



## Overview of Land Confiscation in Arakan State

June 2010

### 1. Introduction

The following analysis has been compiled to bring attention to a wider audience of many of the problems facing the people of Burma, especially in Arakan State. The analysis focuses particularly on the increase in land confiscation resulting from intensifying military deployment in order to magnify security around a number of governmental developments such as the Shwe Gas, Kaladan, and Hydropower projects in western Burma of Arakan State.

Article 17 the Universal Declaration of Human Rights (UDHR) states that:

- ✓ Everyone has the right to own property along as well as in association with others.
- ✓ No one shall be arbitrarily deprived of his property.

However, article 18 of the 1974 Constitution of Burma stated against international norms that:

- The State is the ultimate owner of all natural resources above and below the ground, above and beneath the waters and in the atmosphere, and also of all the lands.

This law was reaffirmed in January 2004 as one of the State Fundamental Principles.

### 2. Brief Background of Arakan State

Arakan State, with four dynastic eras (from BC 3325 to AD 1784); Dhanyawaddy, Vesali, Laymro and Mrauk-U, operated as an independent sovereign state for over 5,000 years. Its sovereignty was lost when the Burmans invaded in 1784 establishing Arakan State as a state of Burma.

Separated from Burma's other ethnic nationalities by the Arakan Roma mountain range, the Arakanese people have customs and a language of their own. With approximately three and a half million inhabitants, Arakan State accounts for approximately 6 % of the total population of Burma. Situated on the Bay of Bengal, the Arakan state enjoys an abundance in natural resources such as forests, a coastline therefore direct access to the sea and long stretches of beaches, and the fertile land within the Kaladan and Laymro River valleys. Many Arakan inhabitants conduct their economic activity through rice farming and fishing; the cornerstones of their identity and daily survival. The state is divided into 4 districts and 17 townships, 3 sub-townships, 20 towns, 132 quarters, 1,040 village-tracts and 3,861 villages. The capital city, Site-tway, also known as Akyab, has a population of approximately 400,000 and is located on an estuarial island at the confluence of the Kaladan, Laymro, and Mayu rivers.

However, due to its abundance of natural resources and biodiversity, Arakan State has

suffered a high level of land confiscation by the SPDC who wish to use the land for development, often in conjunction with other countries rather than the local people. Furthermore, the SPDC has increased militarisation within these areas to ensure the unopposed exploitation of natural resources.

### 3. Military Infrastructure Developments

Also known as the “Tatmadaw”, the SPDC Army numbers stand at around 490,000; which has more than doubled in size since 1989,<sup>1</sup> despite Burma facing no external enemies. There are additionally about 72,000 people in the Myanmar Police Force, including 4,500 in the paramilitary police.<sup>2</sup> This corresponds to roughly one soldier per 100 citizens. The expansion of the army would not have been possible without the increase in weapons trade and foreign investment in Burma from abroad, particularly China, Thailand and Russia<sup>3</sup> and increasingly India.

The SPDC’s preoccupation with increasing the size of Burma’s army is underlined by the fact that in the period 1993-2004, 29% of central government spending was dedicated to defence, while the corresponding health and education figures remained low at 3 % and 8 % respectively.<sup>4</sup>

Across Burma, battalion<sup>5</sup> deployment and general militarisation happens on a continual basis. This ensures that control is maintained in areas where development projects are taking place, there is civil unrest or in newly controlled areas of the country.<sup>6</sup> Such military deployment has led to a surge in land confiscation, forced labour and general human rights abuses committed within this region.

Furthermore, the Asian Human Rights Commission (1999) found that food scarcity in Burma was a direct result of militarisation of the nation.<sup>7</sup> Areas that experience an increase in militarisation have numerous official and unofficial military check points created. These are put in place to monitor security, but, also prove a lucrative source of unofficial income for military members who collect an unofficial tax<sup>8</sup> from locals and traders. For examples, in Arakan State, during a rice famine in August 2008, rice traders had to pay 2,500 Kyat (US\$ 1.85) and part with large quantities of rice to pass through 4 illegal military checkpoints on their trade routes.<sup>9</sup> This kind of corruption not only negatively affects local livelihoods but

