Pinpet Mountain under imminent threat as iron project speeds ahead

Excavation of Burma’s second largest iron deposit located in southern Shan State is imminent as bulldozers begin preparatory clearing on the iconic Pinpet Mountain, home to 7,000 people. The 300 residents in Pang Ngo village are in immediate danger from falling rocks and landslides as machines uproot trees, clear brush and remove top soil on the west side of the mountain. Farm fields at the foot of the mountain may be covered with toxic waste soils once the excavation starts as ore samples at the site have tested high for arsenic content.

Construction activities at the secretive iron factory compound are also racing ahead. Underground bunkers are now complete and a massive new crushing facility (see inside) now towers above the compound walls. Surveys for uranium conducted on the mountain in the past continue to fuel persistent concerns that this project is linked to Burma’s nuclear plans.

Meanwhile according to authorities the forced relocation of nearby villages will begin after the military regime’s sham elections, beginning with the extraction of a community graveyard in December. Land confiscation continues unabated. Local villagers are calling to stop the project, protect the mountain and save the main waterway for the entire Hopone valley from toxic pollution before it’s too late.
Water diversion - Water pollution
Water will be diverted from Thabet stream to be used in cleaning and processing the iron ore. Already it has been polluted during construction of the factory. Thabet Stream is the main water source for agriculture in the Hopone valley upon which 35,000 people depend. Plans for cleaning and releasing the water have not been disclosed.

Downstream of the factory, where the stream is used for drinking and bathing, villagers have reported unusual stomach illnesses. In May this year five villagers died after using the stream. Despite the fatalities, no agency has investigated the cause of the illnesses or deaths. This lack of monitoring and protection mechanisms will become more deadly when the iron processing begins at the factory, as the release and/or a leak of toxic tailings will endanger all those relying on the stream.

Exploiting workers
Hundreds of construction workers from Middle Burma are working in the factory compound without receiving wages they were promised. Due to these conditions, 185 workers stopped working and went home during August this year. The company recruited 67 new workers but they are finding the situation too difficult without adequate salaries.

Pinpet Iron Project: Basic Facts
Deposit:  70 million tons of hematite and limonite ore
Plant:  No (5) steel mill (Pang Pet)
Excavation:  200,000 tons per year for 150 years
Production:  Billets and slabs for other iron plants
Location:  Taunggyi township, Shan State
Energy use:  Will import coal from Kehsi Mansam, natural gas from Magwe, coal power from Tigyit, and hydropower from Kengtawng to operate factory
Stakeholders:  Tyazhpromexport Company (Russia)
Danieli Company (Italy)
Myanmar Economic Corporation
In August 2010 rumors surfaced that the Russian Company will stop construction temporarily, transferring operations to Burmese companies Shwe Myanmar, Kan Baw Za, Htoo Trading and Asia World.

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Powering Pinpet – a trail of abuse
The 250-mile pipeline that transfers natural gas from Magwe to the iron factory has destroyed villagers’ farmlands along its route. In northern Shan State hundreds of farmers have been impacted by the Kehsi Mansam mine that will send coal to Pinpet to burn for processing the iron. Meanwhile, two villages have been relocated and several hundred acres of farm lands confiscated for the Tigyit coal power plant 40 miles from the Pinpet project. Although local people in the Tigyit area have lost their lands and face serious air and water pollution, they cannot access any energy produced by the power plant as it is sent off to the Pinpet factory and other industrial projects.

“Although I only have a few acres of cultivation lands, they (companies) already confiscated them. I have nothing now. But I want to die here. I have no more energy to move again to a new place.”

Forced to move - dead or alive
Pone Zin village, located northwest of the iron factory, was set up in 1993 after it had been forced to move by Military Communication Battalion 212. Since 2004 when construction of the Pinpet iron factory began, the villagers have been facing forced relocation again. In April the company forced villagers into “selling” more than 100 acres of land at the low price of 100,000 kyat (US$100) per acre. Project officers have now warned that the whole village will have to move after the elections in November. The community graveyard will be dug up in December and villagers have no idea where their dead relatives will be put.

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Torture and killings for project security

Burma Army Light Infantry Battalions (LIB) 423, 424, 425 and 426 based in Hsi Hseng and Ban Yin have been patrolling along the mountain range east of Hopone Valley for the Pinpet iron mine and steel mill project security.

As the Shan State Army-South (SSA-S) and the Pa-Oh National Liberation Army (PNLA) are actively resisting the Burma Army in the area, the situation remains unstable. In May 2009 after a clash with the PNLA, villagers were interrogated and tortured by Burma Army soldiers. A 15-year old girl was raped and one man’s hands were cut off.

On February 13 2010, LIB 423 arrested seven men from Sainfrinar village for allegedly supporting an armed group. The following night the soldiers violently interrogated the villagers and two of them were killed. The families did not get a chance to see or retrieve their corpses. The remaining five villagers are being held in the detention center at No-2 police station in Taunggyi until today.

In that same month nearly 300 people from 2 villages were forced to flee after continuing abuses by the Burma Army. Soldiers from LIB 423 then came into the abandoned villages and destroyed the houses, taking the wood and zinc materials back to their post in Hsi Hseng.

Taking lands

By June 2009 7,000 acres of vital farms and lands had been confiscated for the factory compound. Farmers did not receive compensation. In September 2010 project officials offered 5,000 kyat (US$ 5.34) per acre in compensation for over 1,000 acres that had been destroyed in seven villages. All the villagers from Poung Taw Choke village refused to accept the paltry amount.

From March - April 2010 an additional 300 acres were confiscated by project authorities to construct a new building near Pone Zin village. Villagers have also been intimidated into signing agreement papers for giving up their lands and forced to “negotiate” the “sale” of their land for prices far below market rates. One villager said “We didn’t want to sell our land. But we sold because we are afraid of them.”

The project must be stopped before Mount Pinpet disappears to open pit mines and Thabet Stream becomes seriously contaminated. Farmers are losing their lands and face imminent forced relocation. At the same time while the political situation remains unstable, innocent villagers are being held hostage to investment security measures.

PYO therefore calls for:
• The Pa-Oh National Organization (PNO) Party to defend the rights of local people suffering from the impacts of Pinpet mining project
• Companies to stop the project and withdraw their investment until the situation is more stable, there are public impact assessments, and local people can participate in development decisions
• The government in Burma to disclose mining and nuclear plans to the public
• Adequate compensation to be provided to people already affected by the project

Pa-Oh Youth Organization (PYO)
This briefing is an update of PYO’s report Robbing the Future published in June 2009.
To view the report and see video footage from Pinpet, please visit
http://pyo-org.blogspot.com/

Published in 2010 October

Email: pyorg.net@gmail.com  
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