

June 11 2021

SHWE GAS

PROJECT

Gas Companies Must Support Democracy and Stop Flow of Wealth to the Military Junta



**Gas Companies
Must Support
Democracy
and Stop Flow
of Wealth to
the Military
Junta.**

ABOUT US.



About Asian Dignity Initiative

Asian Dignity Initiative is a non-governmental organization based in Seoul, Korea which aims to support victim-survivors and local activists who strive to change their lives and uphold their dignity in conflict settings across Asia. Asian Dignity Initiative documents human rights abuses and advocates rights of the victims, as well as support local activists with capacity building programs. More information via www.adians.net

About Mineral Inheritors Rights Association (MIRA)

Mineral Inheritors Rights Association (MIRA) is an emerging coalition of 30 diverse civil society groups and networks in India who are passionate about a future where everyone has an equitable access to mineral resources while preserving the integrity of the entire ecosystem. MIRA works towards ensuring democracy, social justice, equity, transparency, and accountability in the extractive sector governance. Our collective vision is to create a country with a fair and effective governance over minerals and natural resources, which are a shared inheritance with the State as trustee for the people, especially future generations. MIRA is affiliated to the global Publish What You Pay (PWYP) movement.

About Publish What You Pay Australia

Publish What You Pay Australia is a civil society coalition of 30 anti-corruption, human rights, environmental, and faith-based organisations united in their call for greater transparency and accountability of the mining, gas and oil sectors. Publish What You Pay Australia is a member of the Publish What You Pay movement globally which consists of over 700 organisations and 50 national coalitions working to ensure that the revenues from oil, gas and mineral wealth help improve people's lives. Our shared vision is a world where everyone benefits from their natural resources – today and tomorrow. More information via www.pwyp.org.au

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EXECUTIVE SUMMARY.

Myanmar's natural resources, including offshore oil and gas, are a shared inheritance which belongs to the nation's 54 million people and all future generations. Extraction is effectively the sale of the offshore gas wealth. Extraction-related taxes, royalties, license fees and other sector specific payments are government receipts in exchange for selling non-renewable mineral wealth. Because of inter-generational equity concerns, this brief therefore avoids the more problematic term "revenue(s)", and instead opts for terms such as "sale proceeds".

Myanmar's offshore gas sale proceeds are forecasted to be USD 1.54 billion or about 10% of the Union Government's reported revenue for financial year 2021-22 (see Table 1).¹ As gas is extracted as a non-renewable resource it is no longer available to future generations, thus if gas sale proceeds are spent by the military, it is robbing all future generations of Myanmar of their rightful inheritance and benefits.²

The Shwe Gas project is one of Myanmar's four main offshore gas projects and consists of the Shwe, Shwe Phyu and Mya offshore gas fields, located in the Bay

¹ Ministry of Planning, Finance and Industries, (2020), "FY 2020-2021 Budget Brief on the Oil and Gas Sector, Ministry of Planning, Finance and Industries" July

² Basu R., Pegg, S., (2020). "Mminerals are a Shared Inheritance: Accounting for the Resource Curse", Extractive Industries & Society. Available at: <https://doi.org/10.1016/j.exis.2020.08.001>



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of Bengal, Myanmar. The project started production in 2013 and is operated by POSCO International from Korea³ with joint venture partners Gail JJ Ltd, ONGC Videsh Ltd from India, Korean Gas Corporation (KOGAS) and Myanmar Oil and Gas Enterprise (MOGE). The project has contributed between USD 214 million and USD 471 million per year from 2015 to 2019.

Although the civilian government between 2015 and 2020 appeared to be seeking to exercise more control over gas sale proceeds (revenues), there is a long history of gas sale proceeds being misappropriated through opaque accounting⁴ and exchange rate manipulation.⁵ Since the February coup, the Myanmar military has illegally taken control of the country, killed hundreds and arbitrarily arrested almost 4000 civilians; pressure has been mounting on foreign governments and companies to weaken the economic power of the military. This includes the companies invested in the Shwe project: POSCO International, KOGAS, Gail JJ Ltd and ONGC Videsh Ltd.

Importantly, of the four offshore projects in Myanmar, the Shwe gas project is the second largest source of foreign currency for the government. It was forecast to produce 30% of all Myanmar gas for 2020-2021.⁶ Eighty percent of gas is exported to China and approximately 20% is used domestically where it is sold to the military and its business associates and the Myanmar Electric Power Enterprise.⁷

Following the coup, the military is likely to once again use MOGE to misappropriate all payments (gas sales proceeds, pipeline dividends and taxes) to sustain its control of the government apparatus, finance its operations against the local population and to seize portions for private gain. The military similarly exercises control over the state-owned enterprise banks in which MOGE has its accounts.⁸

³ Nam Hyun-woo, POSCO Daewoo renamed as POSCO International, The Korea Times, 18/3/2020, Available at: https://www.koreatimes.co.kr/www/tech/2020/02/693_265546.html

