

Junta Takes Massive Hit With Total, Chevron, Shell, And Telenor Fleeing Myanmar

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1. Free Myanmar whole-heartedly welcome the long-awaited decision of TotalEnergies and Chevron Corp to halt all ongoing projects and investment within six months. This comes as Shell corporation is abandoning their investment in energy development and Telenor is severing all ties with the junta in the telecommunications sector. This demonstrates international acknowledgement that the stain and shame of being associated with a junta responsible for human right abuses and crimes against humanity, and waging a horrific war against its own people is too much for responsible businesses and a warning to those seeking to invest in Myanmar. These businesses are to be commended for the decisions they have taken. It is a direct blow to the military junta which is holding on to the last straw of foreign revenue through Myanma Oil and Gas Enterprise (MOGE).
2. MOGE is a state agency under the direct control of Ministry of Energy and Electricity (MOEE). It has a 15% share of sales revenues and that combined with “pipeline protection fees”, amount to a staggering revenue of \$1.5 billion per annum. Yadana gas joint venture contributed 25% of that revenue.
3. Since the coup on February 1, 2021, all state-owned enterprises, and their export revenues from various sectors – oil and gas, gems and mining and timber, are fully under the control of military regime, the State Administration Council (SAC). Thus, the SAC has de facto direct control over MOGE and access to all records and accounts of MOGE and its revenue reaches to the military’s coffers and funds the arms purchases.
4. We understand the fact that stopping the revenue going to MOGE through its banker, state-owned Myanmar Foreign Trade Bank (MFTB) is materially impossible for TotalEnergies. However, any payments made to MOGE while it is under the illegitimate control of the military do not constitute payments to the State of Myanmar. We strongly urge any further payments to MOGE for the next six months be placed in an escrow account. If any further tax regulation is necessary for this to happen we urge both the Biden administration and the Macron administration to ensure this takes place. This will enable the continued operation of the gas field without revenue flowing to the junta.
5. The benefits of Myanmar people outweighs the negative impacts by the action of Total and Chevron. Although it is true that continuity of gas deliveries is beneficial for the population, we like to point out that only 11% of Myanmar power source is off-shore gas (supplied by Yadana and Shwe). It is also noteworthy that only 9% of Thailand’s gas supply comes from Yadana. The concern about the replacement of the gas project operators by

Chinese or another foreign player can be alleviated by the fact that the takeover will not be easy or simple since it requires high technology capabilities.

6. The decision by TotalEnergies, Chevron Corp and the increasing number of businesses fleeing Myanmar is a stark acknowledgement that the junta is becoming more isolated by the day and no responsible business wants to pay for the junta's bombs and bullets to commit human right abuses, crimes against humanity, and wage war. It is also a tribute to the tireless efforts of the people of Myanmar and civil society groups and organizations who have lobbied to make this happen. As welcome as this latest news is, we call for the continued imposition of targeted sanctions on the junta, urgently on MOGE and MFTB and its cronies to weaken their financial lifeline and strengthen Myanmar's democracy movement.

Signed by:

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About Free Myanmar

Free Myanmar is the movement of concerned people from all walks of life and across the continents that, for reasons both personal and compassionate, have come together to unify voices and non-violent activities outside Myanmar in coordination with movements inside Myanmar to end military dictatorship and support Myanmar's transition to a truly democratic federal union that protects and provides equal opportunities for all regardless of race, religion, gender and background.