---

<sup>1</sup> <http://en.wikipedia.org/wiki/Tatmadaw>

<sup>2</sup> Asia Briefing No. 21 – “Myanmar: The Future of the Armed Forces” – International Crisis Group, 27/09/2002 – p3, footnote 5

<sup>3</sup> “Burma’s Arms Procurement Program”, Working Paper N°289 (Strategic and Defence Studies Centre, Australian National University, Canberra, 1995); Andrew Selth, *Burma’s Secret Military Partners*, Canberra Papers on Strategy and Defence N°136 (Strategic and Defence Studies Centre, Australian National University, Canberra, 2000), 4 BBC News: Day in Pictures,

<sup>4</sup> [http://www.unicef.org/view\\_chart.php?sid=764c6063cd1e1a2ab44da6cc6b654cce&create\\_chart=Create+](http://www.unicef.org/view_chart.php?sid=764c6063cd1e1a2ab44da6cc6b654cce&create_chart=Create+)

<sup>5</sup> A full strength infantry battalion in Burma is officially made up of 700 men. They often operate with 400 -500 men, but, recent sources indicate that newer battalions are operating with just 200 – 300 men. (“MyGun Was As Tall As Me” – Kevin Heppner & Jo Becker): see Human Rights Watch link below:-

<http://www.hrw.org/reports/2002/burma/Burma0902-04.htm>

<sup>6</sup> *Dammed by Burma’s Generals: the Karenni experience with hydropower development – From Lawpita to the Salween*, Karenni Development Research Group 2006

<sup>7</sup> Asian Human Rights Commission (AHRC), 1999, *Voice of the Hungry Nation*, Hong Kong: AHRC

<sup>8</sup> Money levied on traders each month based on the number and type of goods they wished to transport across the checkpoints.

<sup>9</sup> FBR Arakan team report: Relief team brings food to famine victims as the Burma Army tries to stop assistance in Western Burma, 19 July, 2008

also people's day to day living standards, as many inhabitants live in fear of violent attacks and threats to their economic and livelihood security.



*One military gate/ check point in Site-tway and some navy ships along the Kaladan River*

Since 1988, the number of infantry battalions based in the Western Command, an area that includes Arakan State and Paletwa Township of Chin State, has increased from 3 to 43 battalions. Furthermore, there are ten specialised battalions (such as engineering and communications), three tactical command centres, and three navy bases. The Western Commander, headquartered in the town of Ann in Arakan State, controls many of the lucrative businesses in the state, and their permission is required for any licensing procedures.<sup>10</sup>

Forced land confiscation without any compensation is commonplace in Burma, especially where development projects are being implemented by the current military regime and foreign corporations.<sup>11</sup> There are currently many development projects happening in Arakan State such as the Shwe Gas Project, Kaladan Project, and several hydropower projects, which have led to land confiscation and forced relocation.<sup>12</sup> As long as the expansion of the military in ethnic states of Burma continues, land will be forcibly confiscated with little or no compensation being given to the owners. The land confiscated is used to house barracks, outposts and training sites for the troops. Furthermore, considerable areas of land are confiscated for farming and gardening in order to supplement rations and generate additional income for the troops.<sup>13</sup>

Evidence suggests that the Burmese Army seizes land, food and other resources from areas near its bases.<sup>14</sup> The increase in troop deployment throughout the country is positively correlated with the amount of land that is confiscated from individual and collectives throughout the locality.<sup>15</sup> Such action is a result of a policy of self-reliance where the Army must produce its own food and obtain basic materials.<sup>16</sup>

<sup>10</sup> *Supply and Command* by AASYC, July 2006.

<sup>11</sup> "Our Land and Our Natural Resources in Burma", The Nationalities Youth Forum, 2005

<sup>12</sup> For example, see <http://www.khrg.org/khrg97/khrg9706.html>, <http://www.earthrights.org/publication/total-impact-human-rights-environmental-and-financial-impacts-total-and-chevron-s-yadana>, and <http://www.khrg.org/khrg2007/khrg0701.html>

<sup>13</sup> "The Impact of the confiscation of land, labour, capital assets and forced relocation in Burma by the military regime", Dr. Nancy Hudson-Rodd Dr. Myo Nyunt, Saw Thamain Tun, and Sein Htay, 2003

<sup>14</sup> "A conflict of interests: the Uncertain future of Burma's Forests", Global Witness, 2003, p. 28

