



The

Shwe Gas

Bulletin

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World Wide Protests against the Shwe Gas Project

March 26, 2007 (SGB)

Human rights and environment activists in 15 countries protested against Burma's Shwe Gas Project, demanding that Daewoo and the Government of India stop investment in Burma's gas and stop arms supplies to the Than Shwe regime.

The protesters appeared shouting a slogan of "No More Gun for Gas" in front of South Korean and Indian embassies and Daewoo offices on March 26. The protests were marked as the 4th global day of action against the Project. Further actions will be continued concerning human rights abuses and environmental degradation from the oil and gas projects.

Shwe gas activists also claimed that this oil and gas project will provide a boost of 17 billion dollars to the Than Shwe, regime which is committing several rights abuses in the country, instead of benefiting people of Burma.

A consortium led by Daewoo and Indian companies has discovered gas in A-1 and A-3 blocks off Arakan coast. The gas will be sold to the largest bidder through a pipeline or LNG.

Japan, Korea, China, India and Thailand are participating in the bid and the winner will be officially announced in mid or later this year.//



Activists in London protested against the Shwe gas project, Daewoo and India's arms supplies to the Burmese regime in front of the Indian embassy.



Protesters in India

Editorial

“No More Guns for Gas”

Stop Daewoo's and India's Arm Supplies to the Than Shwe Regime

Burma's Shwe gas stake holders, Daewoo and the Indian government's arm supplies to the regime directly or indirectly results in killing people of Burma and marks an increasing Human Rights violation in the country.

The two parties' investment in Burma's oil and gas projects has also provided billions of dollars to the Than Shwe regime which is used for military extension and prolonging its power, rather than for the country's Education and Health development. The people of Burma are not only not benefiting from the oil and gas projects but are also facing rights abuses and environmental threats from the oil and gas exploration, the proposed pipeline and the planned LNG project.

The gas could be transported by pipeline to India, China, and Thailand, or by Liquid Natural Gas (LNG) tankers, for sale in Japan and South Korea. All interested parties are currently bidding for the gas.

Even though the US and EU have put economic sanctions, including the prohibition of military equipment sales to Burma due to human rights abuses and the suppression of democracy, foreign oil firms such as Daewoo and Indian as well as Chinese, Russian, Thai, Singaporean and Malaysian firms have recently continued contracts partially for oil and gas exploration in Burma.

As a country ruled by this regime, Burma is not an easy country to make any investment or do business without bribing and benefiting the regime.

For a capital intensive oil and gas project investment, multi oil co-operations have to hold brawny relationships with the regime and also have to bribe to the arm and capital hunger Than Shwe regime.

It is approved that Daewoo's executives including Daewoo president Lee Tae-Yong were indicted last year in December for illegally selling prohibited strategic equipment and technology to the regime. Some of the materials were destined to be used in the construction

of arm factories in Pya, near Rangoon, that are reportedly now 90 percent complete. Lee and others could face a sentence of up to five years prison, if found guilty. The trial is being continued in Seoul, South Korea.

For a decade India has increased military cooperation with the Than Shwe regime while China has been a dominant supporter of the regime for decades. Since the discovery of natural gas in Burma in 2004, the Government of India has increased arm sales to Burma.

Early this year, India sold Burma two BN-2 Islander maritime surveillance aircraft that it had brought from the United Kingdom in the 1980. The aircrafts were delivered despite the British government's objections that they were being supplied to a country under an EU arms embargo.

Lately last year, India offered a multimillion dollar aid package to the regime. This aid package included counterinsurgency helicopters, avionics upgrades of Burma's Russian- and Chinese-made fighter planes, and naval surveillance aircraft.

It is highly remarkable that over 20 countries around the world demonstrated on March 26 against the Shwe gas project calling for Daewoo and India to stop arm supplies and investment in oil and gas projects, concerning about human right abuses and environmental damage.

