KIO SIGNS CEASEFIRE AGREEMENT
The Kachin Independence Organization signed a ceasefire agreement in Myitkyina with the State Law and Order Restoration Council (SLORC) on 24 February. The KIO was represented by Chief of Staff Major-General Zau Mai, Kachin Independence Council Vice President Brig-General Tu Jai, and KIO Deputy Secretary, General Colonel Zau Seng. SLORC was represented by Northern Military Region commander Maj-Gen Saw Lwin, Northeastern commander Maj-Gen Aye Kyaw and Lieut-Colonel Kyaw Thein, General Staff Officer (Grade 1) of the Ministry of Defence. Lieut-General Khin Nyunt, SLORC Secretary 1 and Intelligence Chief, witnessed the ceremony. There was speculation that the KIO would soon send an observer group to the National Convention in Rangoon. A KIO spokesman, however, said that no decision had as yet been made. Maj-Gen Zau Mai said that the agreement only concerns military positions, territory recognition, and rules governing the movement of both sides in the Kachin State. Regarding the Convention, Zau Mai said, “The KIO welcome the efforts of SLORC to examine constitutional principles through the National Convention, but these efforts must now be stepped up and broadened to ensure a full consultative process with all other peoples, parties and groups” [N940225, KIO940228].

AMOCO WITHDRAWS FROM BURMA
On 3 Mar, Amoco Production Co, the exploration arm of Chicago-based Amoco Corp, announced that it will terminate its Burma operation before the end of 1994. John Seger, Amoco’s resident manager in Rangoon said that the decision was made based on the ‘economic exploration potential’ and ‘crude oil price forecasts’. Amoco spent US$135 million from 1988 when it first signed an oil exploration contract. US$5.6 million was a signing bonus, US$16.4 was paid to SLORC for services such as electricity, visas, weather reports, fuel, equipment and communications, and the rest was Amoco’s operating expenses. In February, Amoco won a US Securities and Exchange Commission ruling allowing it to omit a shareholder resolution from the agenda of its April 26 annual meeting. The resolution called for Amoco to cease its operations in Burma [ChTrib940304,ICCR931208].

NO EARLY TALKS WITH DAW SUU
Lieut-General Khin Nyunt on 6 March ruled out the possibility of early talks with detained democracy leader Daw Aung San Suu Kyi. He said that after US Congressman Bill Richardson’s visit in February, he had sent senior officers “to meet with Daw Aung San Suu Kyi on my behalf. He said, “Our impression is that she does not think much of us and so I think that she doesn’t want to be serious.” Her attitude, he said, “was rather negative and counter-productive.” Khin Nyunt offered no timetable for Daw Suu’s release nor for future talks but said that it might be possible eventually. “This is a very complex matter, and we will have to take many factors into account - national politics, international relations...This is not something that I alone can decide” [NYT/OC940307].

KNPLF AGREES TO CEASEFIRE
The Karenni Nationalities People’s Liberation Front on 27 Feb announced that it had reached an agreement with SLORC for a ceasefire. The KNPLF delegation led by Vice chairman and Chief of Staff Colonel Tun Kyaw met with Coloneli Maung Kyi and No.27 Intelligence Group Commander Major Zaw Thet Naing on 9 Feb in Mae Set, Loikaw Township, Karenni State. The talks were witnessed by Roman Catholic Bishop Sotaero Parmo and Baptist leader Rev Saw Eliya [KNPLF940227]. The Karenni Provisional Government has not yet agreed to a ceasefire with SLORC - Ed.
THAILAND HELPING KHUN SA?

