

Burma Alert:
January 1990

This is to alert you to the activities of a number of companies who want to profit from the terrible situation in Burma and are ignoring the brutal suppression of human rights there.

Amnesty International, Asia Watch, other human rights organizations, and even the U.S. Ambassador to Burma, Burton Levin, have confirmed that the Ne Win/Saw Maung dictatorship is blatantly violating the United Nations Charter on Human Rights of which Burma is a signatory.

Many governments have since 18 September 1988 withheld aid until the human rights situation improves. The United Nations Human Rights Commission in 1989 called on the Burmese government to respect human rights and give the Burmese people their fundamental freedoms. On September 8, 1989, the European Community also expressed concern about the deteriorating human rights condition in Burma and requested that the Burmese authorities stop their repression of the people.

Unable to get either local or international support,, the Ne Win/Saw Maung regime is, therefore, selling off Burma's resources cheaply as a source of hard cash to buy arms and retain its power. Burma's foreign exchange reserves on 18 September 1988 was less than US\$ 10 million. By June 1989, it had risen to US\$ 150 million from these sales. Most observers, including diplomats in Rangoon do not doubt that the foreign exchange earned will be used to import arms.

The Far Eastern Economic Review reports that the oil companies that « signed agreements with Myanmar in October and November 1989, may have each paid US\$ 5 million as signing bonuses [F891221]. In addition, all businesses, both foreign and local, are being recommended by the military regime to work through a new company called the Associated Business Consultancy Services Ltd. Usually, the middleman is paid a percentage of the contract. This new company is controlled by Aye Zaw Win, Ne Win's son-in-law [F891214].

Please use all legal means to persuade the companies listed from supporting the Myanmar dictatorship. Point out that their indirect support of the regime is short-sighted, and will damage their long-term prospects. Or you can expose their unethical involvement to the news media in their home country; boycott their products; write to retailers of their products in your area explaining why you are boycotting them; write to the home governments concerned. You can make a difference. For example -

In the U.S.A., a bill has -already been presented to Congress to ban the import of Burmese logging and fishery products; a furniture manufacturer has voluntarily refused to use Burmese teak; and in response to a Burmese student movement call for a world-wide boycott of Coca-Cola, the company has stated that it is not manufacturing in Burma but merely investigating marketing options [F891214]. However, Coca-Cola should not even be thinking of doing business in Burma until democracy is restored. The timing is wrong.

In 1982, the Scandinavian press exposed a secret illegal deal between a Swedish arms manufacturer and Burma. This led to the arms shipments being stopped. Since then, a Swedish paper, *Svenska Dagbladet* has claimed that several illegal shipments of 84 mm Carl Gustaf rockets have been made from Singapore to Burma. The Swedish attorney-general is investigating the charges [F881103].

To make our efforts more effective, please try to obtain and share the following information:

- Names and addresses of companies & executive officers involved.
- Names and addresses of staff members involved.
- Names of Myanmar officials & dates & places where contacts made.
- Details of agreements, methods of operation and payments, etc.
- Names and addresses of home media to be contacted, etc.
- Names and addresses of government officials to be contacted. _

In Canada, please write or contact the following, people:

The Right Honourable Joe Clark
Secretary of State - External Affairs
165 East Block, House of -Commons
Ottawa, Ontario K1A 0A6
Tel: (613) 992 3480
Fax: (613) 992 6474

James Stanford, President
Petro-Canada Resources
150, 6th. Avenue S.W.
P.O.Box 2844
Calgary, Alberta T2P 3E3
Tel: (403) 296 8000

The Honourable John Crosbie
Minister for Intei-national Trade
418-N, Centre Block, House of Commons
Ottawa, Ontario K1A 0A6
Tel: (613) 992 7332

Your Federal M.P.
c/o House of Commons
Ottawa, Ontario K1A 0A6

Also, please write and protest to:

Stuart Eastwood, Director
SE Asia Div., Coca-Cola Export Corp
G.P.O.Box 523, Bangkok 10501
Thailand
Fax: 011-66-2-254-9910

Robert L. Blandon, President
Europe, L.America & Far East
Oil Exploration,
AMOCO, 501 Vestlake Park Blvd.
Houston, Texas 77079
Fax: 011-713-556-2139

Please send a copy of your letter to:

Robert Goizueta, C.E.O.
Coca-Cola Inc.
310 North Avenue, N.W.
Atlanta, Ga.30301
Fax: 011-404-676-6792

Richard R.M. Morrow, C.E.O.,
AMOCO
200 Ea. Randolph Street
Chicago, IL60601

This list will be updated monthly. If you have information we can use or want more details of the activities listed, please let me know. Please distribute this "Alert." as widely as possible. If you know of others who would like to be on the mailing list, send me their address. Thank you for caring.

