

FOR IMMEDIATE RELEASE: November 19, 2021

Fanning the flames: Expansion of foreign oil and gas investments despite Burma's military coup

A new report launched today by Arakan Oil Watch exposes that international oil and gas companies have expanded their operations in Burma since the coup, providing huge revenues to the regime, despite widespread calls for sanctions and the growing number of attacks against the military's economic projects.

Burma's regime annually nets over US\$ 1 billion from export of natural gas, which is its single largest source of export revenues. Additionally, the regime receives approx. US\$ 500 million worth of domestic gas annually, totalling profits of over US\$ 1.5 billion per year. The domestic gas, owned by the Myanmar Oil and Gas Enterprise (MOGE), is either sold for domestic consumption or subsidises government energy costs.

Meanwhile, Russia and India have continued sales of weapons technology since the coup. "We hold oil and gas companies accountable for continuing to extract, export and provide revenues that are used to kill the people of Burma," said Jockai Khaing, Director of Arakan Oil Watch.

Despite the coup, international oil and gas companies extracting gas from Burma's four producing offshore fields are not only continuing to provide funds and legitimacy to the regime but are also expanding their projects, including US Chevron, French Total, Thai PTTEP and Korean POSCO. Planning is also underway to exploit recent offshore discoveries of gas in three areas, off the Arakan Coast and south of Yangon. 16 oil and gas companies from 13 countries currently have major shares in Burma's oil and gas industry and more are profiting through sub-contracts, such as Swiss-based Transocean and US McDermott International.

Demonstrators, civil society and Burma's legitimate National Unity Government (NUG) have all demanded that international governments should impose sanctions against the MOGE and that international companies must stop all oil and gas tax and revenue payments to the regime. Weak responses have angered and hardened people's stance against these companies. A growing number of People's Defence Forces are targeting the regime's infra-structure and revenue-generating projects, particularly in the communications, electricity and energy sectors, including attacks on several gas pipeline projects. NUG has reported that PDFs conducted 950 attacks, including targeted explosions between September 7 and October 6, of which 213 were against economic projects of the regime.

"It is time for companies to decide, whether to side with the regime or join the people of Burma," said Jockai Khaing. "Not a single dollar should be paid to the regime. Companies must end their complicity now, before more people die".

Arakan Oil Watch welcomes the withdrawal of the Japanese company Mitsui Oil Exploration Company (MOECO), which last week became the first company to divest from Burma's offshore fields since the coup.

Contact: Jockai Khaing (Director at Arakan Oil Watch (AOW) +66 (0) 8 588 546 41

Email and website: infoarakanoilwatch@gmail.com / www.Oilwatcharakan.org