<sup>15</sup> "No Land to Farm", Human Rights Foundation of Mon Land, 2002

<sup>16</sup> "Developments concerning the question of observing the Government of Myanmar of the Forced Labour Convention", ILO Report of the high Level Team 2001

100 acres of farmland between Kyauk-site and Yo-ngu village, Arakan State, were confiscated by military engineering squadron No.908 to grow rain season paddy in July 2005. If the owners want to plough their farmland, they have to pay 60 baskets of paddy to the military. The same month saw military engineering squadron 962 confiscate 35 acres in the same area and battlefield medical battalion No.8 confiscate 31.5 acres between Yo-ngu and Tha-ra-cho village, along the Site-tway-Rangoon highway. In all cases the “60 baskets tax” was applied if farmers wished to plough their confiscated land.<sup>17</sup>

#### **4. Industrial Zone (515 Acres)**

In 2009, SPDC authorities began to order factories and other businesses in Site-tway to relocate their operations to a designated 515-acre “industrial zone” on the outskirts of town. Factory and business owners were threatened with eviction from their current facilities if they refused to co-operate with the military orders. Many local businessmen set up small offices in the new area zone to avoid losing their property, but were unable to actually transfer their operations since the government had not sought outside investment, constructed any facilities, or even arranged for the site to be connected to the water and electricity networks. Business owners were essentially expected to do this at their own expense, although it was not clear if they would receive any compensation for the properties they would be leaving in central Site-tway. “The authority told us all industries in our town, like auto garages, biscuit factories, drink factories, and ice factories must move to the industrial zone before 15 February. Some private owners have moved their business but have faced many problems from a lack of power and water“, according to a local auto garage owner.<sup>18</sup>

The authorities are planning to re-develop Site-tway’s seaport as part of the Indian-funded Kaladan Project (see below), so they are likely to be attempting to free up land in Site-tway to attract further foreign investment, or state-run or SPDC-approved companies to develop.

#### **5. Shwe Gas Project**

The Shwe Gas pipeline, intended to run from the natural gas fields of the Bay of Bengal, off the west coast of Arakan State, to China’s southern Yunnan Province, is set to be the biggest such project in Southeast Asia. Critics anticipate widespread land confiscation, military deployment for security reasons and the use of forced labour in order to clear the proposed route. These fears arise from experience of the Yadana and Yetagun gas pipelines, which run through Tenasserim Division in Eastern Burma, and experienced a systematic pattern of abuse as a direct result of the investment in these projects. For example, on 27<sup>th</sup> & 29<sup>th</sup> November 2000, the Mon villages of Wae-ka-rat and Wae-thun-chaung saw 20 and 10 houses destroyed respectively, without compensation, to clear the way for the Yadana gas pipeline. The villagers were left homeless and landless.<sup>19</sup> The land confiscation that occurred as part of the Yadana and Yetagun pipelines has been well documented by EarthRights International (ERI). In a report published in 2009, ERI includes a quote from a local villager along the pipeline route who said, “There are about 180 households in the village. Most people in the village now are daily workers. In the past they had their own plantations but they had to give it away for the government’s palm plantation project and for the gas pipeline route. Now only a few

---

<sup>17</sup> Ibid.

<sup>18</sup> “Junta Builds Industrial Zone in Sittwe Without Electricity and Water.” *Narinjara*, 04/02/2010. Web. 2 Apr 2010. <<http://www.narinjara.com/details.asp?id=2474>>.

<sup>19</sup> “No Land to Farm” - Human Rights Foundation of Mon Land, 2002. (for full information on the Yadana & Yetagun Projects see “Total Denial” & “Total Denial Continues” – Earth Rights International, 1996 & 2000)

people are left with some plantation land.”<sup>20</sup>

Land confiscation will undoubtedly be much worse during construction of the Shwe Gas pipeline due to its size, 15 times longer than the 60km Yadana pipeline. According to Naing Htoo, Burma project coordinator for ERI, “land confiscation has begun in Arakan state along the pipeline route.”<sup>21</sup> According to the Shwe Gas Movement (SGM) close to 44 infantry and light infantry battalions from the Burma military have been stationed to secure the pipeline route.<sup>22</sup> The increased militarisation will surely lead to land confiscation and other human rights abuses and many have already fled from fear of the military.<sup>23</sup>

Members of the Shwe Gas Movement have already stated that they fear the human rights abuses and extent of land confiscation will be worse for the Shwe pipeline than Yadana due to it being much bigger, predicting that 22 townships will be affected along the pipeline in the next three years.<sup>24</sup> Similarities have already begun to show from the increased militarisation along the pipeline, heightening cause for concern.

