortium of oil companies, led by Daewoo International, contracted rights with Burma's state-owned Myanmar Oil and Gas Enterprise (MOGE) to develop the Shwe gas reserves off the coast of Arakan State, in western Burma. Due to the potential risks of environmental damage by the offshore gas industry, it is likely that any offshore gas projects under contract with the SPDC government will result in the destruction of Arakan's marine ecosystem and nearby coasts because of Burma's weak environmental laws and regulations.

In the last two decades, developing countries have accepted more responsibility for the environmental impacts that result from their development activities and many have developed Environmental Impact Assessment (EIA) legislation to manage these impacts. Conversely, Burma's environmental laws are very weak and do not have regulations for environmental impact assessments to examine harmful effects of projects. Burma's "open-door" policy to foreign investments on its natural resources is not only a catalyst for the continual impoverishment and marginalization of the local communities, but also responsible for devastating impacts on the environment. Previous examples of resource investments ventures have resulted in a perpetuating problem of deforestation and the associated erosions, floods and landslides. The junta's rush to acquire hard currency have allowed Thais and Chinese loggers to quickly cut down broad swaths of rainforest. The loss of forested land is also threatening endangered species such as the Asian elephants and the rhinoceros. Of the two species of rhinoceros formerly habiting Burma, the Javan is already extinct and the Sumatran is close to follow. Other resource investments have resulted in much of Burma's fish stocks diminishing. Massive hydroelectric projects on Burma's rivers and mining, oil and gas operations are rapidly expanding with total disregard to the environmental impacts.

Foreign investments on resources have not benefited the local communities, but rather have only strengthened the oppressive military regime. The junta has clearly chosen the path of exploiting resources for their

monetary values based on international market prices instead of protecting them for their intrinsic values and their invaluable services to nature. By asserting their place as the legal and inherent owner on the country's natural assets, resources exploited to help finance their military habits. Consequently, it is not protected and managed sustainably, which results in disasters such as deforestation. The unsustainable management of resources are pervasive throughout the country due to Burma's current legal system, which allows foreign investors to operate free of environmental regulations. As a result, foreign companies are not being held responsible for any induced environmental damage. In the case offshore gas projects, it will not be surprising if Daewoo does not trouble themselves with environmental concerns.

The process of finding and extracting natural gas deep under the seabed consists of three phases: exploration, development and production. These three phases of the offshore gas industry also creates the same environmental problems as the offshore oil industry, which have the potential for a variety of environmental impacts. Each phase presents specific threats to the natural environment that may forever destroy the fragile ecosystem. All offshore projects are environmentally ominous endeavors that should not be taken lightly.

The exploration phase has three aspects, which occurs in the following order: seabed mapping, seismic survey and exploratory drilling. Although almost all the planet's dry lands are now mapped in great detail, much of the seabed remains to be accurately surveyed. This is especially true in Burma due to their restrictions on movement and scientific surveys. Accurate topological information of the seabed is necessary before probing beneath the earth's surface. To map out the seabed, the swath or multibeam bathymetry is now used. Instead of using one downward-pointing beam, as in a marine echo sounder, a multibeam sonar uses a fan or swath of 127 beams to point a digital, 3-D picture of the seafloor. A great deal of concern has been the use and effects of modern high-intensity sonar on marine life. Scientists are aware that fish, whales and dolphins are sensitive to sound and the fear of sonar use, which goes hand in hand with offshore oil and gas exploration, may have detrimental effects on the sea creatures.

