

# AMNESTY INTERNATIONAL

## PUBLIC STATEMENT

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### **Myanmar: Ministry of Defence's refusal to relocate military-owned acid factory threatens health of local community**

Amnesty International is disappointed by the decision by the Ministry of Defence to refuse to relocate the Moe Gyo sulphuric acid factory in Sagaing region, north-western Myanmar, which poses severe risks to the health of the community living in the surrounding area. The factory, which produces sulphuric acid to supply the nearby Letpadaung and Sabetaung and Kyisintaung (S&K) copper mines, is operated by the military-owned company the Union of Myanmar Economic Holdings Limited (UMEHL).

On 16 August, the Ministry of Defence rejected a proposal by U Win Thein Zaw, the Member of Parliament for Salingyi constituency where the factory is based, to relocate the Moe Gyo sulphuric acid factory because of health concerns for the nearby communities. Deputy Defence Minister Maj-Gen Myint Nwe told MPs in Myanmar's Lower House of Parliament that the factory contributes to national development and denied allegations that it has harmful social or environmental impacts.

This conclusion runs contrary to Amnesty International's research, which has found evidence of serious health and environmental concerns linked to the factory. Residents of nearby Kankone village have long complained about pollution and harmful emissions from the factory, which they say have caused respiratory, skin and eye problems. In June 2016, people living in Kankone told Amnesty International that students stopped attending the local school because of foul-smelling fumes from the factory, which sits just 50 metres from the school. They have also described damage to crops in fields adjacent to the factory.

Evidence from previous environmental testing in the area gives further cause for concern, and shows the urgent need for a comprehensive environmental study around the factory and surrounding villages. Tests carried out in 2013 found high levels of pollutants in the air and soil near the acid factory. In 2014, the Director of the sulphuric acid factory told villagers that a water sample tested inside the school showed an increase in sulphate content. Pollutants produced by sulphuric acid manufacturing can have harmful health impacts, including on the skin, eyes, respiratory and gastrointestinal tracts.

International best practice calls for a buffer zone between facilities manufacturing hazardous chemicals and people. Using the example of regulations from Western Australia (frequently referred to in the Environmental and Social Impact Assessment for the Letpadaung mine), a minimum separation distance between a sulphuric acid plant and sensitive areas such as residential property and schools should be 2,000-3,000 metres. The Moe Gyo factory is located only 200 metres from Kankone village – significantly closer than this recommended distance.

Amnesty International is also concerned by the Deputy Defence Minister's statement that the factory has received ISO certification, as it repeats previous misleading statements by UMEHL and the Myanmar government that sought to use ISO certification to defend the impact of the factory's operations. The ISO 14001 standard is a voluntary standard, which requires an organization to adopt an overall environmental management system. It does not monitor the actual environmental performance of the organization or its facilities. The fact that UMEHL obtained the certification does not mean that it has adequate systems – in practice – to prevent and manage environmental pollution.

Some local officials have tried in vain to support the communities' efforts to address the impacts of

the factory. In addition to the local parliamentarian's recent request to relocate the factory, in May 2016 the municipal authorities refused to issue a new license to the factory, pending an assessment by non-governmental experts of its health and environmental impacts. Despite this, the factory continues to operate on the basis of a separate license issued by a higher authority, the Ministry of Industry. The ministry renewed this license in October 2016.

The fact that the decision on the relocation of the factory was taken by the Ministry of Defence exposes a clear conflict of interest. The Ministry of Defence is controlled by the military, and according to Myanmar's 2008 Constitution, the Defence Minister must be a serving member of the military. It is therefore inappropriate that a decision relating to the regulation of the operations of a military-owned company was taken by the Ministry of Defence, rather than the Ministry of Industry, which grants the license for the factory, or the Ministry of Natural Resources and Environmental Conservation. To properly protect against the human rights impacts of hazardous industries requires a system of checks and balances and independent regulatory oversight mechanisms, free from commercial interests.

In order to ensure a safe separation distance from people, the Ministry of Defence should reverse its decision and ensure that the sulphuric acid factory is moved to another location at the earliest opportunity. The operations of the factory should be immediately stopped until a new location is identified and a comprehensive environmental and health assessment is undertaken in consultation with affected communities. UMEHL should also remediate any negative impacts caused as a result of its factory's operations, including by providing compensation and medical rehabilitation for those whose health has been affected by pollution.

In July 2016, Amnesty International wrote to UMEHL to present the organization's concerns and recommendations; UMEHL replied stating that the information provided did not reflect the "latest actual conditions" at the factory, and the acid factory "has implemented and operated within international standards". Amnesty International would welcome an opportunity to discuss these issues with the Ministry of Industry, Ministry of Defence, UMEHL, and other relevant stakeholders.

Amnesty International has documented a range of human rights abuses and illegal activity linked to the Letpadaung and S&K copper mines that span two decades and involve the Myanmar authorities and Burmese, Chinese and Canadian companies. In addition to the risks posed by the acid factory, there remains a significant risk of further abuses linked to the mining operations, including forced evictions, environmental pollution, and the excessive use of force by police in responding to community protests.