Rather than supplying killing weapons and capital to the brutal regime, it will save the lives of the people of Burma if South Korea, India, China, Russia, Thailand and other oil firms support the democratic movement of Burma and end their arm and dollar exchange for Burma gas.//

Fishermen Suffer Navy Harassment as Daewoo Starts New Drilling

By *Herman* March 19, 2007 (SGB)

Fishermen and local people in Burma face growing economic and security troubles as the Burmese regime militarizes thousands of square kilometers of fishing areas to protect natural gas exploration areas. Since early 2003, the Burmese Navy has been guarding gas exploration sites and drilling ships owned by South Korea's Daewoo Corporation.

In early March, the Burmese military regime again warned that mariners are forbidden to sail within a 4 km radius of Daewoo's new natural gas test drilling sites.

A fisher man who was recently tortured by Burmese Navy soldiers said, "All fishermen over the age of 20, from our boat and three others, were arrested by navy and beaten 5 or 6 times with inch-thick plastic pipe 5-6 times for crossing into restricted areas. We were also told that if we enter the area again, we will just be shot without warning."

Many rights abuses are happening in the Arakan Sea because the exact areas and dates of exclusion are often unclear, leaving local fishermen at risk of arrest and harassment and threatening their livelihoods.

In January 2005 a local boat owner and three of his crew members were also arrested and beaten for crossing three miles into an exclusion zone. The boat and catch were seized in lieu of a prison term and the men were threatened with death if they told anyone of the experience, according to the Shwe Gas Movement.

Daewoo will be conducting seismic test drilling in its newly signed Arakan offshore block AD-7 from March 8 to April 25, according to the newspaper New Light of Myanmar. The AD-7 block is just 12 km far from the Shwe gas field, in which Daewoo signed onto a 100 percent stake last month.



The Burmese Navy's abuses have increased as Daewoo has been drilling offshore oil and gas in Arakan.

The Burmese military regime has banned mariners several times since Daewoo have started drilling in A-1 and A-3 blocks in 2003. These blocks cover nearly 10,000 square km of traditionally abundant fishing grounds. Now fishers who once depended on these areas face brutal tactics from the military regime.

Several navy tollgates have been established in the sea as oil and gas exploration expands rapidly along the Arakan coastline.

Any passenger and fishing boats have to pay tolls in cash or in goods such as whisky and fish whenever they pass.

A source said "the navy resells fish and commodities to the local shops. They can't use all the things they are confiscating."

According to local sources, fishermen have caught less fish in recent years and fish prices in Arakan State are skyrocketing. Mariners' livelihoods are also threatened by the multinational oil companies' numerous seismic surveys in Arakan sea.

As oil companies from China, India and Singapore have signed contracts recently with the Burmese military regime to explore oil and gas in the Arakan offshore blocks, the future has become very uncertain for fishermen and local people under the rule of the Burmese Navy.//

"We were also told that if we enter the area again, we will just be shot without warning."

Burma's Neighbors Hold the Key

By Stanley A. Weiss (March 7, 2007)

In this reclusive, war-ravaged nation that Kipling once said is “quite unlike any land you know,” one fact is quite clear — Western efforts to bring Burma's brutal military dictatorship to its knees have failed.

Despite a decade of American and European trade sanctions, Burma (which the junta renamed Myanmar) reported record-high foreign investment last year of \$6 billion, mostly from a single hydropower project backed by Thailand, now the largest investor.

And despite a parade of foreign envoys preaching “constructive engagement,” the military that has ruled for 45 years remains defiant. Aung San Suu Kyi, the Nobel peace laureate and democracy activist, has now spent 11 of the past 17 years under house arrest.

What's the secret to the generals' staying power?

Thank the neighbors. The junta has deftly played them off one another, notably China and India, as they compete for regional influence and natural resources, including Myanmar's natural gas reserves, the world's 10th largest.