Once the seabed is mapped out and the depth of potential oil and natural gas reserves are revealed, explosive charges are detonated at the surface to estimate where large concentrations gas might be located. The detonation of explosives sends sound waves into the underlying strata where sensitive seismic instruments can detect the echoes

and feed the information into computers. The use of explosives has far greater implications for marine life compare to the use of sonar. Seismic survey explosives can generate underwater sound pulses as loud as 255 decibels, which is equivalent to an undersea volcanic eruption. Fish in the immediate vicinity of the seismic explosions can be killed instantly when their bladders explode from the sudden overpressure, fish larvae are harmed, affecting their survival rate and the security of fish stocks, and lastly, fish and large marine animals can be permanently deafened by the extremely loud noise generated by seismic air guns. Even before the first phase of exploratory drilling, marine life in the vicinity will already have been sacrificed to pave way for future offshore oil and gas development. For example, many suspect the sudden decline of codfish stocks on the east coast of Canada could have been partly due to the extensive seismic testing conducted for the Hibernia Offshore oil field.

The exploration phase concludes only after exploratory drilling commences based on results of the seismic surveys analyzed by geologists. Drilling the seabed is a hazardous business that will contribute to the erosion of the natural environment and ecosystems. Exploration wells are drilled and the potential for a blowout are possible if the newly opened reservoir pressure is too high. Even if great care is taken, drilling muds and bore tailings can pollute the seabed. The consequences of drilling cannot be determined with any reasonable certainty, yet the potential harm is immeasurable and irreversible. Of the wastes produced during offshore exploration, the most damaging are the drilling muds made up of many toxic substances. They are usually disposed by dumping it on seabed floors of the drilling location, depriving the bottom sediment of oxygen. This has an adverse effect on the environment as marine lives are unable to survive. Other wastes resulting from exploration is toxic brine, a dangerous chemical formation removed from gas reservoirs. The dumping of this waste has a disastrous effect on wetlands, fish and wildlife, and can pollute water supplies.

The findings of the exploratory determine the next phase in offshore gas development. Based purely on an economic decision, if significant amount of natural gas is found in the Shwe gas fields, then Daewoo would continue on with the developmental phase. As of March 31, 2005, it is estimated that the Shwe gas fields contain four to six trillion cubic feet of gases, which analysts forecast that Daewoo may earn at least \$100 million in net profit annually for twenty years from 2010 once gas production begins.

During the development stages, rigs are mounted on barges, or large fixed, or floating production platforms and are put in place. Once this equipment is in place, the production of offshore gas fields begins. From a purely environmental perspective, at this stage of the game there is no turning back. The original state of the natural environment is relegated to history and the "Supernatural"

would be changed forever. For example, well drillings throws up sea floor sediments so that a cloudy plume drifts kilometers away. Toxic tailings and drilling muds collect around the wellheads. In addition, contaminated production water brought up from underlying strata is discharged untreated or lightly treated into the ocean.

Environmental concerns surrounding offshore gas fields are the potential risks of drilling accidents, transportation and storage and their ill-effects on the surrounding ecosystems. As mentioned before, drilling accidents usually occur when drilling operations encounter high pressure under the strata, which results in unexpected blowouts and spills. One group of accidental situation includes regular, routine episodes of spills and blowouts that can be controlled rather effectively (in several hours or days) by shutting in the well with the help of the blowout preventers and by changing the density of the drilling fluid. However, their ecological hazard and associated environmental risks can be rather considerable, primarily due to their regularity leading, ultimately, to chronic impacts on the marine environment.

Pipelines also pose risks to the environments. In the offshore operations, pipelines may be used to carry oil, gas condensate and other mixtures. They can be in total lengths of thousands of kilometers. In the case of the Shwe offshore gas fields, a tri-nation pipeline will start from Arakan State to the northeast Indian states of Mizoram and Tripura, passing Bangladesh through Brahmanbaria area and run to the Rajshahi border to reach Calcutta in India. Offshore pipelines not only pose coastal marine environmental risks, but spills and blowouts onland main pipelines can pose danger to the coastal marine ecosystems. Pollution of coastal marine ecosystems by onshore pipeline is possible if the source of the leaky pipeline takes place near big rivers, as they carry pollutants downstream into the river mouth. Despite technological improvements to the pipelines to minimize the scale and severity of spills and blowouts, pipelines are still a factor of environmental risks during offshore developments. The causes of pipeline damage can differ greatly, ranging from material defects and pipe corrosion to ground erosion, tectonic movements on the bottom and encountering ship anchors and bottom trawls. Pipeline leaks can have either minimal environmental impact or severe environmental degradation depending on the cause and nature of the damage such as cracks, ruptures or sometimes explosive blowouts. The likelihood of an explosive pipeline blowout is high given the unstable political climate in Burma. The pipeline, as a result, may be targeted by local groups to discourage the continuing development and transportation of natural gas from the Shwe gas fields until local representatives are consulted.