Local residents in Kyauk-phru Township in Arakan State have already alleged that authorities had not paid compensation by November, despite assurances, for the 50 acres of farmland that had been seized in May<sup>25</sup>.

Furthermore, as outside foreign investment increases year on year, there seems to be little sign that the regime will change its approach on land confiscation or other human rights abuses at the expense of the profits that can be made from oil. Similarly, with the increasingly expansive policies taken up by leading Asian economies, the enforcement of accountability into projects undertaken in Burma is also looking increasingly unlikely.

## 6. Hydropower/Damming Projects

The Burmese regime has begun construction on four hydropower developments in Arakan State and has plans for one more. If expectations are met, an estimated 691 megawatts of electricity will be produced and either exported to neighbouring countries such as Bangladesh or used by the Burmese military, solely to power military infrastructure and for other projects in the region such as the Shwe Gas Pipeline. The large majority of this power will come from a proposed hydroelectric dam on the Laymro River. The dam will be built by a local company, Shwe Taung Ltd. and is expected to produce approximately 500 MW of power.<sup>26</sup> This thereby negates any possible benefit to the inhabitants of Arakan State for the human rights abuses incurred due to their development.

The remaining 191 MW of power will come from three other hydropower developments: Sai Dun (70), Thahtay Chaung (111 MW) and Ann Chaung (10 MW).<sup>27</sup> All three projects are currently under construction and are expected to be operational within the next few years. In

---

<sup>20</sup> “TOTAL IMPACT: The Human Rights, Environmental, and Financial Impacts of Total and Chevron’s Yadana Gas Project in Military Ruled Burma (Myanmar)”. *EarthRights International*. Sep 2009. See report for further discussion of land confiscation due to Yadana Pipeline Project.

<sup>21</sup> Macan-Markar, Marwaan. “BURMA: China’s Oil, Gas Pipelines Recipe for Abuse, Warn Activists.” IPS: Inter Press Service, 31/12/2009. Web. 5 Apr 2010. <<http://ipsnews.net/news.asp?idnews=49858>>.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> Ibid.

<sup>25</sup> ‘Land Confiscation Begins with Pipeline Project’ Mizzima News, 9<sup>th</sup> November 2009,

<http://www.mizzima.com/news/inside-burma/3023-land-confiscation-begins-with-pipeline-project.html>

<sup>26</sup> “Laymro Dam”. Arakan Rivers Network. [http://www.arakanrivers.net/?page\\_id=176](http://www.arakanrivers.net/?page_id=176)

<sup>27</sup> Ibid.

addition to large security perimeters set up around the sites limiting locals' access to communal grazing lands and bamboo forests, previous hydropower projects in Burma suggest that many individuals and probably whole villages will be forced off of their lands to make way for the dam facilities and the reservoirs, and receive no compensation from the authorities. They will therefore lose their entire income source and access to the local economic market as well as destroying livelihood sustainability and security.

One example of such previous hydropower projects is the Tasang dam. As a result of the Tasang dam, "already over 300,000 people have been forcibly relocated from the areas since dam studies commenced in 1996," according to Salween Watch.<sup>28</sup> Other dam projects that have included land confiscation are the Shweli dam project in Shan state, Myitsone dam in Kachin state, and the Tamanthi Project in Western Sagaing.<sup>29</sup>

## 7. Castor Oil Plantations

In December 2005, the SPDC issued a decree for the nationwide cultivation of jatropha and castor oil plants for the production of bio-diesel as a renewable resource, and to counter rising oil prices. Both plants are referred to as *jet suu* (physic nut) in Burmese. However, it is jatropha that is more readily used to produce bio-diesel.

The aim is to plant 8 million acres of the plant within 3 years, with each state or division, regardless of size or suitable land, having to plant 500,000 acres. This would require Rangoon division to cover 20% and 17% of the total Karenni land areas with jatropha. As with other development projects, widespread land confiscation and forced labour has been used in an effort to meet this ridiculous target.<sup>30</sup> Furthermore, little or no consideration has been given to any crops which may already be grown and cultivated in the area which provide income sources for many and thereby economic sustainability and security.

