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**REPORT: CHEVRON FINANCING, PROFITING FROM AND LIABLE FOR HUMAN RIGHTS ABUSES IN BURMA (MYANMAR)**

*Energy Giant is Largest U.S. Investor in Burma; Military Junta's Direct Business Partner*

April 29, 2008, Bangkok, Thailand and Washington, D.C – A report released today by [EarthRights International](#) (ERI) documents the ongoing human rights abuses, including the use of forced labor, in the Yadana pipeline region of southern Burma (Myanmar). The first in-depth look at conditions in the pipeline region since Chevron Corporation joined the Yadana Project in 2005, the report details Chevron's role in financing the military regime in Burma and highlights Chevron's continuing legal liability for abuses associated with the pipeline. Chevron acquired its stake in the pipeline by purchasing Unocal Corporation, shortly after Unocal paid compensation to settle a lawsuit over its own complicity in Yadana Project abuses. Chevron remains the largest U.S. investor in Burma.

According to the report, *The Human Cost of Energy: Chevron's Continuing Role in Financing Oppression and Profiting From Human Rights Abuses in Military-Ruled Burma (Myanmar)*, Chevron relies on the brutal Burmese military for pipeline security. The pipeline security soldiers conscript forced labor (including forced sentry duty along the pipeline route) and commit other serious human rights abuses in the course of their operations. As revealed by original field data collected by ERI between 2003-2008 in Burma and along the Thai-Burma border, abuses in the pipeline region include murder and rape by pipeline security soldiers, forced conscription of porters for security patrols, land confiscations, forced plantation programs, and general predation including widespread theft of goods by soldiers.

“The widespread human rights abuses associated with the destructive Yadana project began in the early 1990s, before the pipeline had even been constructed,” noted **Ka Hsaw Wa, Executive Director of EarthRights International**. “These foreign companies knew all along that there was forced labor and other abuses, but did nothing. If Chevron thought they could assume Unocal's interest, throw a little money at some development projects with marginal utility, and the people of Burma would welcome them with open arms, they are sorely mistaken.”

The Yadana pipeline, carrying natural gas from the Andaman Sea through southern Burma to Thailand, is the Burmese military regime's financial lifeline and the single largest source of income for the junta. The military regime is Chevron's direct partner in the project and receives almost 75% of the project's total income. In 2007 alone, the regime took in upwards of US \$1 billion in project related revenue. Instead of spending this income on much needed health and education for the impoverished residents of Burma, the regime spent less than seven percent of their total budget on education and health care, while spending an estimated 40% of the budget on the military.

By partnering with Burmese military, who continue to commit widespread human rights abuses in connection with the pipeline, Chevron is exposing itself to massive potential liabilities in U.S. courts. ERI served as counsel in *Doe v. Unocal Corp.*, representing twelve victims of the Yadana Project against Unocal in lawsuits in

U.S. courts. While Unocal ultimately compensated those victims, the resolution of *Doe v. Unocal* does not prevent the numerous other victims from filing similar lawsuits against Chevron.

Last year, as peaceful demonstrators were getting gunned down in the streets of Burma, Chevron launched a massive public relations campaign, *The Power of Human Energy*. This campaign is clearly designed as public relations stunt, and in no way reflects a change of corporate policies or practices. As **Marco Simons, Legal Director of EarthRights International** recently noted, “*If Chevron thinks they can distract the international community with public relations gimmicks or so-called socio-economic programs while at the same time profiting from this pipeline that has caused so much death and destruction in Burma, not to mention other parts of the world where Chevron operates, they should think again. We demand Chevron account for its actions, compensate communities that have been brutalized, and change their behavior, in Burma and around the world.*”

The report documents:

- Pipeline security forces continue to commit acts of violence, terrorize the local population and require forced labor on pipeline-related projects;
- Despite considerable risks to themselves and their families, residents from the pipeline region continue fleeing to refugee camps along the Thai-Burma border because of conditions around the pipeline;
- Chevron is misleading the international community by touting its socio-economic programs in the region. In reality, any benefits of these programs only apply to a small portion of people affected, and the dire conditions in the pipeline region render these programs ineffective;
- Chevron was fully aware of the human rights abuses associated with the pipeline when it purchased Unocal in 2005, and remains complicit and liable for the ongoing abuses by the Burmese military in the pipeline region.

The report calls for Chevron to:

- Halt the development of projects that fund the Burmese military regime until there is a genuine transition to a full participatory government that guarantees basic human rights;
- Immediately cease relying on the military for pipeline security and terminate contracts that require the company to fund or use the Burmese military;
- Allow independent third parties with expertise in documenting human rights abuses unfettered access, without military supervision, to the pipeline region to assess and monitor conditions on the ground, including mechanisms that both allow local residents to bring complaints and ensure their safety and confidentiality;
- Condemn human rights abuses committed by the military and use its influence with their Burmese military partners to push for respect for and improved human rights throughout the country;
- Provide adequate compensation to all individuals and communities harmed by the Yadana project;
- Support efforts to promote transparency through disclosure of all payments involved in the project, including those through the Production Sharing Contract with the military regime;
- Expand their so-called socio-economic program by including all villages that have suffered and continue to suffer adverse impacts from the Yadana project.

ERI has been documenting human rights abuses in the Yadana pipeline region for fourteen years and litigated *Doe v. Unocal* for nine years, from 1996 until the settlement in 2005. ERI is currently also litigating *Bowoto v. Chevron*, a lawsuit against Chevron in San Francisco courts for the 1998 shooting, killing, and torture of several environmental protestors at a Chevron offshore platform in Nigeria.

A copy of the report can be viewed online at [www.earthrights.org](http://www.earthrights.org)

**EarthRights International** (ERI) is a nonprofit, nongovernmental organization that combines the power of law and the power of people in defense of human rights and the environment. Focusing on earth rights, we work at the intersection of human rights and the environment. We specialize in fact-finding, legal actions against perpetrators of earth rights abuses, training for grassroots and community leaders, and advocacy campaigns that seek to end earth rights abuses and promote and protect earth rights. For more information, please visit: [www.earthrights.org](http://www.earthrights.org)