By the time oil and gas reserves are brought to full production, its previous exploration and development phases would already have had major damages done to the marine environment. The impact of the production phase only

compounds to the already tainted environment. Because it may take many years to bring major oil gas reserves into full production, it begins a long period of environmental vulnerability, during which spills, accidents or natural catastrophes can occur, either in the area itself, onshore, or at sites elsewhere along the coast. The production phase may sometimes last for a decade, depending on the size of the reserves. The longer the production phase is required, the greater the chance of damage to the marine environment, reduced fish stocks and increased mortality rates of marine animals. The environmental impacts of the production phase is wide ranging, from the pollution formed around each wellhead where toxic and persistent heavy metals can bioaccumulate and make its way to the higher echelons of the food chain, to air and noise pollution from the increasing activities of the rigs, ships and helicopters.

In the offshore gas industry accidents are to be expected, it is only a matter of time. Accidents may be caused by natural events, lack of knowledge, poor design, equipment failure or, more often, human error. As a result, offshore activities are vulnerable to disasters which can greatly affect not just humans but also the wild animals and the natural environment. As alluded to earlier, one of the biggest fears juxtaposed with this industry are blowouts. Blowouts occur when the pressure inside the drill stem becomes too great to be contained. The environmental consequences of blowouts can be disastrous. When natural gas enters the marine environment, it kills fish and asphyxiates or poisons birds and marine mammals. If the Shwe gas fields were to experience such blowouts, gas would rapidly penetrate into the organism and disturb their functional systems such as blood circulation, respiratory system, nervous system, etc. If further exposure to gas persists, the outcome for any typical fish develops gas emboli. The symptoms of gas emboli include the rupture of tissues (especially in fins and eyes), enlarging of bladder, disturbances of circulatory system and a number of other pathological changes. Immature and young fish are most vulnerable. If the existing fish populations are exposed to a gas blowout, not only would the immediate supply of fish stock diminish, but it would also jeopardize the future sustainable supply of fish. Accompanying each stage of offshore gas operations lies the potential for further damage to the ecosystems. The environmental impacts of pollutants and accidents associated with this industry can have severe implications for the diverse ecosystems found along Burma's coastline, thus a more holistic approach is necessary to examine the environmental complications. In order to gain a better perspective of the activities of the offshore gas industry in the region, it is imperative that researches are conducted to identify the impacts on the ecosystems and determine whether their fragile ecological thresholds are at risk. For example, an ecosystem already under threat in Burma is its coral reefs. With minimal survey, coral reefs have been found on the chain of islands between the

Ayeyarwady Delta and the Andaman Islands, and along the southern coast of Mergui Archipelago, where the majority of Myanmar's coral reefs are found. In addition, sixty-five coral species in thirty-one genera have been cataloged in Myanmar's reefs, but these figures are probably an underestimate. Currently fifty-six percent of the populations are under threat from human induced activities. In the event a gas spill occurs, there is a temporary reduction on the photosynthesis rate and this can be chronic to reefs exposed to high levels of contamination. Decades would be needed for a reef to recuperate the conditions it had before the spills. Reefs would also be affected by traversing pipelines required to transport natural gas from the offshore gas fields to India.