Light Infantry Battalion No (542) made villagers plant 48,000 castor oil plants on 40 acres of former grazing land in Chaung-wa village tract, Arakan State, on 4th January 2008.

---

<sup>28</sup> "Dams in Burma to Displace Thousands." *Intercontinental Cry*. 27/01/2008. Apr 5, 2010. <http://intercontinentalcry.org/dams-in-burma-to-displace-thousands/>

<sup>29</sup> More can be read about these projects and the land confiscation as a result of them in the following reports: "Under the Boot" by *The Youth Network Group* and "Damming the Irrawaddy" by the *All Kachin Student and Youth Union* which can both be found at <http://intercontinentalcry.org/dams-in-burma-to-displace-thousands/>

<sup>30</sup> "Biofuel by Decree" – Ethnic Community Development Forum (2008) p7





*Light Infantry Battalion No (542) made villagers plant 48,000 castor oil plants on 40 acres of former grazing land in Chaung-wa village tract on 4<sup>th</sup> January 2008*

In April 2008 the military junta gave India 40,000 hectares of land for growing palm oilseeds and pulses. In October 2008, the SPDC leased 50,000 acres of paddy fields in Arakan state to the Bangladeshi Government.

The majority of the paddy fields are in Myauk-U and on Mann Aung Island. Officially they belong to the military, but in reality the land has been confiscated from local farmers. No compensation has been paid to the local farmers and further land seizures are feared. This could have a devastating impact on local food supplies: “If they lease out 50,000 acres of paddy fields, I am certain that the people of Arakan State will starve.” Than Hlaing, joint secretary of the Arakan National League for Democracy (ALD).<sup>31</sup>

In 2006, the headquarters of Dhanyawaddy Navy Base confiscated Ahtet-taw, also known as Kone-baung-daw, Mu-run village tract, Kyauk-phru Township. Those areas were used by local communities as farmland where ground beans and *thiho*, a kind of mango, were usually grown. That land is now used to grow castor oil plants by the Navy, with no compensation being received by the local communities. Local farmers are now struggling to survive, as they are unable to grow ground beans on the confiscated land. To make matters worse, the locals have to plough the Navy plantation, supposedly for a salary of 10,000 Kyats per acre. In reality, they receive no money for their work. Moreover, if a cow strays into the plantation, the owner of the cow has to pay a fine of 10,000 Kyats (US\$7.40).

<sup>31</sup> Democratic Voice of Burma: <http://english.dvb.no/news.php?id=1849> (10th October 2008)



5 Acres of Castor Oil Plantation in land confiscated



1000 Acres of confiscated farmland

A lot of soldiers live in the *thiho* garden of U Ba Tin from Kan-lann-tay village. Since many *thiho* gardens were occupied by the army, local communities have lost an estimated income of 10 million Kyats (US\$7,407.40) per year. However, the army’s castor oil plantation was not successful, nor were any profits reinvested into the community. Over 100 acres of farmland, extending from Ka-lan-tay bus station to Mu-run bus station were confiscated from local communities. The confiscated land includes plantation gardens and pastures that are vital for community businesses. The lack of pasture for cattle is causing great hardship for the local communities.<sup>32</sup>

**8. Highways (i.e. Site-tway -Rangoon & Rangoon- Kyauk-phru)**

In May 2006, the plantations of many local people were confiscated by the military along the Site-tway-Rangoon highway, in the northern part of Ponnagywan Township, Arakan State. The plantations contained plants, such as teak, ironwood, mango trees, jack fruit trees, banana trees and vegetable trees. Troops permitted the owners to recover their belongings and crops for just one week following the confiscation. At the end of that week, the owners were refused permission to visit their plantation again. A military order stated that if they were found in the plantation, they would be fined 100,000 Kyats (c. US\$74). If they were unable to pay, they faced incarceration for three months in the local military camp, where they have to work fencing, cutting grass and cooking for soldiers.<sup>33</sup> Those plantations would be worth between 5,000 and 10,000 million Kyats (~US\$3,700 – 7,400) by current values and the owners depended on them for their livelihood.<sup>34</sup>

