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IRRAWADDY DAM SUSPENDED, SHWE GAS PROJECT SHOULD BE NEXT

Last Friday, Burma's President announced the suspension of the Chinese-backed Myitsone dam project on the Irrawaddy River, in response to "the desire of the people." Following this announcement, the Shwe Gas Movement is calling for the suspension of another Chinese mega-project, the Shwe Gas transnational oil and gas pipeline.

The Shwe Gas project includes a 2,800-kilometer long oil and gas pipeline that will transport natural gas from offshore gas fields on Burma's western coast and oil from the Middle East, through central Burma to southwest China. Widespread land confiscation to make way for the pipeline corridor has already left countless people landless and jobless, while others along the pipeline are facing human rights violations and exploitation.

Like the Myitsone Dam, which was surrounded by armed conflict between Burma Army and ethnic groups in Kachin State, the Shwe Gas project is being built through conflict areas. Since March 2011, the Burma Army launched offensives to clear ethnic armed groups out of resource-rich areas in northern Kachin and Shan States. These conflicts have displaced an estimated 50,000 people to date.

Exporting the huge natural gas reserves from Shwe Gas fields off Burma's western coast will perpetuate the chronic energy shortages domestically. The regime will earn an estimated US\$29 billion from the sale of the gas, yet these revenues will not be used for social improvement. The revenues will disappear into a fiscal black hole that omits gas revenues from the national budget, clearly to the benefit of the regime and investors.

"People opposed the Myitsone dam because they don't want their natural resources being used to line the pockets of the regime and corporations with atrocious reputations, all at the expense of local people. The Shwe Gas project must be stopped recognizing that like the dam, it will be destructive socially and economically", said Wong Aung of the Shwe Gas Movement.

The main companies involved in the Shwe Gas project include Daewoo International, a South Korean company who has faced criminal charges for its dealings with Burma's regime, and the China National Petroleum Corporation who previously supported the Sudanese government during the genocide in Darfur.

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