SLORC Minister for the Development of Border Areas and National Races, Lieut-General Maung Thint on 27 January accused Thailand of complicity with drug warlord Khun Sa. "The Thai government is not willing to co-operate with us," he said. "They (Khun Sa's forces) get food, supplies, arms and ammunition from Thailand. That is why he survives. His survival depends on Thailand. They (Thailand) never consider wiping out Khun Sa. Moreover, he is able to dodge into Thailand whenever he wants." Colonel Kyaw Win, deputy director of the Directorate of Defence Services Intelligence, was also outspokenly critical of Thai authorities for allowing Khun Sa to "jump the fence" into Thailand. Maung Thint said that SLORC is "determined to fight him (Khun Sa) and wipe them out by force." Kyaw Win, however, said that SLORC has no immediate plans to move against Khun Sa. He also pointed to the likelihood of a new drug kingpin emerging once Khun Sa is eliminated [N940127/FBIS].

200 THAI FISHERMEN KILLED BY SLORC

Thai Fisheries Department Director Plodprasop Sirasawadi said on 3 March that SLORC sank more than 50 Thai fishing vessels in the past three months and is responsible for the death of about 200 Thai fishermen. Although Plodprasop acknowledged that the Thais may have been poaching in Burmese waters, he said that the force used was excessive. He also said that SLORC has not responded to Thai requests to negotiate fishing problems [N940305].

ITF BOYCOTTS BURMESE SHIPS

The International Transport Workers Federation's Asia Pacific Seafarers Regional Committee Meeting in Manila, from 2-3 February, affirmed the union's decision to take general action against the economic interest of SLORC and in particular to boycott Burmese registered ships. Whenever possible, the ITF will boycott all ships including those manned by Burmese seafarers, which do not fully meet ITF standards. The ITF also committed to assist the Seafarers Union of Burma (SUB), which was formed in 1991, to fight SLORC's exploitation of Burmese seafarers [FTUB940203]. Most Burmese sailors receive only a fraction of their salary. The ship owner usually remits the remainder of their salary directly to SLORC - Ed.

ALATAS VISITS RANGOON

Indonesian Foreign Minister Ali Alatas led a delegation to Rangoon 20-23 Feb. They met with SLORC Chairman Senior General Than Shwe, Defence Services Deputy Commander-in-Chief and Army Commander-in-Chief Lieut-Gen Maung Aye, Lieut-Gen Khin Nyunt, SLORC Secretary 1, Lieut-Gen Tin Oo, SLORC Secretary 2, Vice-Admiral Maung Maung Khin, Deputy Prime Minister and SLORC member, U Ohn Kyaw (Foreign Affairs) and Brigadier-General David Abel (National Planning & Economic Development) [SLORC9402].

UPDATE ABSDF-KIO STATUS

The January Burma Alert mentioned reports of the All Burma Students Democratic Front being asked to leave Kachin territory. It has been learnt that on 28 January, Dr Naing Aung, chairman of the ABSDF wrote to the Central Committee of the KIO. Among other things, he requested the following:

1. that the ABSDF (Northern Command) be given free passage through KIO territory to continue its activities against SLORC outside the cease-fire area.

2. that the ABSDF (Northern Command) be allowed to bear arms in KIO territory as long as KIO continues to retain its own arms.

On 19 February, the KIO responded to the request by stating that, as of the date of the official ceasefire announcement, there is to be absolutely no fighting in Kachin State and that the Kachin State must not be used as a base for military operations in other areas. The KIO stated that if the ABSDF cannot abide by these conditions, they have three options:

i) Move out of Kachin State,

ii) Join forces with the ABSDF (Central Command) on the Thai-Burma border, or

iii) Dissolve the ABSDF (Northern Command) and join the KIO or return home.

A fourth possible option of beginning direct cease-fire negotiations with SLORC was also mentioned. As of the end of February, the ABSDF had not yet responded to the KIO.
International Action:

ARAKAN STUDENTS FORM GROUP
Arakanese student refugees who were ordered by the government of Bangladesh to leave by 28 April 1993 have sought protection from the UNHCR in India. In order to continue to promote awareness of democracy and human rights in Burma, they have set up the ARAKAN REVOLUTIONARY LIBRARY, c/o A 5/A 178 Janak Puri, Janta Quarter, New Delhi 110058.

