

Statement: Myanmar CSOs Urge Total and Chevron to do More to Halt Revenue Streams to the Brutal Junta

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408 Myanmar civil society organizations cautiously welcome the decision by Total and Chevron to suspend dividend payments from Moattama Gas Transportation Company (MGTC) to its shareholders, including Myanmar Oil and Gas Enterprise (MOGE). This is a welcomed first step to curbing the flow of oil and gas revenue to the Myanmar junta, revenue that is vital in powering the Myanmar military's gross human rights abuses, including committing crimes against humanity and war crimes. However, this suspension of dividends represents a mere 7 percent of revenue funneled from offshore oil and gas projects to the military junta, a fraction of the forecasted 1.5 billion USD in revenue for 2020/21. Additionally, the suspension is not a permanent measure and could be abandoned at any point in time, especially if shareholders demand to be paid.

In open letters, dated February 24 and April 20, Myanmar civil society organizations clearly outlined that Chevron and Total's joint venture partner, MOGE - under the Ministry of Electricity and Energy - was commandeered by the military junta which has illegally taken control of MOGE and government bank accounts. These payments belong to the people of Myanmar, not the illegitimate junta purporting to represent them. These funds could be used to purchase arms for use in the junta's brutal operations against the people of Myanmar, which have involved gunning down civilians in city streets and indiscriminate airstrikes over villages in ethnic areas.

It is likely the Myanmar military's single biggest source of revenue is Total. Total operates the lucrative Yadana offshore gas projects, with a 31.24 percent stake in the project. Chevron owns 28 percent stake, with the rest being owned by Thailand's PTTEP (25.5%) and MOGE (15%). The role of MGTC is to manage a pipeline that transports gas produced from the Yadana field to the Thai border. With this small role, the tax and dividends that MOGE collected from MGTC amounted to 38 million USD in 2018 and 52 million USD in 2019. While considerable sums of money, it pales in comparison to the forecasted revenues the state receives for the Yadana project, which include taxes, royalties and other payments.

Total argues that it is contractually required to make payments to the junta under Myanmar law, sidestepping the fact that these payments are being paid to an illegal entity which is not entitled to receive them. While Total has cited humanitarian reasons for the continued production and payments, the people of Myanmar are not seeing the benefit of these payments – only continued violence and oppression.

During the past four months of its illegal coup attempt, the Myanmar military has killed 842 people in cold blood, including 57 children, arbitrarily detained more than 5,000 and issued nearly 2,000 arrest warrants to those who are courageously defending democracy. The junta has snatched bodies of those they kill, mutilated them, carried out illegal autopsies, falsified death certificates, removed evidence from bodies, conducted cremations and exhumations without families' permission and extorted money from families in exchange for the bodies of those murdered. Other victims are abducted in the night or off the streets in unmarked vehicles, disappeared or arrested, and then returned to loved ones with signs of torture and mutilation. The intensification of conflict in ethnic areas is reaching extreme heights, with the illegal junta waging war on multiple fronts in Karen, Chin, Kachin, and more recently in Karenni and southern Shan States. During February to April, there were nearly 16,000 attacks against civilians in conflict areas. This

situation has escalated in recent weeks, with the deployment of helicopters, jet fighters and heavy artillery during military offensives in Karenni and Shan States, displacing over 100,000 civilians.

What Total and Chevron have done thus far is just a fraction of what they could do to help the people of Myanmar. Further and concerted steps need to be taken to financially isolate the Myanmar junta, which should include targeted sanctions on military linked entities such as MOGE. Total and Chevron claim they will comply with sanctions from the EU or US, all the while Chevron continues to lobby the US government to exclude oil and gas industries from such sanctions.

Therefore, we call for Total and Chevron to:

- Direct all revenue payments into protected accounts, until a legitimate, democratic government can take power;
- Recognize and support the National Unity Government and the Committee Representing Pyidaungsu Hluttaw in building a genuine federal democracy;
- Respect human rights principles and fully align with the UN Guiding Principles on Business and Human Rights; and,
- Support targeted sanctions on MOGE rather than lobbying for exemptions as you have in the past.

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