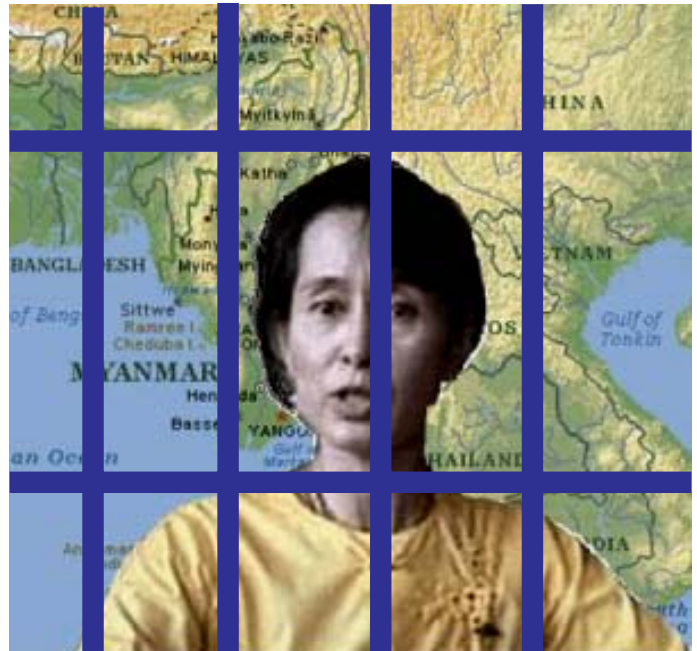
Like the strategic Burma Road of World War II, Myanmar remains a critical link in China's security thinking. In addition to billion-dollar bilateral trade deals and major Chinese weapons sales to the junta, a new trans-Myanmar pipeline will carry Middle East oil from the Bay of Bengal to China's southern Yunnan province.

Not to be outflanked, India has made Myanmar a lynchpin of its “Look East” foreign policy and has dampened its support for Burmese democracy activists. In return, New Delhi has won the junta's military cooperation against long-running insurgencies in India's northeast border states and its blessing for a new gas pipeline to India.

Myanmar's generals have become masters at turning energy deals into protection money.

In September, Russia — also a major arms supplier to the regime — voted against formally putting Myanmar on the UN Security Council agenda. The very same day, Russia's state-owned Zarubezhneft oil company was awarded Moscow's first contract to explore Myanmar's offshore oil and gas reserves.

In January, China and Russia vetoed a U.S.-backed Security Council resolution condemning the junta. Days later, Myanmar awarded major contracts to China's National



Petroleum Corp. Indonesia, the self-styled leader of Southeast Asia with growing military ties of its own with Myanmar, abstained.

So how to avoid the carrot of Chinese, Indian and Russian trade canceling out the stick of U.S. and European sanctions? Consider a key ingredient of the six-party talks on North Korea that produced last month's tentative agreement — a united international front that coordinates both sticks and carrots.

To be sure, Burma doesn't present the same galvanizing threat as North Korean nuclear weapons. But Myanmar's neighbors — especially China, India and Thailand — increasingly worry about Myanmar's destabilizing exports: HIV/AIDS, huge quantities of heroin and opium and refugees from the junta's latest onslaught against ethnic rebels.

New Delhi has an interest in showing that its ties with Myanmar can promote reform instead of simply tarnishing India's image as the world's largest democracy. And Beijing surely wants to avoid yet another case of disenfranchised Asians targeting Chinese minorities. Meanwhile,



Myanmar's fear of Chinese domination gives New Delhi some leverage.

Tying future Chinese, Indian and Thai trade to economic and political liberalization could be the one stick to which the junta might respond.

Simultaneously, just as the Bush administration showed new flexibility toward Pyongyang — lifting financial sanctions and offering economic assistance — Washington could offer Myanmar specific incentives, such as the gradual easing of sanctions, if the junta met certain benchmarks, such as releasing political prisoners like Suu Kyi and undertaking certain reforms.

Of course, there's no guarantee that the junta would ever relinquish its rule. But "there are examples of the regime responding to specific incentives and disincentives," says Thant Myint-U, author of a new history of Burma, "The River of Lost Footsteps."

After years of Asian and Russian trade negating Western sanctions, it's time to try something else.

"The younger generation of upcoming generals needs to know what they can gain by being more open, with the world laying out specific incentives and disincentives," said Myint-U. "No one has attempted that, so it's worth a try."