BURMESE PROTEST 'MASUZOE ANALYTICA'/FUJI TELEVISION
In an open letter to the Burmese community, the BURMESE ASSOCIATION IN JAPAN launched a campaign on 6 Feb to protest an article on Burma written by Yoichi Masuzoe in the 'Masuzoe Analytica' magazine (No.2, Jan.94) and the television show, 'The Week' (Fuji Television), which featured Yoichi and made its debut on 4 December 1993. Masuzoe is of the opinion that Aung San Suu Kyi cannot unite Burma and that only SLORC can keep Burma together. He also claims that Japan's decision to suspend ODA assistance to SLORC is causing great hardship and suffering for the people of Burma and advocates the resumption of aid. Readers are invited to protest to: Masuzoe Jimusho, 3-48-1 Daita, Setagaya ku, Tokyo 155. Tel: 81 (3) 3410-3221, Fax: 3410-3222.

STUDENTS RALLY AT DC EMBASSY
To commemorate the beginning of the 1988 democracy uprising, the Democratic Burmese Students' Organization (USA) organized a rally on 13 March - Human Rights Day for Burma - in front of the SLORC embassy in Washington, DC. DBSO (USA) address: PO Box 91, Rockville, MD.20851, USA. Tel/Fax: 1 (301) 770-7416.

USA PEPSI BOYCOTT
The latest Boycott Quarterly magazine in the USA featured the Burma Pepsico Boycott on its cover and the campaign is spreading rapidly especially in the alternate press. Mother Jones and Co-op America magazines have already featured the boycott. Over 10,000 "Gotta Boycott - Pepsi" stickers have been distributed and are available for $4.00 per hundred plus a donation for postage from the Pepsi-Burma Boycott Committee, Box 1926, Portland, OR.97207, USA. Tel: 1 (503) 234-2893. The Westchester County Peoples's Action Coalition (WESPAC), 255 Grove St, Box 488, White Plains, NY.10602, USA, Tel: 1 (914) 682-0488, is actively promoting the boycott. In Asia, the Hong Kong-based Asian Human Rights Commission is promoting the boycott.

CORRECTION: The February BURMA ALERT incorrectly reported that the Interfaith Center on Corporate Responsibility is coordinating the boycott. The shareholder resolution calling for PepsiCo to cease all business with SLORC was coordinated by ICCR. PepsiCo succeeded in getting the US SEC to rule that it does not need to bring the resolution to a vote at it annual meeting on 4 May. The ruling is being appealed.

"A SWAMP FULL OF LILIES"
A "Swamp Full of Lilies" is a 60-page compilation of 'Human Rights Violations Committed by Units/Personnel of Burma's Army, 1992-1993'. Drawing from detailed reports filed by various ethnic and human rights groups, the report cross-indexes the human rights abuses and attributes them to Tatmadaw units and/or personnel reported to have committed them. The report is designed to facilitate accountability and is meant to serve as a beginning element of an accountability data-base. The title is inspired by an incident in 1991 when a 7-year old girl was raped by a Burma Army sergeant and thrown into a swamp full of lilies to die. The report's author writes, "In Asia, the lotus is a symbol of spiritual purity, a thing of beauty rising out of fetid mud. The strength and courage of Burma's multi-ethnic people, flower too, out of years of oppression by a depraved military. By daring to tell their stories, the victims and witnesses defy Burma's monstrous regime. They transcend the mud, and they triumph." Project Maje, 14 Darmouth Rd, Cranford, NJ.07016, USA.
Foreign Investments:

CANADA:
IVANHOE CAPITAL CORP Chairman Robert Friedland called on Lieut-Gen Kyaw Min, Minister for Mines and member of SLORC to discuss mining matters [SLORC9402].

ISRAEL:
Israeli Ambassador to Rangoon Mordechay Karni on 17 Jan.94, met with Lieut-Gen Kyaw Ba, SLORC Minister for Hotels and Tourism, and offered to provide assistance to develop Burma's tourist industry. He suggested that trainees could be sent to Israel [SLORC9402].

