“Foreign Investment & Transnational Corporations in Burma”

Cases and Impacts

International Conference on Burma/Myanmar in Jakarta
6th – 7th March 2008
Jakarta, Indonesia
## Investment and Revenues

### Burma export revenues (US$ bn)

<table>
<thead>
<tr>
<th>Fisc. year</th>
<th>Oil and Gas</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006/07</td>
<td>2.16 (43%)</td>
<td>5.01</td>
</tr>
<tr>
<td>2005/06</td>
<td>1.1 (30%)</td>
<td>3.6</td>
</tr>
</tbody>
</table>

### Foreign Direct Investment (US$ bn)

<table>
<thead>
<tr>
<th>Fisc. year</th>
<th>Electric power</th>
<th>Oil and Gas</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 (3 quarters)</td>
<td>6.3 (43%)</td>
<td>3.2 (22%)</td>
<td>14.7</td>
</tr>
<tr>
<td>2006/07</td>
<td>0.28 (37%)</td>
<td>0.47 (63%)</td>
<td>0.75</td>
</tr>
<tr>
<td>2005/06</td>
<td>6.03 (99%)</td>
<td>-</td>
<td>6.06</td>
</tr>
</tbody>
</table>

2007: 417 projects; Thailand, Singapore, the United Kingdom and Malaysia main investors
Case 1: Salween Dam Project

Investors
- Chinese Gezuoba Group Corporation and Sino Hydro
- Electricity Generating Authority of Thailand (EGAT) and MDX

Export Electricity
- 9500 MW to China
- 6500 MW to Thailand
- 0 MW to Burma

Projected Revenue: 10 Billions US Dollars
The Impact of the Salween Dams

- Flooding Area to displace more than 100,000 people
- Military offensive to secure dam sites lead to human rights abuses, further displacements and refugees
- Destroyed livelihoods
Case 2: Yadana/Yetagun Gas Project

- **Investors**
  - Unocal/ Chevron (US)
  - Total (France)
  - PTT (Thailand)
  - Petronas (Malaysia)

- Contributes to 20% of all electricity of Thailand

- Burma regime revenue
  - 2.16 Billions US Dollar/year
The Direct Impacts of Yadana/Yetagun
- Forced Relocation
- Forced labour
- Land Confiscation
- Rape, Torture and Killings, etc
- Environmental destruction

Displacements
-IDPs and Refugees into Thailand
Case 3: Shwe Gas Project

- **Investors**
  - Daewoo International and KOGAS (South Korea)
  - GAIL and ONGC Videsh (India)
  - CNPC/PetroChina (China)
  - Burma Regime Revenue up to 18 Billion US Dollars
Parallel project - oil pipeline through Burma

20% of China's imported oil to be transported through Burma
The Regime’s Partners in Crime

• Golden Aaron (Singapore) recently sanctioned by US
• Linked to Lo Hsing Han, Managed by Son Steven Law
• Partnership With CNOOC for Offshore A4 block, onshore exploration M Block and C1& C2 Blocks in Burma
• Believed to be using Singapore Banks for Money Laundering
• Asia World involved in many large infra-projects including new deep seaport project.
Entrenching military dictatorship

- Current export revenue from Yadana (US$2.16 billion) will be multiplied by new Salween and Shwe projects.
- The junta's military expenditures is over 40% of national budget.
- Health and education spending is 0.4% and 0.5% of GDP respectively.
Using Economics To Pressure Regime

• Economic leverage as powerful tool for change
• Sanctions: Withdraw investments from Burma
• Risk Management: Business, Security and reputation, legal issues- corporate aiding and abetting
• Money Laundering: Using offshore financial Centre (E.g. British Virgin Island)
• Regime and Cronies are using Singapore as their banking Centre
• Focus on Resource Based Industries: Oil, Gas, Power, Extractive (Gems, Mining and logging)
• Bankrolls the Regime
Some On Going Campaigns

• Shwe Gas Movement (www.shwe.org)
• Salween Watch (www.salweenwatch.org)
• Thai Civil Society Group (Peace for Burma) calling on PTT + MDX+ EGAT to withdraw the energy investments from Burma
• Burma Campaign UK (Total Campaign) (www.burmacampaign.org.uk)
• Earthrights International (www.earthrights.org) US Campaign for Burma (www.uscampaignforburma.org) Chevron Campaign
Thank You!

Presented by

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Shwe Gas Movement

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No More Killing For Oil and Gas in Burma!