Environmental risks of the offshore gas industry are high and if Burma's loose environmental laws are not sufficient prove that the development of the Shwe gas fields will result in the pollution and destruction of the marine ecosystems, then leave it to history to suggest that offshore development in Burma's waters will be detrimental to the environment. Burma's past offshore projects indicates that oil companies do not place environmental concerns on the top of its priority list. For example, Unocal and Total have never released the results of their purported environmental surveys on the Yadana gas fields in the Andaman Sea and its pipeline from Burma to Thailand, nor have they allowed independent ecologists in the region. Instead, Unocal and Total irresponsibly pushed through with the project in partnership with the junta without consultation or approval of local residents or independent environmental impact assessment. As a result, the likelihood of the Yadana repeating itself is extremely high, especially given the lack of participation by the local, legislation, training, and environmental information.

It is strongly recommended that Daewoo and its partners investing in the Shwe offshore gas fields distance themselves away from Burma's military regime and pull out of Burma. The reason is simple: Burma's laws on the environment are weak, therefore the country is not ready for massive, long term offshore gas projects that are inherently environmentally controversial. Due to SPDC's lack of concern for the environment, it has facilitated the exploitation of Burma's natural resources with disregard to environmental protection. Burma's history has also proven foreign investments in natural resources results in poor decision-making on the environment. Consequently, the extraction of natural gas off the coast of Arakan State with minimal environmental impacts on its nearby marine and coastal ecosystem cannot be guaranteed. Daewoo and its partners should leave and postpone their interests in the Shwe gas fields in Burma's waters until environmental laws in Burma are more transparent and up to date, emphasizing the need for environmental impact assessments.

Jay Chou is a volunteer student from Simon Fraser University. References available upon request (jjchou@sfu.ca).

News Diary

1. *Daewoo International Corp said it has found substantial gas deposits in Shwe, Myanmar, and is likely to invest more in the region, planning to conduct another six test drillings in Shwe before June. (May 6, AFX)*
2. *Indian Petroleum and Natural Gas Minister Mani Shankar Aiyar on Tuesday assured the Upper House that neither he nor the government would be influenced by any big power while taking a decision on the Iranian gas pipeline via Pakistan. He said about gas from Myanmar there was only one hitch in the wording of the preamble of the agreement which he hopefully would be resolved soon. (May 10, DAWN.com)*
3. *South Korea's top intelligence agency on Tuesday issued a travel warning for people planning to go to Myanmar following a series of bombings there and two South Koreans were wounded in the last blast in Yangon on Saturday. (May 10, Xinhuanet)*
4. *A bill has been introduced in the US Senate seeking renewal of sanctions on Myanmar, with a senator urging UN chief Kofi Annan Wednesday to take firm action against the military-ruled state, including a complete ban on all imports and visa restrictions on officials from the military junta and affiliated groups. (May 12, Agence France Presse)*
5. *Burma's military government is at the head of the pack of Asian regime perpetuating the use of forced labour, a new global report reveals. The villagers forced to work on agricultural land confiscated by the military to those compelled to provide compulsory cash contributions, in addition their labour, the report released Wednesday by the International Labour Organization (ILO) states. (May 14, Malaysiakini)*
6. *Different ministries sit in a crucial meeting on Monday to determine Bangladesh's strategy for materializing its three conditions in exchange of giving right of way for trans-Myanmar gas pipeline. Bangladesh in the meeting said that it would provide right of way for the gas pipeline if its three conditions, involving India, are fulfilled. (May 14, The Independent)*
7. *A human rights researcher Guy Horton, who spent five years documenting allegations of human rights violations at the hands of Burma's military government against ethnic minorities, says what he's witnessed amounts to crimes against humanity, including numerous killings, those of children and widespread rape. (May 20, BBC News)*
8. *A consortium led by Daewoo International Corp. has signed a \$12 million contract with Burma to computerize the Southeast Asian country's government ministries and interconnect them with high-speed Internet network. (May 23, The Korea Herald)*
9. *An Indian government official said that a natural gas pipeline from Burma to India could be operational in five years, looking at importing up to 40 million cubic meters of gas a day through this pipeline. (May 23, Associate Press)*
10. *Burma and Bangladesh are expected to sign a Memorandum of Understanding to build an international consortium company for the construction of a tri-nation gas pipeline. (May 24, Press Trust of India)*