JAPAN:
NINO INTERNATIONAL CORP is cultivating pearls in Burma for export (from Nov.89).
SEIKO EPSON (EPSON ELECTRONICS) appointed INCHCAPE its Burma agent (Feb.93).

MALAYSIA:
ATLANTIC OUTLINE CAPITAL said in Dec.93 that it has been given the green light by SLORC to develop a major tourist project on Pulu Basin Island, off Kawthaung. The proposed US$300 million beach & golf resort with 3 hotels will be accessible by ferry from Phuket. Atlantic, a consortium of leading corporations and individuals is spearheading Malaysia's private sector investment in Burma [N931220,28]

Malaysian DEFENCE SERVICES INTELLIGENCE Director Lieut-Gen Raja Dato Abdul Raschid led a business delegation to Rangoon on 27 Jan. They met with Lieut-Gen Myint Aung, Minister for Agriculture, Lieut-Gen Chit Swe (Forestry), Lieut-Gen Kyaw Min (Mines), Colonel Aung Thaung, Deputy Minister for Trade, and Daw Khaing Khaing, Joint Secretary, Foreign Investment Commission [SLORC9402].

Malaysian INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES Chairman Tan Sri Datuk Zainal Abidin Sulong led a delegation to Rangoon on 10 Jan. He was hosted by U Ohn Gyaw, Minister for Foreign Affairs and Chairman of the Myanmar Institute for Strategic and International Studies [SLORC9402].

Primary Industries Minister Lim Keng Yaik announced in Jan.94 that MALAYSIA is extending a US$25 million credit facility to SLORC to buy palm oil [N940127].

SEA LUMBER CO and South Korea's DAEWOO each have a 45% share in a joint venture plywood factory in Rangoon [N940215].

SINGAPORE:
STRAITS GREENFIELD LTD, which is building the Straits Greenfield Hotel in Rangoon, is a subsidiary of the STRAITS STEAMSHIP LINE [Dana9312].

SLORC said in Feb.94, that it had reached an agreement with LAMBIR CO to set up a furniture factory in Burma [N940215].

SWITZERLAND:
The WINTERTHUR GROUP, the largest Swiss insurance company is considering expanding its business by moving into Burma. A team was sent to Rangoon in Dec.93 to make an assessment [BA].

THAILAND:
Central Floating Hotel Co, a joint venture between Thailand’s CENTRAL HOTEL GROUP (80%) and B.U.T. HOLDING CO (20%) announced on 21 Jan that its wholly-owned subsidiary, Central Floating Hotel (Yangon) Ltd, will be operating a 133-room floating hotel in Rangoon beginning in May 1994. The hotel-vessel was built by VALMET HELSINKI SHIPYARD in Finland in 1968 and was renovated in 1992. It will be moored on a pier in Rangoon under a 15-year lease from SLORC. Suthikhat Chirathivat, the project's managing director said that the floating hotel is only the beginning of Central's business in Burma. Another hotel in Mandalay is a possibility. Wanchai Chirathivat, president of the Central Group said that it is studying the feasibility of a department store in Mandalay. Un Sucharitkul is the Executive Vice President of B.U.T. Holding [N940121, B940121].

L.P. HOLDING INTERNATIONAL signed a contract on 25 Jan.94 with ACCOR ASIA PACIFIC to manage its Hotel Sofitel Yangon. The hotel is scheduled to open in 1996. SOFITEL is a French hotel chain that is part of the Accor Asia Pacific group. The Accor hotel chain includes Novotel, Mercure, Ibis, and Formule 1.

