

A Call for Total, Chevron, and PTTEP to Practice Revenue Transparency in Burma (Myanmar)

The oil companies Total, Chevron, and the Petroleum Authority of Thailand Exploration and Production (PTTEP) have an opportunity to promote transparency and accountability in the extractives sector in Burma by becoming the first oil companies to voluntarily publish their payments to the Burmese authorities. We the undersigned policy leaders, non-governmental organizations, unions, investment firms, and academics call on Total, Chevron, and PTTEP to seize this opportunity and publish detailed information about their revenue payments to the Burmese authorities since 1992, including but not limited to taxes, fees, royalties, bonuses, and social benefits.

In 1992, Total signed a production sharing contract with the Myanmar Oil and Gas Enterprise (MOGE) to explore, develop, and market natural gas deposits in Burma's Andaman Sea. The company is now the principal stakeholder in a consortium including Chevron, PTTEP, and MOGE operating the *Yadana* ("treasure") gas pipeline that transports natural gas from Burma to neighboring Thailand.

Preparations for the *Yadana* pipeline began in the early 1990s and it was officially constructed in Burma from 1996-1999; gas sales to the Petroleum Authority of Thailand (PTT) commenced in 2000 and continue to date. The pipeline project transports natural gas to the Thailand border, from where it feeds into two power plants in Thailand, which in turn provide electricity to the Bangkok metropolitan area. The project is currently one of the single largest sources of revenue for the Burmese authorities.

In October 2009, Total disclosed that its portion of the *Yadana* natural gas project in Burma generated US\$254 million for the Burmese authorities in 2008.¹

We the undersigned commend the company on this step in the right direction and take this opportunity to urge Total, Chevron, and PTTEP to commit to practice full revenue transparency in Burma in the future, and to publish all payments made to the Burmese authorities since 1992. We also encourage Total to disclose payments made in support of its socio-economic projects in the local area of the *Yadana* project, including information about the flow and amount of payments, and the origins of the revenue financing the socio-economic projects.

We the undersigned believe that if Total, Chevron, and PTTEP publish comprehensive data and information about their payments to the Burmese authorities since 1992, the companies would send a positive message to the people of Burma and help contribute to a more constructive presence of their company in the country. Moreover, revenue transparency will help the companies and their home states avoid the appearance of complicity in mismanagement of the gas revenue generated for the Burmese authorities, which could also improve shareholder value. The companies' revenue transparency will also send an important and constructive message to other oil companies involved in new extractive projects in Burma.

¹ This figure was published by Total in a response to a 106-page report released on September 10, 2009 by the non-governmental organization EarthRights International. It follows previous recommendations from numerous investors as well as the International Federation for Human Rights, Info Birmanie, and the Burma Campaign UK calling on Total to disclose monies paid to the Burmese authorities.

Revenue transparency in Burma is within Total, Chevron, and PTTEP's ability. Total's contracts with MOGE, to which Chevron and PTTEP are parties, became public documents through human rights litigation in U.S. courts between Burmese citizens and Total's partner Unocal Corporation.² The governing contracts do not prohibit Total, Chevron, or PTTEP from practicing full revenue transparency in payments to the Burmese authorities. The aggregate figures published by Total in October 2009 likewise confirm the company's ability to disclose payment figures.

Moreover, Total has publicly expressed that generally it is "committed to strict [financial] transparency," recognizing that the benefits from natural resource wealth are often "distributed unequally among the populace" of resource-rich states, and that a "lack of transparency reflects weak institutions and feeds conflict" in host states.³ Former Total CEO and current chairman of the board Thierry Desmarest noted definitively and correctly that "[t]ransparency is in Total's interest."⁴ While Total and Chevron each play a leading role in the Extractive Industries Transparency Initiative (EITI), neither at present publish payments to governments on a country-by-country basis.

Revenue transparency in the extractive industries has become an element of corporate responsibility, promoting stability and good governance in resource-rich developing countries and contributing to long-term energy security. Transparency in foreign companies' payments to host states promotes responsible management of revenues by host states and increases the likelihood that host-country citizens will benefit from the wealth generated from their country's natural resources.

Likewise, we the undersigned acknowledge that transparency from host states is equally important. The Burmese authorities should take immediate steps to disclose all revenues received from extractive projects, adopt the Extractive Industries Transparency Initiative (EITI), and require all oil, gas, mining, and hydropower companies operating in the country to practice disaggregated revenue transparency.