A further 1,000 acres of farmland was confiscated between Panila and Krankhun village, along the highway running on the western side of the Kaladam River, and Ponnagywan Township, by Military H-Q of Site-tway No.20.<sup>35</sup> 15 acres of plantation gardens owned by Ohm-daw and Prai-sae-kae villages in Kyauk-phru Township, Arakan State, were forcibly confiscated by the Township Forestry Department under Ministry of Forestry in 2005. The confiscated area is called Doe-dan-taung, where villagers from these rural communities relied upon their ability to grow beans and other vegetables for their livelihoods before the land was confiscated. The villager members received no compensation.<sup>36</sup>

During the building of Kyauk-phru-Rangoon Highway in 2005, hundreds of acres of lands

<sup>32</sup> Primary field research by AASYC  
<sup>33</sup> Ibid.  
<sup>34</sup> Ibid.  
<sup>35</sup> Ibid.  
<sup>36</sup> Ibid.



including farmlands from local farmers were confiscated with little or no compensation to the owners. Moreover, a lot of mangrove forests were destroyed by the construction of the 2700-foot Minkyaung Creek Bridge and highway. Such destruction of natural habitat will have severe negative impacts on both the local eco-system and the local community.



*Threatened mangrove forests by the construction of Minkyaung Creek Bridge on the highway of Rangoon- Kyauk-phru*

### **9. Kaladan Multi-Modal Transit Transport Project/ Facility (Kaladan Project)**

The Indian government sought approval from the Burmese military regime for nearly a decade for the “Kaladan Multi-Modal Transit Transport Facility” (Kaladan Project), as a means of providing a seaport – and thus access to international trade – to the landlocked and restive northeast of India. The infrastructure development aims to move goods in three stages: by sea between the port of Kolkata in eastern India and Site-tway (Sittwe) in Arakan State; by river transport along 225 kilometres of the Kaladan between Site-tway (Arakan) and Kaletwa (Chin State); and by road via a 120 kilometre highway that will be constructed through the northwestern Chin State between Kaletwa and the Burmese border with India’s Mizoram province. Goods would also be shipped in the opposite direction, and from Site-tway to other locations in southeast Asia using the port as an international trade hub but with little opportunity for the local community to use the facilities or engage in economic activity on an international scale due to high taxes imposed on the use of the port facilities.<sup>37</sup>

The governments of India and Burma signed a Framework Agreement for the Project in April 2008, with the start date planned for December 2009. However, due to delays in receiving and allocating the tender, the date looks set to be mid-2010 although a stringent 36-month execution package has also been planned with Essar, the winning tender. Under the terms of the Agreement, the Indian government (through the Ministry of External Affairs) will finance the US \$120 million Project and the state-run Inland Waterways Authority of India (IWAI) will oversee the redevelopment of Site-tway port, dredging operations around Site-tway and along 225km of the Kaladan, and construction of an Inland Waterway Terminal (IWT) in Kaletwa. The Burmese regime will provide all of the land required for the project for free, as well as security for all personnel, materials, equipment, work sites, and the facility itself in exchange for the Indian government providing the financial funding for the project. The regime will also be responsible for the construction of the highway to the Indo-Burma border<sup>38</sup>

<sup>37</sup> *Arakan Rivers Network* (partner and subset of AASYC) <http://www.arakanrivers.net/>

<sup>38</sup> *Ibid.*

for which the Indian government has loaned a sum of approximately \$10,000 for the building of this highway and the Burmese government implementation of the project.

Due to mass deployment of battalions in the region, many acres of land have been confiscated from locals to build barracks, military outposts and other related infrastructure. Over 200 acres of farmland was recently confiscated from locals for the deployment of artillery battalions 375 and 377 in Kyauk Taw Township. According to locals, there have been similar cases throughout Paletwa Township in Chin State.<sup>39</sup>

The proposed site for the new seaport is situated in a highly residential area, and it is probable many citizens will be forced to relocate. We can predict from past experience, that these people will receive no assistance from the authorities to find new homes. Many locals are also concerned about Site-tway general hospital, situated less than 50 metres from the sea, which may also be threatened with removal and thereby unassisted relocation.