⁴ State owned Enterprises (SOE), such the Myanmar Oil and Gas Enterprise (MOGE) retained 55% of their 'profits' which were held in the Myanmar Economic Bank (MEB), another SOE, in funds called 'Other Accounts'. As of 2016, MOGE's cash in hand "represented more than 3 times revenues and more than 7.5 times expenditures ... MOGE's cash-on-hand also represents the highest share of total assets of any national oil company in the world" and as of March 31, 2018, MOGE's 'Other Accounts' held USD 4.75 billion (see Bauer et al, 'State-owned Economic Enterprise Reform in Myanmar: The Case of Natural Resource Enterprises', Report, Natural Resource Governance Institute, 2018: pg 18.). The absence of transparency means it is unconfirmed, but it is thought that large sums were loaned to military-linked businesses and will never be repaid. Whilst the NLD government ordered that the Other Accounts be closed in 2019, the only civilian government officials that could confirm whether this took place have been detained since the coup.

⁵ Up until 2012, the military government exchanged its revenue from natural gas exports at a rate of 6 kyat to the dollar, while the market exchange rate was 1,000 kyat to the dollar. For the Yadana project, from 2000 to 2009, USD 4.83 billion of earnings based on the market exchange rate would have been recorded by the military government as USD 30 million in the national budget. This leaves about USD 4.8 billion of natural gas revenue unaccounted for in the national budget during this period (see TOTAL Impact: The Human Rights, Environmental, and Financial Impacts of Total and Chevron's Yadana Gas Project in Military-Ruled Burma', EarthRights International, September 2009, p. 43.).

⁶ FY 2020-2021 Budget Brief on the Oil and Gas Sector", Ministry of Planning, Finance and Industries, July 2020

⁷ Ibid, EITI Report (2017-18) available at: https://eiti.org/files/documents/meiti_reconciliation_report_2017-2018_final_signed_31st_march_2020.pdf and Publish What You Pay Australia, (2021), "The military or the people. Who will benefit from Myanmar's offshore gas projects?", <https://www.pwyp.org.au/publications/who-benefits-from-myanmar-gas>

⁸ The Myanmar Economic Bank and the Myanmar Foreign Trade Bank (MFTB) and potentially the Myanmar Investment and Commercial Bank (MICB).

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Therefore all mineral sale proceeds from these projects and pipelines are now controlled by the military. This means any international oil and gas company making or facilitating the payment of funds to MOGE is likely to be assisting the Myanmar military in committing extensive human rights abuses and financing and legitimizing its claim to be the government of Myanmar.

Investors are also exposed to the risk of funding the military through the military's misappropriation of MOGE's cash, supporting its efforts to crush Myanmar's transition to democracy and its human rights abuses, thereby leading Myanmar to a failed state. These investors include BlackRock, Vanguard Group, Lazard Asset Managers, the Norwegian Sovereign Wealth Fund, Canadian pension funds, the Dutch pension fund asset managers - PGM Vermogensbeheer B.V. and APG Asset Management N.V.⁹ All investors all have a responsibility and financial incentive to ensure that their investment does not contribute to further human rights abuses.

Myanmar civil society groups and the CRPH (Committee Representing, which has since formed a National Unity Government (NUG), are calling for these payments (gas sales proceeds (taxes, royalties etc.), pipeline dividends and taxes) to be paid into escrow accounts until a democratically elected government is in power. Notably they are not calling for production to be stopped. With increasing violence from the military, the international community must support the calls from the Myanmar people, civil society and the NUG.

Oil and gas companies extracting in Myanmar, including KOGAS, POSCO International, ONGC Videsh Ltd, and GAIL JJ Ltd must:

- Use their stakes in joint ventures with the MOGE to ensure payments do not reach bank accounts now in the control of the Myanmar military, its leaders, business interests or business partners.
- Place gas sale proceeds into escrow accounts until there is an elected, civilian government.
- Support targeted sanctions on the gas sector that prevent sale proceeds from reaching accounts controlled by the military, whilst allowing production to continue.
- Make a public declaration of support for contract disclosure and pledge to actively push for it in Myanmar and other countries where they operate.

⁹ Justice for Myanmar reports that these two Dutch Pension Fund Managers - PGM Vermogensbeheer B.V. and APG Asset Management N.V. – have shares totalling USD \$9.12 million in GAIL JJ Ltd, \$8.9 million in ONGC Videsh Ltd, and \$45.76 million in POSCO International. See: https://uploads-ssl.webflow.com/5e691d0b7de02f1fd6919876/6062b51d-35da5bd684b03b61_Investing%20in%20the%20Military%20Cartel.pdf

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- Disclose profitability and all relevant payments to government at the project level where they do business

Governments including South Korea and India must:

- Support comprehensive, targeted sanctions against MOGE, the military, its leaders and its business interests and business partners as demanded by the National Unity Government.
- Suspension of all commercial ties between Indian companies (including state owned) with Myanmar military and its affiliated entities including MEC and MEHL.
- Use its diplomatic leverage and influence to ensure rule of law is upheld and a return to democratic norms, civilian led government and the immediate release of those men and women detained including journalists, civil society activists and MPs.
- Introduce legislation to ensure all companies publicly disclose their beneficial ownership, project profitability and payments to governments at a country-by-country, project-by-project basis in-line with the laws already in place in the 27 EU nations, UK, Canada, Norway, Switzerland and awaiting implementation in the US.