Stanley A. Weiss is founder and chairman of Business Executives for National Security, a nonpartisan organization based in Washington.

Russian Companies to Explore Oil, Gas in Burma Inland area

March 17, 2007

Two Russian oil companies will conduct oil and gas exploration and production in an inland area of Burma in cooperation with the state-run Myanmar(Burma) Oil and Gas Enterprise (MOGE), sources with the MOGE said Saturday.

Under production sharing contracts with the MOGE, the Silver Wave Sputnik Petroleum Pte Ltd and the Silver Wave Energy Pte Ltd of the Russian Federation will carry out the undertakings at an inland block B-2 in Ziphutaung-Nandaw region, the sources said.

The two Russian oil companies' engagement in oil deal with Burma came after JSC Zarubezhneft Itera, the first Russian company which along with the MOGE and the Sun Group of India initiated a production sharing contract last September to explore oil and gas at block M-8 lying in the Mottama offshore area.

The present block B-2 is among the six new inland blocks in the northern part and delta region which the Burma authorities reserve for foreign engagement as most of the inland blocks are explored by the state. The five other inland blocks are — A-1, B- 1, O, P and Q, according to earlier local reports.

These blocks respectively lie in Kachin state's upper Chindwin River region and Hukaung Valley, and the Ayeyawaddy delta region.

There are seven foreign companies currently operating onshore which include Essar Oil Ltd, Focus Energy Ltd, MPRL Exploration and Production Private Ltd, Goldpetrol, CNOOC, Sinopec Oil Company and Chinerry Assests, according to statistics.

Source: Xinhua.



Anti-Shwe gas protesters in London, March 26.



Holland

Burma Introduces E-Gov System in New Capital

Daewoo, KCOMS to provide Info-and Comm- Tech

Tue 6 Mar 2007

Myanmar has started to introduce a computer-based e(electronic)-government system in the new administrative capital of Nay Pyi Taw to replace paper filing government work system, local Voice journal reported in this week's issue.

Quoting the Myanmar Info-Tech, a technical supplier of the system, the report said the e-government system, which cost 12 million US dollars, includes Electronic Document Management System and Government Personal Management System, and is being implemented by the state-run Myanmar Posts and Telecommunications.

The system not only inter-links government departments but also connects the Data Center established at the end of last year, the report added.

So far, Myanmar has launched some e-government systems including e-visa, e-passport, e-procurement and e-D (departure) form for effective management of government bodies.

To help build the entire e-government system for the country over the next few years, a South Korean consortium comprising two business companies reached a contract with the Myanmar communications authorities in June last year.

According to the contract, the consortium, made up of Daewoo International Corporation and KCOMS, is to provide information and communication technology infrastructure for the Myanmar government to link its 38 ministries to a high-speed internet network and

computerize its personnel management system.

Myanmar's e-government project is implemented under the e-ASEAN Framework Agreement signed at a summit of the Association of Southeast Asian Nations (ASEAN) in Singapore in 2000 with the aim of narrowing the IT gap among the 10 regional members.

Meanwhile, the authorities have projected to introduce 400 public internet service centers in 324 townships in the country within three years to facilitate communication links.

According to the authorities, the number of internet users in Myanmar has reached nearly 300,000.//

(Xinhua)

Thailand's PTTEP Finds more Gas in Burma's Block M-9, Spends US\$ 200 million on Test Drilling

March 20 , 2007 (SGB)

Thailand's state-owned PTT Exploration and Production (PTTEP) found more natural gas in two wells in Burma, after spending US\$ 200 million on eight test wells in January, the Myanmar Times reported last month.

PTTEP President Mr. Maroot Mrigadat said that the exploration wells Gawthaka-1 and Kakonna-1, in block M-9 of Burma's Gulf of Mataban, were drilled successfully and natural gas has been found in both wells. The two wells will provide natural gas flows of up to 15 and 30 million cubic feet per day, respectively. The Thai company plans to develop the natural

gas in the area and aims to start production in 2011 or 2012 for export to Thailand, according to Maroot.