*“We have big concerns about the construction of the port, as all of the houses along the Strand Road will be removed, including the general hospital of Site-tway. According to those who have previously been relocated in Arakan and other parts of Burma, usually no compensation is given to the owners. So we expect the same thing to happen to us when these buildings are removed. Without our houses we will lose a lot of business, as we mainly rely on our houses for doing business such as trading rice with rural folks and city dwellers.”<sup>40</sup>*

- Resident of the Strand Road, Site-tway

#### **10. Gas and Oil Test Drilling (Kyauk-phru Township, Ramree Island, and Site-tway & Ponnagywan Townships)**

In 2004, a consortium of Chinese and Singaporean companies was awarded rights for oil and gas exploration and started test drilling in “Block M” on Ramree Island. China National Offshore Oil Company Ltd., of parent company China National Offshore Oil Corporation (CNOOC), China’s third-largest oil and gas corporation, was designated managing partner of the consortium, responsible for coordination oil and gas exploration and development in Block M.



*Workers from CNOOC Company undertaking oil drilling test on land confiscated*

<sup>39</sup> “More than 5,000 IDPs on the run from the Burma Army in Arakan State, 100,000 villagers suffer from food shortages” *Free Burma Rangers Report* 31 August 2009, at:

<<http://www.freeburmarangers.org/Reports/2009/20090831.html>>

<sup>40</sup> Primary field research by AASYC

Altogether 150 workers from the Chinese consortium and 600 from Asia World Company were drilling in the 3,007 square mile block. According to our research, once the consortium began exploration, local farmlands and local traditional oil wells located within the block were confiscated for exploration by the local authorities. Locally owned private boats were forced to transport arm equipment as well as officials and workers of the companies. Oil workers have also cleared forest areas to facilitate transportation.

Asia World Co. Ltd along with another Burmese company arrived in Kyauk-phru Township in 2004. Asia World Co. Ltd was stationed at the building of Rammarwaddy Ltd soup mill near to the Kyauk-ta-lone Pagoda. The other company was stationed at the primary school of Wa-myaung village in Kyauk-praung. Local community members were employed to clear the forests for the roads and given 1,200 Kyat (c. 90 US cents) as daily wages. After the oil drilling test, the companies left in May 2005. They returned in September 2005 to undertake further drilling tests using dynamite in October, November and December, 2005. A lot of paddy fields and plantation gardens were destroyed by the explosions. The owners were told that they would be given compensation, but received nothing from the companies.



*Abandoned oil drilling materials left by Asia World Co Ltd., on local farmland in Kyauk-phru*

In early 2006, Asia World Co. Ltd confiscated over two acres of land that were owned by U Maung Saw Aung, U Maung Wai Tin and U Maung Hla Tin from Rae-nan-taung (Oil Mountain) and used as traditional oil drilling site for many years. Apart from their drilling areas, a lot of traditional drilling wells owned by the local community members were destroyed by the companies. Furthermore, the traditional oil refinery owned by U Wong Zaw Hlaing was also destroyed with no compensation received. Additionally, 1 million Kyat, supposedly for U Sa Nay Aung and his workers, was never received. Instead it was withdrawn in advance by a Burmese worker from Asia World Co. Ltd, who then fled. The company took no action to retrieve the money. Therefore, U Sa Nay Aung had to pay the workers with his own money, greatly affecting his own business. Drilling mud was allowed to pollute the Chaung-wa stream, killing many local fish species. In early 2007, the plastic waste products of the drilling were burnt, generating toxic smoke, which adversely affected the health of villagers near Rae-nan-taung. In April and May 2007, the project stopped although the confiscated farmlands are now surrounded by barbed wire and people are prohibited from approaching the area which is guarded by the local police.<sup>41</sup>

---

<sup>41</sup> Primary field research by AASYC





*Land confiscated by Asia World Co. Ltd, surrounded by barbed wire*

In 2005, India's Essar Oil Limited (AOL) signed a production-sharing contract with the Burmese military regime, for oil exploration in two blocks (L & A-2) one each for onshore and offshore drilling. AOL has been drilling in onshore Block L, near Arakan's Site-tway and Ponnagywan Townships, since late 2008 after finalizing seismic surveys conducted by the Sichuan Geophysical Company of China in 2007.