AUSTRALIA:

BHP, oil exploration and production sharing contract signed with Myanmar Oil & Gas Enterprise in November 1989 [F891221].

AUSTRIA:

IAEG Austria, on 12 October 1989, signed joint venture deal with Myanmar Hotel & Tourism Services to build and co-manage for 15 years, 3 five-star hotels in Rangoon, Mandalay and Pagan. The 3 hotels with a total of 760 beds will be completed by 1993 [F891026 & F891214]. The Managing Director of Myanmar Hotel & Tourism Services is Lt.Col. Thaw Da Sein [A891201].

BELGIUM:

Arms supply from Antwerp, W. Germany, Britain, Holland, Yugoslavia and Italy were loaded on to Five Star Shipping Line ships - the S.S. *Sagaing*, *Magwe*, *Pegu* and *Mandalay*. One of the ships unloaded 200 silver bars in Belgium to pay for the arms. Each silver bar was 1 ft.x 5 in.x 5 in. [D890719, F890720, also see Singapore F891005].

BRITAIN:

Arms supply from Britain, Holland, W Germany, Belgium, Yugoslavia and Italy were loaded on to Five Star Shipping Line ships - the S.S. *Sagaing*, *Magwe*, *Pegu* and *Mandalay*. 6000 tons of high quality teak was shipped to England to pay for the arms [D890719 & F890720].

Croft Explorations, oil exploration and production sharing contract signed with Myanmar Oil & Gas Enterprise in November 1989 [F891214].

CANADA:

Petro-Canada Resources, in Nov. 89 signed an oil exploration and production sharing contract with Myanmar Oil & Gas Enterprise [A891201]. Petro-Canada Resources is the exploration and production arm of *Petro-Canada* which is owned by the Canadian government. Canada has condemned the human rights violations in Burma and has cut off aid but Petro-Canada claims it is a commercial venture and not bound by government policy [M891106 & E891027]. U Aung Min is the Managing Director of Myanmar Oil & Gas Enterprise [F891130].

Myanmar Ambassador to Canada as of Aug.89 is U Win Shein. Embassy address is Apt.907, 85 Range Road, Ottawa, Ontario, Canada [E891122].

CHINA:

Yunnan Province agreed to exchange milk powder, soap and toothpaste for 1500 tonnes of maize worth US\$ 180,000 from the Myanma Export Import Corporation [A891201]. Yunnan province also recently agreed in principle to open department stores in Burma to market Chinese goods; promote tourism to Rangoon from Kuming; form joint ventures to mine tin in the Shan State; market coal in Kachin State; and produce caustic soda in southern Burma [F891221]. Zhu Kui is Vice-Governor of Yunnan [F891214]. Zhan Dee is Commercial Counsellor at the Chinese Embassy in Rangoon [F890223].

A 24-man delegation led by Lieut.Gen Than Shwe, Commander-in-Chief of the Burma Army visited Peking and Shanghai in October 1989 [F891116].

FRANCE:

Elf. in November 1989, signed an oil exploration and production sharing contract with Myanmar Oil & Gas Enterprise [A891201].

HONG KONG:

Unidentified joint ventures with Myanma Fisheries Corp [F890105].

HOLLAND:

Shell Exploration signed an oil exploration and production sharing contract with Myanmar Oil & Gas Enterprise [A891201 & F891130].

Arms supply from Holland, W Germany, Britain, Belgium, Yugoslavia and Italy were loaded on to Five Star Shipping Line ships - the S.S. *Sagaing*, *Magwe*, *Pegu* and *Mandalay* [F890720].