FLYING SERVICE CO LTD of Chiang Rai introduced a charter service between Chiang Rai and Kengtung in Nov.93. Maximum stay is four days and visas are granted on arrival in Kengtung. The company's four-passenger Piper Aztec F and Piper Seneca II cost US$1,600 to charter. Its 7-passenger Turbo Commander cost US$2,400 and its 17-passenger Twin Otter DHC6-30 cost US$4,600 [BWR901119].
Foreign Investments:

THAILAND: continued

WORLD IMPEX, M.D.X. and V.E.S. GROUP have submitted proposals to SLORC for constructing dams on the Salween River. SLORC has, however, suggested the three form a consortium. Nine possible sites have been proposed since the 1970s and preliminary studies have been carried out by Japan's EPDC and Nippon Koe, as well as Australia's Snowy Mountain. The Electricity Generating Authority of Thailand (EGAT) favours a site in the Shan State 70 kms from Chiang Mai's Chiang Dao district, which would generate 4,000 MW of electricity and take 8 years to build. Khun Sa who controls the area has said the dam should not be built until his Merng Tai Army and SLORC have agreed on who has the right to develop natural resources in the Shan State. SLORC's Forestry Ministry is worried about inundating large expanses of forests and the Foreign Ministry is worried about how the border line will be affected by changes in the river's current. In addition to the dam, Thailand is more interested in increasing the level of water in Bhumibhol Dam in Tak province by diverting water from the Salween into the Ping and Chao Phaya Rivers. The Salween's runoff at its mouth is 12 billion cubic metres per annum. Thailand wants 5% or 600 million cubic metres per year [N940330].

UNITED STATES OF AMERICA:

BOLDER ADVENTURES, specialists in Southeast Asia travel is advertising 16-day tours to Pagan from the USA. The first tour was in Feb.94 and the next tour is scheduled for November 1994. It will be led by Joe Cummings, a former Peace Corps worker in Thailand and author of Lonely Planet Guides to Thailand, Burma, Laos and Indonesia. Tel: 1 (800) 642-2742, or P.O.Box 1279, Boulder, CO.80306, USA. Tel: 1 (303) 443-6789, Fax: 443-7078.

DISNEY is planning to market comic books, food items and T-shirts in Burma [WSJ940404].

LIZ CLAIBORNE is marketing 'Made in Myanmar' garments (Aug.93).

SEARS ROEBUCK is marketing 'Made in Myanmar' garments (Aug.93).

TEAK IMPORTS INTERNATIONAL is advertising 'Myanmar' teak custom sculptures & furniture (Oct.93).

THE LIMITED is marketing 'Made in Myanmar' garments (Aug.93).

VAN HEUSEN is marketing 'Made in Myanmar' men's shirts (Jan.94).

WAL-MART marketed 'Made in Myanmar' garments (Aug.93). But in Dec.93, Wal-Mart said it purchased the goods from one company in Burma in late 1992. The merchandise is no longer being sold in Wal-Mart stores and they definitely have no plans to deal with Burmese companies in the future [ICCR931208].

The US GOVERNMENT supports democracy and human rights in Burma, but is undecided about the role of US private investments. According to Winston Lord, Assistant Secretary of State for Asia Pacific Affairs, "We do not encourage (US investment), we do not stand in the way of it." However, the US Department of Commerce continues to issue reports encouraging US companies to form joint-ventures with SLORC. The economic counsellor at the US Embassy in Rangoon, Laura Kirkconnell, for example, attended a reception for Chinese fishing trawlers in Arakan State with US businesswoman Miriam Marshall Segal who is SLORC's most high-profile supporter and is called the "junta's helper" by the Wall Street Journal. Segal and her colleagues invested US$74 million in Myanmar-American Fisheries, a fishing and shrimp farming joint venture in Arakan. She is also negotiating hotel, timber, cellular telephone, aircraft repair, expatriate housing construction and pharmaceutical import ventures, and duty-free shops and a car dealership. US businesses are currently lobbying the US Congress to ensure that economic sanctions are not enacted. Write the White House, the State Department, the Department of Commerce, your congressman, and Segal, stating your opposition to US private investments propping up a regime that the people of Burma have clearly rejected twice, in 1988 and in 1990:

Tourism:

NEW HOTELS IN BURMA
To cater to tourists in 1995, "Visit Burma Year", the following hotels are being built/renovated. When completed, they will double the number of hotel/motel/guest house rooms currently available (3,012 rooms as at 31 December 1993):

EMERALD ROSE GARDEN CO (Hong Kong), US$15 million, 500 rooms, Emerald Hotel, Rangoon, August 1995 opening.