According to local people, rice fields, shrimp farms and plantations were destroyed due to seismic surveying last year and growth of foliage has since diminished. Limited compensation was given to a few owners who have close relationships with the authorities, but most received none. Some rural community residents were forcibly hired for construction jobs but received no regular wage. A local resident said that 16 acres of rice plantations, owned by seven people were confiscated without adequate compensation by local authorities. The former farmland is being used for Essar's drilling camp, and is currently protected by a fence. Local people are concerned that if the company finds oil or gas in the area, many villages near the drilling camp will be forcibly relocated.



*Essar have started drilling oil in Site-tway Township, block L area in Arakan State since late 2008. Villagers lost their rice fields to Essar's drilling camp without or with little compensation.*

## 11. Site-tway-Ann Railway

As part of Burma's military government recent railroad development projects, the 413-km long Site-tway-Ann-Padang-Minbu railway project is expected to be completed sometime this year, 2010. The project, which also includes the construction of 51 railway stations and 1,285 bridges and tunnels, and may initially sound like it would benefit the lives of the people in Arakan State, has instead become just another instance of military land confiscation and forced relocation. "The army authority confiscated many lands that are situated on the railway route and owned by local Arakanese farmers, without any compensation, to make way for the new route from Site-tway to Ann. Some villages from Kyauk Taw Township have been ordered to relocate to other places to clear a path for the railway route," said a villager from Arakan State affected by the project.<sup>42</sup> Many villages in Kyauk Taw Township, Arakan State have been forcibly relocated to make way for railway construction.<sup>43</sup>

Similar land confiscation has occurred as a result other railway projects throughout Burma such as in Tenasserim Division.<sup>44</sup> Development of a railroad to connect cities in Arakan State to each other and the rest of Burma is theoretically a project that could produce many social and economical benefits to the inhabitants of Arakan State, however, in reality, it is likely to be another development which the military will use but charge too high a price for local use to maintain their control. Local people could use the railway to transport goods when the use of the port is too expensive, especially as roads connecting Arakan state to the rest of Burma and Bangladesh are limited, which could then further promote economic growth and diversity within the state and many opportunities for local inhabitants to develop and progress their economic livelihoods and a sustainable local economic market.

### *Site-tway- Ann Railroad on land confiscated*



### *Site-tway- Ann railroad construction site in land confiscated*



<sup>42</sup> "Villages Threatened with Relocation for Railway." *Democracy For Burma*. N.p. 25/03/2009. Web. 2 Apr 2010 <<http://democracyforburma.wordpress.com/2009/03/25/villages-threatened-with-relocation-for-railway/>>.

<sup>43</sup> Ibid.

<sup>44</sup> See the section on Tenasserim Division for description of land confiscation: <http://www.tbtc.org/idps/borderstates.htm>



## **12. Conclusion**

The SPDC's ongoing parallel policy of increasing militarisation while increased forced land confiscation to house and feed the increasing troop numbers causes widespread problems throughout Burma. By stripping people of the land upon which people's livelihoods are based, whilst providing only desultory compensation if any at all, many citizens face threats to their food security as well as water shortages, a decrease or abolition of their income, eradicating their ability to educate their children in order to create a sustainable income source in the future. Additionally, the policy of using forced labour in the Government's construction and development projects, coupled with the disastrous environmental effects of many of these projects, continues to create severe health problems throughout the country whilst simultaneously stifling the local economy so that varied or sustainable work is difficult to become engaged in. All of this often leads to people fleeing the country in search of a better life.

*“The only law in Burma is what the generals from day to day decide it to be”*  
(Burma's lawyer council 2001)

## **13. Recommendations**

### **SPDC:**

- An immediate end to the policy of land confiscation without compensation.
- Properly enforce and recognise legal ownership of land and property by educating the people of the need to register land with Form 105 and reviewing and changing existing laws to incorporate international law and rights included in the Declaration of Human Rights.

### **Foreign Investors:**

- Withdraw all current investment in development projects until accountability is introduced to ensure land confiscation to ensure that adequate compensation or relocation assistance is offered, as well as to ensure forced labour does not occur and that international standards for working conditions and wage rates are recognised and implemented to reduce human rights abuses.

### **All Governments:**

- Introduce economic sanctions preventing trade with or investment in Burma to encourage more ethical conduction of work-related practices, recognition of human rights abuses, recognition of a free and fair, democratic election procedure and the opening up of the economy to international trade and organisations. The sale of military equipment to the SPDC must be completely eradicated on the world market.