

**Statement**  
**18 September 2012**  
**Government must review its plan to engage with Dawei Project:**  
**Stop Patronizing Dawei Project, Stop Public Debt Hikes**

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The planned visit to Burma/Myanmar of Thai Prime Minister Yingluck Shinawatra from 19-21 September 2012 has an important objective, that is, to negotiate with Myanmar re: bilateral cooperation for the development of the Dawei Deep Seaport and Industrial Estate Project.

In 2008, the Project initiator – the Italian Thai Development Company (ITD) was contracted to undertake the project feasibility. In 2010, it won a 60-year concession from the Myanmar Port Authority to develop the Project which consists of port, industrial estate over an area of 250 km<sup>2</sup>, coal power plant, reservoir, gas pipelines, power transmission lines and road-link to Myanmar-Thai border. While in Thailand, the Dawei Project has received support from Thai government that commits construction of motorways to connect Laemchabang Deep Seaport in the country's eastern province of Chonburi with road-link from Dawei to the border. Besides, Dawei Development Company was set up to raise funds for the project development.

To date, development of the Dawei Project by private sector from Thailand has hardly progressed beyond the construction of temporary road-link between the project site and the Myanmar-Thai border. Development of key infrastructures e.g. port, coal power plant and dammed river reservoir have failed to realize. In addition, the ITD has encountered the problem of securing long-term loan for the project development. After all, there has been no sign that the Dawei Project has attracted interests from overseas investors, whether regional investors from Thailand or those from other ASEAN countries or international investors.

More importantly, the Dawei Project is not welcome by local people within and around the project site. Local people as well as the general public in Myanmar doubt the Project's true benefit and its potential social and environmental impacts. The project development requires resettlement of over 30,000 people and will likely cause massive environmental problem as such the case of Thailand's one largest industrial estate – Map Ta Phut.

The industrial zone of Map Ta Phut in eastern Thailand that include one of the country's biggest seaport has been severely contaminated by industrial pollution which has for many years brought great sufferings to local communities and the entire area was and still remains designated (under Thai environmental law) as 'pollution control area'. This has led to local opposition to the planned expansion of Map Ta Phut Industrial Estate to house the government-led expanding petrochemical industry. In this dilemma, in view of Thai policy makers, the Dawei Project emerges as a likely alternative to Map Ta Phut. Thus, in this particular way, social and environmental consequences of the development of the Dawei Project are foreseeable as the future of Dawei will be more or less similar to what are now faced by local communities in Map Ta Phut. Foreseeing its future, one only needs to bear in mind that 'scale' of the Dawei Project is eight times that of Map Ta Phut industrial zone,

In Thailand, while potentially affected people have started to oppose the proposed motorway project, civil society groups have questioned its legitimacy and transparency for, in their view, the government is to exploit huge public resources for the benefit of the private sector. Besides, civil society questions the 'inequality' embedded in this bilateral cooperation for Thailand is going to shift social and environmental burden to its neighbor.

Despite the Project at stalemate, Thai government has decided to lend stronger support to it. For instance, the government managed to sign a MoU for bilateral cooperation for Dawei Project development with Myanmar government during Myanmar President Thein Sein's visit to Thailand in July 2012. The government made it clear that it would take over the management of the Dawei Project from the ITD, hence the Dawei Project would turn state's project, ignoring the fact that the Project has potential to cause massive environmental problem, deprive local people of their economic-social-cultural rights including especially the rights to livelihood and food security which highly depend on sustainability of natural resources which, at present, remain abundant.

As the Dawei Project is now a *state's* project, we, the undersigned, question the governance and ethics in the Project as follow:

1. Prior to decision, the government must undertake all new feasibility studies. In this, there must be 'strategic assessment' of all viable alternatives. There must also be 'social, environmental and health impact studies'. Furthermore, participatory processes must be in place to ensure that all stakeholders especially the Project's potential victims, both in Thailand and Myanmar, are fully engaged in every stage of the project planning. For the government will take over the private sector and bear the risks associated with the Project, all these studies and public participation processes must be in compliance with laws, norms and standard practices in Thailand.
2. Responsible/concerned government agencies must disclose all information related to the Dawei Project. For instance, the Office of the National Economic and Social Development Board earlier announced potential increase in the country GDP by 1.9 per cent as a result of the Dawei Project. But none of the relevant report/studies has been published for the general public to scrutinize its credibility. Or Department of Highway must reveal information about routes of the planned motorways and all related studies. In addition, public hearings must be organized prior to the government's final approval of the project.
3. Myanmar's law and regulatory system is below adequacy for handling extremely critical social and environmental issues associated with massive investment projects like Dawei Deep Seaport/Industrial Estate. Implementing the project development in a rush, Thailand risks being questioned by local people in Myanmar and international community as irresponsible and opportunistic, reaping quick profit while externalizing social (including health) and environmental costs.

**We demand Thai government to take all of the above into thorough consideration before final decision to pour public resources into the Dawei Project.**

#### **The undersigned**

1. NGO Coordinating Committee on Development (NGO-COD)
2. Northern NGO Coordinating Committee on Development (N-COD)
3. Towards Ecological Recovery and Regional Alliance (TERRA)
4. Spirit in Education Movement (SEM)
5. Ecological Alert and Recovery - Thailand (EARTH)
6. Healthy Public Policy Foundation, Thailand (HPPF)
7. Project for Ecological Awareness Building (EAB)
8. Thai Working Group for Climate Justice (TCJ)
9. Center of People's Health Insurance, Kanchanaburi Province
10. Center of Consumer Rights Protection, Kanchanaburi Province
11. Sustainable Development Foundation
12. Center of Villager Organisation for Environmental Recovery, Lower Northern
13. Nature Protection Club, Phitsanulok Province
14. Network of Lower Northern Activists
15. Network of Soil, Water, Forest Resources, Lower Northern
16. Civil Society Planning Network
17. Network of the Councils of Mekong Tambon Community Organization in Thailand's 7 Northern Provinces
18. Kaolaoyai-Pajandai Conservation Group, Nongbua Lumpoo Province.
19. Civil Network of Homeland Protecting, Northeastern
20. Network of Soil, Water, Fish, Forest, Mineral, Northeastern
21. Community Resources Management Institute
22. Eastern Friend Network
23. Councils of Bangpakong, Prachinburi and Tonlesap
24. Project for Protection of Good Quality of Agriculture land and Livelihoods, Bang Kla-Klong Kuen
25. Against the Construction of Leam Chabang Phase III Peoples' Network
26. Ao Banglamung Conservation Group
27. Ao Na Kleu Conservation Group
28. Tap Sa-Kae Conservation Group
29. Book Re:public, Chiangmai
30. Karen Rivers Watch (KRW)
31. Burma River Network (BRN)
32. Arakan Rivers Network (ARN)
33. Karreni Development and Research Group (KDRG)
34. Kachin Development Networking Group (KDNG)
35. Kayan New Generation Youths (KNGY)
36. Shan Sapawa Environmental Organization (SAPAWA)
37. Ta-ang Students and Youths Organization (TSYO)

39. Mon Youths Progressive Organization (MYPO)
40. Kuki Students Democratic Front (KSDF)
41. Network for Environment and Economic Development (NEED)
42. Karen Environmental and Social Action Network (KESAN)

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