Shwe Gas Movement

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Activists condemn Norway's refusal to heed Council of Ethics' warning on pipeline investments in Burma

Norway's Ministry of Finance announced this week the government's pension fund will proceed with investments in Burma despite warnings from the Norwegian Council of Ethics that it may contribute to violation of human rights.

Norway's Government Pension Fund Global has invested USD $90 million in PetroChina, a subsidiary of China's National Petroleum Corporation (CNPC) which is building dual oil and gas pipelines across Burma to China.

The Council of Ethics May 2010 report recommended divestment after finding that PetroChina and CNPC operate as "one single unit" in Burma and that the "fund's investment in PetroChina entails an unacceptable risk of contributing to ongoing and future, serious or systematic violations of human rights."

Construction of the pipelines proceeded last year amidst human rights abuses including land confiscation, forced relocation, forced labour, arbitrary arrest and physical abuse at the hands of police and military personnel. Pipes are being laid in areas of active conflict in northern Burma; an estimated 30,000 were displaced by fighting in Shan State alone in 2011. Last month, community activists in Arakan State were arrested for protesting against the pipelines project.

As the second largest sovereign wealth fund in the world, Norway's Government Pension Fund Global is in a powerful position to promote responsible investment in Burma, as well as penalize companies like CNPC that fail to meet proper standards.

"It is shameful that the Norwegian government is endorsing human rights abusers in Burma through the investments of its pension fund" said Wong Aung of the Shwe Gas Movement. "We will continue to fight for the rights of affected communities in Burma by pushing for the divestment of Norway and other countries in the pipelines project."

Norway's Pension Fund also invests in Daweoo International, Korean Gas Corporation (KOGAS), GAIL (India), and POSCO (Korea) which are involved in extracting natural gas in the Shwe fields off Burma's western coast for export to China. PetroChina is majority owned by CNPC (86.71%) which has been operating in Burma since 2001, and has a 51% stake in the Shwe pipelines.

Contacts:
Wong Aung, +66(0)857133344 wongaung@gmail.com (Burmese)
Sam Stubblefield, +66 (0)899616804 sam@shwe.org (English)