In Burma, a nexus of factors underscores the critical need for revenue transparency in the extractive industries, including the relatively large percentage of national income from natural gas sales; the lack of good governance and documented corruption by state authorities; and the consistent allegations of serious human rights abuses associated with oil and gas development projects in the country.

We the undersigned believe the initial investment in the Yadana gas project in Burma was not advisable for Total, Chevron (formerly Unocal), and PTTEP, given the subsequent, well-documented and widespread human rights violations committed by the Burmese military against the local population. Total, Chevron, and PTTEP should now practice revenue transparency as a core element of corporate responsibility in Burma.

2 In 2005, Unocal Corporation was acquired in full by Chevron.

3 Total, "About Total: Group Presentation: Financial transparency," available at <http://www.total.com/en/about-total/group-presentation/business-principles/financial-transparency-940523.html> (last visited January 11, 2010).

4 *Id.*

*This statement will remain open to endorsements until the Yadana companies practice revenue transparency. To endorse this statement email **transparency@earthrights.org**.*

Signatories as of April 27, 2010

A Call for Total, Chevron, and PTTEP to Practice Revenue Transparency in Burma (Myanmar)

Policy Leaders

- | | |
|---|---|
| 1. Kjell Magne Bondevik
<i>former Prime Minister of Norway; President, The Oslo Center for Peace and Human Rights</i> | 5. Kerry Kennedy
<i>founder of the Robert F. Kennedy Center for Justice and Human Rights</i> |
| 2. Mary Robinson
<i>former President of Ireland; former United Nations High Commissioner for Human Rights; President, Realizing Rights</i> | 6. Dr. Robert Goodland
<i>former Environmental Advisor, the World Bank Group</i> |
| 3. Tony Baldry
<i>former Foreign Minister of the United Kingdom</i> | 7. Zac Goldsmith
<i>former Editor, The Ecologist, and UK Parliamentary Candidate</i> |
| 4. The Baroness Cox
<i>CEO Humanitarian Aid Relief Trust</i> | |

Non-Governmental Organizations

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| 8. Amnesty International | 25. EarthRights International (ERI) |
| 9. Academics Stand Against Poverty | 26. Free Burma Rangers |
| 10. African Centre for Sustainable Livelihoods | 27. Friends of the Earth US |
| 11. ASEAN Inter-Parliamentary Myanmar Caucus | 28. Future in Our Hands |
| 12. Asociación Civil por la Igualdad y la Justicia | 29. Global Competitiveness Empowerment Forum |
| 13. Burma Action Ireland | 30. Global Exchange |
| 14. Burma Economic Watch, Maquarie University | 31. Global Financial Integrity |
| 15. Burmese American Democratic Alliance | 32. Global Witness |
| 16. Castan Centre for Human Rights Law, Monash University, Australia | 33. HELIO International |
| 17. Center for Energy Politics (Republic of Korea), 연구실장 이정필 | 34. Human Orientation Movement for Environment (HOME), Nigeria |
| 18. Christian Solidarity Worldwide | 35. Humanitarian Aid Relief Trust |
| 19. Citizens Action for Responsibility Enterprise (CARE), Seoul, South Korea | 36. Justice in Nigeria Now |
| 20. Citizens for Justice-Malawi | 37. Kairos Europe (Brussels Office) |
| 21. CorpWatch | 38. Korea Federation for Environmental Movements |
| 22. Crude Accountability | 39. Korean House for International Solidarity |
| 23. Debt and Development Coalition Ireland | 40. Korean Public Interest Lawyers Group (GOGGANGAM) |
| 24. Digital Democracy | 41. Lumière Synergie Développement, Sénégal |
| | 42. Luta Hamutuk Institute-Timor Leste |

Non-Governmental Organizations (cont.)