Three Hydro-Power Plants Are Being Built in Military Bases in Arakan State

May 23, 2005

Three hydro-power plants are being built in the township of Thandwe, Ann and Gwa, southern part of Arakan for supply of more electricity in Arakan, according to New Light of Myanmar. Thatay Chaung Hydropower Project will be implemented on Thatay Creek, 15 miles north-east of Tandwe for supplying electricity to southern Arakan. Ann Chaung hydropower project will be launched on Ann Creek, 3.5 miles north-east of Ann for regional development.

However Arakanese people are complaining about building these hydro power projects due to the location of power projects in the military bases, Narinjara news reported recently. The Western Command Headquarter settles in Ann town and several battalions and one brigade are based in Thandwe.

A lot of human rights abuses are also being commented in around Arakan state such as roads and bridges construction.

Voice of American Burmese reported local as saying that In the Pago division's local areas are flooded due to the seeping of water from the dam. During the building dam in Pago division, authority confiscated local rice fields and destroyed plantations. Arakan human rights and environment watch groups are worried about the local people's livelihood and environmental impact from building hydro power projects in Arakan.

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Thanks to BRC for Supporting

Contributions of pictures, articles, news, or research papers are welcome. Any suggestions or advice to improve the quality of news and information sharing from you are most valuable to us.

Essar Oil Signs for Two Exploration in Arakan, Burma

May 09, 2005

Essar Oil Limited (EOL) signed a production sharing contract with the Burmese military regime for the exploration of oil and gas on onshore and offshore areas in Arakan State.

U San Lwin, Managing Director of Myanmar Oil & Gas Enterprise (MOGE), and Essar Oil Managing Director A. N. Sinha signed the production sharing contract in Rangoon.

This is the first Indian private sector company to have signed a contract with the state-owned Myanmar Oil and Gas Enterprise (MOGE) to explore oil and gas in the offshore Block-2 and onshore Block-L after examination of geo-scientific data at MOGE office in January 2005, according to Essar Oil Limited.

The onshore Block-L is situated in Sittwe, capital city of Arakan State.

Covering more than 1,336 square kilometers, Block-2 is adjacent to the Shwe gas fields, Block A-1, which holds a commercially viable natural gas reserve of up to 11 trillion cubic feet.

The Shwe block has been undertaken by South Korea's Daewoo International Corp. in partnership with Korean Gas Corporation, Indian state-owned Oil and Natural Gas Corporation and the Gas Authority of India Ltd.



Hsan Lwin Managing director of the MOGE and Essar Oil Managing Director A.N. Sinha signed production-sharing contract for oil and gas exploration in Rangoon.

The gas will be transported by a pipeline from Sittwe, Arakan State to India via Bangladesh.

Anti Shwe Gas groups in exile have been launching campaigns against Daewoo's consortium and other oil companies to stop doing business with the Burmese military regime and to pull out of Burma.

Agreed in 2004, a Chinese-Singaporean consortium has already conducted test drillings in southern Arakan Kyaukphyu Township and Rambree Island, onshore block M.

The consortium includes China National Offshore Oil Company

Myanmar Ltd, China Huanqiu Contracting and Engineering Corp and Golden Pte Ltd of Singapore.

According to the MOGE, Burma has 46 onshore oil and gas fields, and 25 offshore fields. About 40 percent of the country's export earnings comes from the export of natural gas to Thailand.

Since 1988 Burma has allowed foreign oil companies to develop its onshore and offshore oil and gas fields.

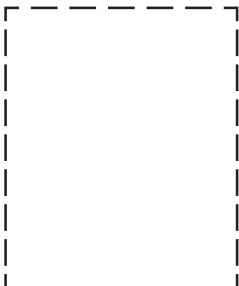
Please sign the petition on the www.shwe.org website.

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Monthly Bulletin



To:

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