

KOREAN GOVERNMENT'S REJECTION OF OECD COMPLAINT AGAINST DAEWOO INTERNATIONAL AND KOGAS FOR NATURAL GAS PROJECT IN BURMA CRITICIZED BY AFFECTED COMMUNITIES

Press Release: 23 December 2008

Media Contact: Wong Aung (Thailand) +66-85 032 2943, +66-873008354

Complicity in human rights abuses not enough to postpone controversial gas pipeline through Burma to China

December 23, 2008 – The Shwe Gas Movement (SGM) is disappointed in the November 27, 2008 decision by the Ministry of Knowledge Economy (hereinafter, “MKE”) of the Republic of Korea to reject the OECD complaint against Daewoo International and the Korean Gas Corporation (KOGAS) for violations of the OECD Guidelines on Multinational Investment.

Filed on behalf of the Shwe Gas Movement and nine Korean organizations by Earth Rights International, the complaint alleges that Daewoo International and the KOGAS have breached and will continue to breach a number of the OECD Guidelines for Multinational Enterprises (the “Guidelines”) related to their activities in Burma (Myanmar). These breaches are related to the companies’ exploration, development, and operation of the natural gas project in Burma known as the Shwe Gas Project, meaning “gold” in Burmese (hereinafter “Shwe Project”).

The complaint called on the companies and the Korean government to postpone the project until the breaches of the Guidelines are adequately addressed. The complaint alleges that Daewoo International and KOGAS – a state-controlled firm - are currently and potentially in breach of at least six OECD Guidelines by failing to respect human rights, contributing to forced labour, failing to promote sustainable development, failing to disclose information about the project, failing to consult with local populations, and by failing to conduct an Environmental Impact Assessment (EIA) according to international standards.

SGM Global Coordinator, Wong Aung, a member of the Arakan community through which the proposed pipeline will traverse, strongly criticized the Korean government’s decision on Tuesday. “The Korean government has decided to ignore the reality of major resource extraction projects in Burma and the specific devastating effects of the Shwe project on the people in the pipeline regions. The Korean government has a responsibility under the *OECD Guidelines* and in rejecting the complaint they are abdicating their responsibility to investigate violations and mediate disputes in line with the Guidelines; guidelines to which the have agreed to be obligated.”

“Daewoo and KOGAS are now on notice and will be held responsible for social and environmental abuses committed by Burmese junta against local communities in pipeline area,” Wong Aung stated. “I have personally told Senior Executives of Daewoo of the destructive effects this project has already had, and will unavoidably have among my people. Today, they are aligning themselves with the brutal military junta and against the people of Burma.”

The Shwe project has already lead to forced relocations, beatings, intimidation and other abuses against people and communities in the project areas and against local populations expressing opposition to the project. “If this project moves forward, we can expect to see these abuses increase exponentially,” said the SGM’s Wong Aung. “The SGM will continue our efforts to postpone this project through by exposing abuses and pressuring the companies and governments that are responsible for the horrific actions of the military junta.

END TEXT

The Shwe Gas Movement (SGM) was initiated in 2002 by the All Arakan Students’ and Youths’ Congress (AASYC) and has grown to include five member organizations and an international network of activists, lawyers, and NGOs. SGM includes the AASYC, the Shwe Gas Campaign Committee-India, Arakan Oil Watch (AOW), SGM-Bangladesh, and EarthRights International (ERI). The SGM mission is to prevent human rights and environmental abuses connected to the Shwe gas project and to promote genuine, inclusive, and democratic participation in development decisions in Burma.