STRAND HOTEL INTERNATIONAL (Hong Kong), US$22 million, 400 rooms, Strand/Inya Lake/President Hotels, Rangoon, March 1995 opening.

MIMATSU CONSTRUCTION GROUP (Japan), US$60 million, 350 rooms, Yangon International Hotel, Rangoon, renovated.

BAIYOKE GROUP (Thailand), US$10.5 million, 197 rooms, Jade Pavilion Hotel/Kandawgyi Palace Hotel, Rangoon, January 1995 completion.

CENTRAL HOTEL GROUP (Thailand), US$10 million, 133 rooms (4-star), Central Floating Hotel, Rangoon, May 1994 opening.


SERGE PUN ASSOCIATES (Malaysia), re-modeled Railway Station, Rangoon.

ATLANTIC OUTLINE CAPITAL (Malaysia), US$300 million?, beach & golf resort with 3 hotels on Pulu Basin Island, off Kawthaung.

NAWARAT LAND CO (Singapore), US$10 million, 80 rooms, Nawarat International Hotel, former jute mill in Insein, January 1994.

STRAITS GREENFIELD LTD (Singapore), US$27 million, 300 rooms, Straits Greenfield Hotel, Rangoon, October 1995 opening.

SWAN INVESTMENT CO (Singapore), US$3 million, renovation of 112-room Mandalay Hotel, Mandalay, April 1995 opening.

SYSTEM BILT CO (Singapore), US$18 million, 250 rooms, Park View Hotel, Rangoon, December 1994 opening.

FOREIGN INVESTMENT SUMMARY
(By country, 1988-1993)
Investment data for Burma is difficult to obtain or verify. For example, in 1990, SLORe announced a US$14 billion Japanese infrastructure. It was false. Using available data, the summary gives an approximate investment picture of Burma. In general, these figures do not include SLORe income from timber and fishing concessions. Timber generates about US$200 million per annum and fisheries less than US$50 million per year.


THAILAND - 80 firms invested US$270 million (US$111 million in oil and gas - still active).

AUSTRALIA - 20 firms invested US$155 million (US$25 million in oil and gas - no longer active).

S. KOREA - 11 firms invested US$149 million (US$39 million in oil and gas - no longer active).

JAPAN - 34 firms invested US$101 million (US$44 million in oil and gas - still active).

SINGAPORE - 42 firms invested US$94 million (US$19 million in oil and gas - still active).

NETHERLANDS - 1 firm invested US$60 million (US$80 million in oil and gas - no longer active).

HONG KONG - 30 firms invested US$55 million.

FRANCE - 1 firm invested an estimated US$52 million (US$52 million in oil and gas - active).

CANADA - 2 firms invested US$41 million (US$41 million in oil and gas - no longer active).

BRITAIN - 10 firms invested US$37 million (US$31 million in oil and gas - no longer active).

DENMARK - 1 firm has a US$20 million drilling contract (oil and gas - still active).

BANGLADESH - 2 firms invested US$15 million.

MALAYSIA - 10 firms invested US$7 million.

GERMANY - 1 firm invested US$1 million.

In total, 309 firms invested US$1.4 billion over a period of 5 years (US$575 million was in oil and gas). Less than 20% of the US$1.4 billion investment benefits SLORe directly. Therefore, SLORe's probable 5-year foreign investment income is less than US$100 million per year. Even adding forestry and fishing concessions, these figures show that SLORe has not been as successful as it would like the world to think - Ed.