INDIA:

An unidentified Indian company has been purchasing Burmese logs from Colias near Mathey Island in Burma, for resale to Thailand for about US\$ 150 per ton. The logs are freshly cut and undried. They include teak and various other hardwoods. Unidentified Indian and S.Korean ships have in recent months taken at least 5 loads of logs, each about 6000 tons, out from Mathey Island. The S.S. *Ava* of the Five Star Shipping Line has brought out at least 5 loads of logs, each about 4000 tons from Mathey Island since June 1989. Ready-made furniture is also brought to Thailand on this ship. Recently, about 700 pieces of furniture were delivered [D890719].

ITALY:

Arms supply from Italy, W.Germany, Britain, Belgium, Holland and Yugoslavia were loaded on to Five Star Shipping Line ships - the S.S. *Sagaing*, *Magwe*, *Pegu* and *Mandalay* [F890720].

ISRAEL:

Arms supplied from Eilat, Israel [see Singapore F891005].

JAPAN:

Japex submitted bid for oil exploration and production concession to Myanmar Oil & Gas Enterprise [F891026].

Idemitsu Oil Development signed an oil exploration and production sharing contract in November 1989 with Myanmar Oil & Gas Enterprise [A891201 & F091130].

Unidentified joint ventures with Myanma Fisheries Corp [F890105].

A Five Star Shipping Line ship took 8-10 thousand tons of beans; 6000 tons of teak and 40-50 tons of dried jelly fish to Japan [D890719].

Part of the Burmese Embassy property in Tokyo's Shinagawa district was sold to an unidentified major Japanese corporation for about US\$ 160 million [F891221].

MALAYSIA:

Defence Minister, Tengku Ahmad Righaudeen, said Malaysia is keen to increase bilateral cooperation with Myanmar in the area of shipping and air transportation, as well as trade. He was receiving a 24-man delegation from Burma's Armed Forces Defence College led by Brig.Gen. Myint Aung of the South West Command [N890703 & D890701].

Unidentified joint ventures with Myanma Fisheries Corp [F890105].

Burma Holdings of Malaysia on 27 August 1989, set up a retail and wholesale joint venture in Rangoon [F891214].

PAKISTAN:

In March 1989, Pakistan agreed to supply the Saw Maung regime with 150 machine guns; 50,000 rounds of ammunition and 5,000 120mm mortar shells. Islamabad may also sell aircraft to Burma or help train pilots following a visit by a high-powered delegation led by Air Force Commander-in-Chief Maj.Gen. Tin Tun, his deputy, Colonel Thein Win, Director of Ordnance, Colonel Thein Tun and Director of Defence Industries, Colonel Htay Tint [Af890808 & 1890930].

Pakistani Ordnance Factory (POF). Last summer, unexploded artillery shells fired by the Burma Army were recovered in Kawmoora camp in Kawthoolei, bearing the mark "POF" [D890701]. POF is owned by the Pakistan government. A POF representative met Colonel David Abel, Myanmar's Minister of Trade, Finance and Director of Procurement, in Bangkok in August 1989 [F891005].

S KOREA:

The Daewoo Group, is the largest Korean venture in Burma. The Group opened a Department store in Rangoon where Korean consumer products are sold for US dollars (26 Jul 1989). Another store is planned [A890804, A891201 & F891214]. The Group also operates a textile factory in Burma and will be investing US\$ 20 million in a joint venture with the Korean Mine Promotion Corp to develop a copper mine in 1990. Production is expected in 1992 and may yield 60,000 tonnes of copper annually [F890316].

Hyundai has a project office in Rangoon to assist in aid projects [A891201].

Samsung has registered a company in Rangoon [A891201].

Yukong Co. signed a 5-year oil exploration and 20-year production sharing contract (3 Oct 1989) with Myanmar Oil & Gas Enterprise. The area is 39,000 sq.km. on the Chindwin river, northwest of Mandalay. The expected cost is US\$ 77 million. 30% of production will be taken by Yukong [F891026]. Yukong is 40% owned by the Sunkyoung Group. Yukong accounts for 60% of the Group's profits. About half of South Korea's 2500 petrol stations carry the Yukong name. The Sunkyoung Group is S Korea's fifth largest chaebol - after Hyundai, Samsung, Lucky-Goldstar (TV) and Daewoo. It is an oil, petrochemical, trading, shipping, engineering and construction conglomerate. It also owns a hotel and is moving into consumer electronics [A891201].