PTTEP signed a production sharing contract with the Burmese military regime for the exploration and production of oil and gas from the M-9 block in 2003. Earlier this year, PTTEP found natural gas reserves estimated at 2.5 trillion cubic feet at Zawtika-1A well in the same block. The company is already engaged in five oil and gas projects in Burma, mainly in the Mottama offshore areas at blocks M-7, M-9, M-3, M-4 and M-11.

Thailand currently imports at estimated 9 billion cubic feet of gas per day from Burma, or about half of its natural gas supply, which is primarily used to generate electricity.//



Action of March 26: Fourth Global Protest against the Shwe gas project, Daewoo and India's arms supplies to the Burma regime.



Protesters in Washington D.C, US, talk with Indian officials about the Shwe Gas Project.



Bangkok, Thailand



Members of the Burmese Students' Democratic Organization (BSDO) gathered in front of the Korea Consulate in Ottawa, Canada. Five of them had a chance to talk with Mr. Jeong-sik KANG, a Korean Consul about the Shwe gas project and its impacts on the people of Burma under the current regime. During the talk, the BSDO members also stressed to stop Korean investment as the project would boost the regime and oblige the people of Burma to continue to live under exploitative circumstances.//



Bangladesh



India

The Shwe Gas Movement (SGM)

SGM includes regional and international NGOs. The 5 core members are SGM Bangladesh, SGM India, the All Arakan Student and Youth Congress (AASYC), the Arakan Oil Watch (AOW), and EarthRights International (ERI); partner organizations include the Korean House for International Solidarity (KHIS), the Korean Federation for Environmental Movement (KFEM), The Other Media in New Delhi, and a global network of activists. For more information and to download the full-length report "Supply and Command," please visit www.shwe.org.

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*Layout & Designed by
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Despite US, EU Sanctions, New Contracts Continue for Burma's Oil and Gas

March 12, (SGB)

Two foreign companies, Malaysia's Rimbunan Petrogas Ltd and Singapore-based UNOG Pte Ltd, have signed a joint deal to explore for oil and gas in Burma's Mottama offshore area. The deals were signed on March 10 with the state-owned Myanmar Oil and Gas Enterprise (MOGE), as reported by the New Light of Myanmar newspaper.

Rimbunan Petrogas is usually referred to in oil industry media as Rimbunan Retrogas. It is registered in the British Virgin Islands but is part of Malaysia's Rimbunan Hijau group, a major logging conglomerate. Rimbunan Retrogas and Rimbunan Hijau share the same top executive, Malaysian businessman Tiong Hiew King.

UNOG does not appear to be a prominent company. The New Light of Myanmar identified its managing director as Win Kyaing, who is also managing director of IGE Pte Ltd.

IGE describes itself in several online industrial directories as a "trading company newly registered in Singapore, since 2001, and having main office in Burma."



In February, the New Light of Myanmar reported that "Rimbunan Petrogas" and "IGE Pte Ltd" signed production-sharing contracts for exploration of oil and natural gas in Block-A off Burma's Arakan Coast.

In the beginning of this year, China's CNPC signed to explore oil and gas in Arakan offshore block AD-1, AD-6 and AD-8 and India's GAIL and British Virgin Island based oil company MPRL E&P Pte. Ltd also signed to explore oil and gas in Arakan offshore blocks A-7 and A-6 separately.

Since Burma liberalized its investment code in late 1988, it has attracted its largest foreign investments in the energy sector.

It has signed oil and gas exploration contracts with France's Total SA, Unocal Corp. of the United States, Malaysia's Petronas, Thailand's PTT Exploration & Production PCL, China's CNOOC and Daewoo of South Korea.

It also has deals with companies from India, Australia, Canada and Indonesia.

New contracts continue to be signed despite condemnation of the ruling military regime by Western nations for its poor record on human rights, and for its failure to hand over power to a democratically elected government.

The United States and the European Union have imposed economic sanctions on Burma in recent years as a result.

Burma's current junta took power in 1988 after crushing the pro-democracy movement led by Aung San Suu Kyi. In 1990, it refused to hand over power when Suu Kyi's party won a landslide election victory.//

source: AP

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