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| <p>43. Missionary Oblates of Mary Immaculate: Justice Peace/Integrity of Creation Office</p> <p>44. Norwegian Church Aid</p> <p>45. Norwegian Burma Committee</p> <p>46. Norwegian Mission to the East</p> <p>47. Open Society Institute</p> <p>48. Partners Relief & Development</p> <p>49. People's Solidarity for Participatory Democracy, South Korea</p> <p>50. PLATFORM UK</p> <p>51. Project Maje</p> <p>52. Publish What You Pay – France</p> <p>53. Remember Saro-Wiwa</p> | <p>54. Revenue Watch Institute</p> <p>55. Rohingya Community in Norway</p> <p>56. Save My Future (SAMFU) Foundation, Liberia</p> <p>57. Secours Catholique / Caritas France</p> <p>58. Sierra Club</p> <p>59. Swedish Burma Human Rights Association</p> <p>60. The Oslo Center for Peace and Human Rights</p> <p>61. The Other Media, India</p> <p>62. Timor Leste Core Group on Transparency</p> <p>63. Tiri</p> <p>64. US Campaign for Burma</p> <p>65. Worldwide Impact Now</p> |
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Burma Non-Governmental Organizations

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| <p>66. All Arakan Students' and Youths' Congress * †</p> <p>67. All Burma Federation of Student Unions °</p> <p>68. All Burma Students' Democratic Front *</p> <p>69. All Burma Students League *</p> <p>70. All Kachin Student and Youth Union * †</p> <p>71. ALTSEAN Burma</p> <p>72. Arakan National Council ◇
<i>(comprised of all Arakanese political parties and civil society organizations)</i></p> <p>73. Arakan League for Democracy – Liberated Area (Youth) *</p> <p>74. Arakan League for Democracy (Youth Wing Exile)</p> <p>75. Arakan Rohingya National Organization</p> <p>76. Arakan Youth Network Group †</p> <p>77. Assistance Association for Political Prisoners (Burma)</p> <p>78. Backpack Health Worker Team</p> <p>79. Burma Centre Delhi</p> <p>80. Burma Ethnic Nationalities Network - Canada</p> <p>81. Burma Office (Australia)</p> <p>82. Burmese Women's Union ‡ °</p> <p>83. Canadian Friends of Burma</p> <p>84. Chin Human Rights Organization</p> | <p>85. Chin National Council ◇
<i>(comprised of all Chin political parties and civil society organizations)</i></p> <p>86. Chin Student Union †</p> <p>87. Chinland Guardian</p> <p>88. Democratic Party for a New Society * °</p> <p>89. Free Burma Campaign Singapore</p> <p>90. Human Rights Education Institute of Burma</p> <p>91. Human Rights Foundation of Monland</p> <p>92. Kachin National Organization ◇
<i>(comprised of all Kachin political parties and civil society organizations)</i></p> <p>93. Kachin Women's Association - Thailand ‡</p> <p>94. Karen Community Canada</p> <p>95. Karen Human Rights Group</p> <p>96. Karen State Coordinating Body ◇
<i>(including Karen National Union and all Karen civil society organizations)</i></p> <p>97. Karen Teacher Working Group</p> <p>98. Karen Women's Organization ‡</p> <p>99. Karen Youth Organization † *</p> <p>100. Karenni National Women's Organization ‡</p> <p>101. Karrenni National Youth Organization †</p> <p>102. Karenni State Coordinating Body ◇
<i>(including Karenni National Progressive Party and all Karenni civil society organizations)</i></p> |
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Burma Non-Governmental Organizations (cont.)

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| <p>103. Karenni Students Union †</p> <p>104. Kayan New Generation Youth †</p> <p>105. Kuki Students Democratic Front *</p> <p>106. Kuki Women's Human Rights Organization ‡</p> <p>107. Lahu National Development Organization</p> <p>108. Lahu Women's Organization ‡</p> <p>109. Mon Unity League †</p> <p>110. Mon State Coordinating Body ◊
<i>(comprised of all Mon political parties and civil society organizations)</i></p> <p>111. Mon Youth Progressive Organization *</p> <p>112. Naga National League for Democracy (Youth) *</p> <p>113. National League for Democracy- Liberated Area (Youth) *</p> <p>114. Network for Democracy and Development °</p> <p>115. Palaung Women's Organization ‡</p> <p>116. Palaung Youth Network group † *</p> <p>117. Pa-O Women's Union ‡</p> | <p>118. Pa-O Youth Organization * †</p> <p>119. People's Defence Force °</p> <p>120. Rakhaing Women's Union ‡</p> <p>121. Shan State Representative Council ◊
<i>(comprised of all ethnic nationalities' organizations in Shan State)</i></p> <p>122. Shan Women's Action Network ‡</p> <p>123. Shwe Gas Movement</p> <p>124. Ta'ang Students and Youth Organization *</p> <p>125. Tavoy Women's Union ‡</p> <p>126. Tavoyan Youth Organization *</p> <p>127. United Lahu Youth Organization †</p> <p>128. Women's League of Chinland ‡</p> <p>129. Women's Rights & Welfare Association of Burma ‡</p> <p>130. Young Chi Oo Workers Association °</p> <p>131. Zomi Student and Youth Organization *</p> |
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Academics & Scholars