Chey Jong Hyon is Chairman of the Sunkyong Group, and a close friend of President Roh Tae Woo. Chey's son is married to Roh's daughter. The Group's executive vice-president for planning is *Cho Sung Nak* [A891201]. *Cho Ki Bong*, Director, Petroleum Development Division, Ministry of Energy and Resources, Seoul, S Korea [F891026].

Unidentified joint ventures with Myanma Fisheries Corp [F890105].

Unidentified S.Korean and Indian ships have in recent months taken at least 5 loads of logs, each about 6000 tons, out from Mathey Island.

SINGAPORE:

Allied Ordnance. On October 6, 1988, 75 heavily-laden army trucks made 3 trips from the port, of Rangoon along Prome Road to Mingaladon. The boxes unloaded from the Five Star Shipping Line ships, *S.S.Pyi Daw Aye* and *Myoma Ywa* were marked "**Allied Ordnance, Singapore**" [0890601 & F891005]. The *S.S. Pyi Daw Aye* is manned by Burma Navy personnel [D890719]. Allied Ordnance is a joint venture between Sweden's *Nobel Industries* and *Shengli Holdings*, an investment arm of the government of Singapore [F891103].

Chartered Industries. The above arms shipment (6 Oct.1988) contained mortars, ammunition, raw material for making rifle bullets and 84 mm Carl Gustaf rockets made by Chartered Industries in Singapore under licence from *Forenade Fabriksverken (FFV)* in Sweden. Approval to re-export the rockets was not applied for from the Swedish government. In 1983, FFV made a secret agreement with Chartered Industries in Singapore to produce Carl Gustaf rockets under licence. The Swedish government approved the deal on the condition that re-export must receive prior approval from the government of Sweden. The Swedish paper, *Svenska Dagbladet* claims that several shipments of 84 mm rockets have been made from Singapore to Burma since 1983 without prior approval from Sweden [S880914, F881103 & 0890601].

Singapore reported machinery exports to Burma in 1987, valued at S\$ 38.5 million and S\$ 20 million between Jan-Jun.1988. Arms traders often use 'machinery' to describe military supplies [F881103].

Myanmar Singapore International (MSI), is a joint venture with *SKS Marketing Pte Ltd* of Singapore (10 Aug 1989) to manufacture and export electrical, printing and photographic goods and stationary. MSI also runs a Department Store in Rangoon that sells in Kyats. Its capital is Kyat 50 million (US\$ 1 million on the black market) [A891201]. MSI may be a front operation involved in clandestine arms trans-shipment. An arms shipment arrived in Rangoon on 30 August 1989 from Singapore on the *S.S. Htone Ywa* of the Five Star Shipping Line. The cargo arrived in Singapore on the *Singapore Senator* from Antwerp, Belgium, and on the *Zim Osaka* from Eilat, Israel, and was trans-shipped [FR91005]. *Lek Eng Khiang*, Managing Director of SKS Marketing Pte Ltd denies they were involved in the arms deal [F891109].

Hurper Company of Singapore is also suspected as an intermediary for Saw Maung's secret arms deals [D890719].

Woodwork and Construction Pte Ltd, on 23 September 1989, signed a joint venture deal with Myanmar to produce wooden doors [F891214].

Unidentified joint ventures with Myanma Fisheries Corp [F890105].

The Five Star Shipping Line delivered nearly 10,000 tons of rice to Singapore during the first-half of 1989. Rice shipments by other lines were also reported [D890719].

SWEDEN:

Forenade Fabriksverken (FFV) - arms manufacturer. In 1982, FFV illegally exported 500, 84 mm Carl Gustaf rocket launchers and rockets to Burma. Shipments ceased when the deal was exposed in the Scandinavian press. Swedish law stipulates that war material cannot be exported to countries whose government violates the U.N. Charter on Human Rights. Unexploded 84 mm Carl Gustaf rockets have been captured from the Burma Army by Karen troops [Ny891204]. Soren Gindal is an executive of FFV [F830908 & F881103 see Singapore).

Nobel Industries - arms manufacturer (see Singapore).

SWITZERLAND:

Inter Maritime Group deals in shipping, oil, finance and investments. It is owned by Bruce Rappaport, a businessman who is Thai honorary consul in Geneva and a friend of Prime Minister Chatichai Choonhavan. He was involved in the mid-1970's in the Pertamina oil and shipping scandal in Indonesia. He is planning a US\$ 400-600 million development project in Thailand covering 530 ha in the north of Phuket and neighbouring Phang-Nga province. He visited General Saw Maung (Jun?) to discuss possible investments in Burma [F890803].

Nestle is interested in buying from Myanmar, a dairy in Mandalay donated by Australia which is withdrawing from the project [F891026].

THAILAND:

Rice Engineering Supply formed Myanmar Rice Engineering Supply with Myanmar Agricultural Produce Trading Corp to manufacture rice-mill machinery and spare parts for domestic sale and export [F891026].

B & F - logging concession, Dec 1988 [0890601].

Thai Sawad - logging concession, Dec 1988 [0890601].

Thai Pong - logging concession, Dec 1988 [0890601].

Santi Forestry - logging concession, Dec 1988 [0890601].

Chao Phya & Irrawady - logging concession, Dec 1988 [0890601].

Sirin Technology - logging concession, Dec 1988 [0890601].

From December 1988 to date, Myanmar earned US\$ 10 million from timber sales [A891201]. Altogether, 22 logging concession worth US\$ 100 million were given to Thai companies [F891214].

Atlantis Co - permit to catch 250,000 tons of fish (Dec 1988) from Myanma Fisheries Corp [0890601].

Mars & Co - permit to catch 250,000 tons of fish (Dec 1988) from Myanma Fisheries Corp [0890601].

From December 1988 to date, Myanmar earned US\$ 17 million from fishing concessions [A891201].

Unidentified joint ventures with Myanma Fisheries Corp [F890105].

Thip Tharn Thong - signed contract on 17 December 1988, to barter US\$ 10 million worth of used cars' and machinery in exchange for gems, jade and pearls [0890601].

Dusit Thani Corp, is one of the 5 finalists competing to renovate "the Strand Hotel" in Rangoon. 30% of DTC is held by foreign investors; the Crown Property Bureau owns 22%, and Mrs. Chantit Piyaoui who is the founder of DTC and chairman of the Board, owns 18%. Chanin Donavanik, her son, is DTC's Executive Director. DTC currently operates the *Dusit Thani Hotel* and the *Princess Hotel* in Bangkok; the *Dusit Resort and Polo Club* in Cha-am; the *Dusit Inn* and the *Chiang Mai Palace* in Chiang Mai; the *Dusit Resort* in Pattaya; and the *Dusit Laguna Phuket*.

USA:

Amoco signed oil exploration and production sharing contract, in November 1989, with Myanmar Oil & Gas Enterprise [A891201].

Coca-Cola Corp agreed on 23 September 1989 to co-operate with Myanma Foodstuffs Industries to produce and market soft drinks, including Coca-Cola in Burma [F891005].

Exxon submitted a bid to Myanmar Oil & Gas Enterprise for oil exploration and production [F891026].

Unocal signed an oil exploration and production sharing contract in November 1989, with Myanmar Oil & Gas Enterprise [F891130].

W. GERMANY:

Fritz Werner Industries, wholly-owned by W. German government started a joint venture in 1984 with the Heavy Industries Corp to manufacture arms & ammunition for the Burma Army [0890601]. After an interval, it has resumed supplying 'industrial machinery and equipment' to Rangoon. *Joachim Feist* of Fritz Werner is a friend of Ne Win, as are *Fritz Scillemmer*, a pharmaceutical salesman, and *Seigfried Otto*, chairman of the *Giesecke and Devrient* group of companies [Se890512].

Arms supply from W. Germany, Holland, Britain, Belgium, Yugoslavia and Italy were loaded on to Five Star Shipping Line ships - the *S.S. Sagaing*, *Magwe*, *Pegu* and *Mandalay* [F890720].

YUGOSLAVIA:

Arms supply from Yugoslavia, Holland, W Germany, Britain, Belgium, and Italy were loaded 'on to Five Star Shipping Line ships - the *S.S. Sagaing*, *Magwe*, *Pegu* and *Mandalay* [F890720].

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