(listed alphabetically, by surname)

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| <p>132. Saleem H. Ali, PhD
<i>Associate Professor of Environmental Planning and Asian Studies, Rubenstein School of Environment and Natural Resources, University of Vermont</i></p> <p>133. Desmond Ball, PhD
<i>Professor, Strategic & Defence Studies Centre, School of International, Political & Strategic Studies, Australia National University</i></p> <p>134. Chris Beyrer, MD, MPH
<i>Professor of Epidemiology, International Health, and Health, Behavior, and Society, Johns Hopkins Bloomberg School of Public Health</i></p> <p>135. Patrick Bond
<i>University of KwaZulu-Natal Centre for Civil Society (Environmental Justice Project)</i></p> <p>136. Paul Collier
<i>Professor of Economics, University of Oxford; Director, Centre for the Study of African Economies; Professorial Fellow of St. Anthony's College</i></p> | <p>137. John G. Dale
<i>Professor, Department of Sociology and Anthropology, George Mason University</i></p> <p>138. Christina Fink
<i>Independent Scholar</i></p> <p>139. Macartan Humphreys
<i>Associate Professor of Political Science, Columbia University</i></p> <p>140. Kyung Soo Jung
<i>Professor, College of Law, Sookmyung Women's University, Seoul, Republic of Korea</i></p> <p>141. Stuart Kirsch
<i>Associate Professor of Anthropology, University of Michigan</i></p> <p>142. Michael Klare
<i>Professor of Peace and World Security Studies, Hampshire College, Amherst, Mass.</i></p> <p>143. Ken MacLean
<i>Assistant Professor of International and Social Change, Clark University</i></p> |
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Academics & Scholars (cont.)

144. Dr. Adam McBeth
Senior Lecturer, Faculty of Law, Monash University, Australia
145. Tun Myint
Assistant Professor, Department of Political Science & Environmental Studies, Carleton College
146. Christiana Ochoa
Professor of Law, Indiana University Maurer School of Law - Bloomington
147. Scott Pegg
Associate Professor, Department of Political Science, IUPUI
148. Thomas Pogge
Leitner Professor of Philosophy and International Affairs, Yale University; Oslo and Australia National Universities
149. Michael Ross
Professor of Political Science and Director of the Center for Southeast Asian Studies, University of California, Los Angeles (UCLA)
150. Martin Sandbu, PhD
Senior Research Fellow, Zicklin Center for Business Ethics, Wharton School, University of Pennsylvania; and Economics Leader Writer, Financial Times.
151. Benjamin Smith
Associate Professor and Associate Chair, Department of Political Science, University of Florida
152. Voravit Suwanvanichkij, MD, MPH
Research Associate, Center for Public Health and Human Rights, Johns Hopkins Bloomberg School of Public Health
153. Sean Turnell
Associate Professor of Economics, Macquarie University
154. Tony Venables
BP Professor of Economics, University of Oxford; Director of Oxford Centre for the Study of Resource Rich Economies

Trade Unions

155. The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)
156. International Brotherhood of Teamsters
157. Korean Confederation of Trade Unions (KCTU)
158. Service Employees International Union (SEIU)
159. Trade Union Congress (TUC)
160. Unite

Investment Firms

161. Boston Common Asset Management
162. Calvert Asset Management, Co., Inc.
163. Newground Social Investments
164. Northwest Coalition for Responsible Investment
165. Outcrop Research Consulting
166. Trillium Asset Management
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This statement will remain open to endorsements until the Yadana companies practice revenue transparency. To endorse this statement email transparency@earthrights.org.

* This organization is a member of the Student and Youth Congress of Burma (SYCB).

† This organization is a member of the Nationalities Youth Forum (NY Forum).

‡ This organization is a member of the Women's League of Burma (WLB).

° This organization is a member of the Forum for Democracy in Burma (FDB).

◇ This organization is a member of the Ethnic Nationalities Council (ENC).