Investors in oil and gas companies in Myanmar must:

- Use their influence to demand companies rule out financial payments flowing to MOGE, the Myanmar military, their business interests or associates.



**We Don't Accept
MILITARY COUP**

THE MYANMAR COUP.

The Myanmar military attempted a coup d'état on February 1, 2021 and has since taken control of the Myanmar government institutions. Since then, a nationwide civil disobedience movement (CDM) has been formed, with participants opposing the coup and calling for economic pressure to be placed on the military. The movement adopts a “no recognition, no participation” stance that is intended to deprive the military regime of legitimacy and recognition. The movement aims to stage widespread strikes and cut off the military’s sources of funding in order to exert economic pressure on the coup leaders until they step down. The success of the CDM is likely to be the pivotal factor in whether the military is able to cement its hold on power. Elected lawmakers have also formed the Committee Representing Pyidaungsu Hluttaw (CRPH) and declared a National Unity Government (NUG) that is co-operating with Ethnic Armed Organisations (EAOs).

The military has responded by killing over 769 people and arbitrarily detaining at least 3,600¹⁰ people, while injuring countless others using live ammunition and rocket propelled grenades on protestors and carrying out air strikes displacing thousands in ethnic areas. Security forces are carrying out extrajudicial killings¹¹ and torture.¹² Civil society activists, pro-democracy protestors, and media personnel are in hiding for their safety.

Members of the international community have publicly condemned the military coup, but international interventions remain limited to sanctions on military leaders and their families, military-linked companies including the MEC and MEHL conglomerates and a few state-owned enterprises with relatively limited links to international companies in the formal economy. Key actions so far include:

United Nations. The UN Security Council issued a press statement on February

¹⁰ Association for Assistance for Political Prisoners (Burma), (2021), See: <https://aappb.org/>

¹¹ Amnesty International, (2021), “Myanmar Arsenal Troops Deployed Crackdown”, Available at: <https://www.amnesty.org/en/latest/news/2021/03/myanmar-arsenal-troops-deployed-crackdown/>

¹² Hardington, L., “Outrage in Myanmar after activist allegedly tortured to death”, The Guardian, 15/3/2021, Available at: <https://www.theguardian.com/world/2021/mar/15/the-death-of-zaw-myat-lynn-allegations-torture-used-on-opposition-activist-in-myanmar>



4 expressing “deep concern at developments in Myanmar”¹³ and a Presidential Statement on March 10 “strongly condemn[ing] the violence against peaceful protestors”;¹⁴ China and Russia have blocked decisive action by the UN Security Council. The U.N. Special Envoy for Myanmar has called for the Security Council to put “the security forces on notice and [stand] with the people of Myanmar firmly”.¹⁵ The U.N. Special Rapporteur on the Situation of Human Rights in Myanmar, Tom Andrews, has described the military’s seizure of power as “procedurally unlawful under the Constitution” and has recommended establishing sanctions on the military regime’s sources of funding, including the Myanmar Oil and Gas Enterprise”.¹⁶

ASEAN: On April 24 2021, ASEAN leaders met in Indonesia with the attendance of Senior General Min Aung Hlaing, and established a five point consensus to end the crisis. The Malaysian Prime Minister stated “it’s beyond our expectation”¹⁷, but two days after the meeting, the Myanmar military stated that it will “give careful consideration” to the suggestions made by ASEAN “when the situation returns to stability.”¹⁸ The NUG highlighted the “misrepresentation of facts by the military” in the meeting, called for the unconditional release of political prisoners that was missing from the consensus, and requested that ASEAN consult and engage with the NUG.¹⁹ The military carried out 61 airstrikes in the following week.²⁰

India: To adopt a cautious approach by not openly condemning the military coup in Myanmar, India is appeasing the Myanmar military. The only statement from the Ministry of External Affairs issued on February 1, 2021 did not express criticism of the military junta and its activities to date. Instead, India has sealed its borders, pushing back thousands of people seeking asylum. It was one of the few countries to have participated in Myanmar’s Armed Forces Day on March 27 when over 100 civilians were killed, and has not yet suspended trade ties or any deals with the Myanmar military and its affiliated entities.

Korea: In February, the National Assembly passed a parliamentary resolution calling for the immediate suspension of the use of violence against innocent people.²¹ In March, South Korean President Moon Jae-in issued a statement directly condemning the violent suppression of protests by the military and the police forc-

13 United Nations, “Security Council Press Statement on Situation in Myanmar”, United Nations Meeting Coverage and Press Releases, 4/2/2021. Available at: <https://www.un.org/press/en/2021/sc14430.doc.htm>

14 United States Mission to the United Nations. “Statement by the President of the Security Council on Myanmar”, 10/3/2021. Available at: <https://usun.usmission.gov/statement-by-the-president-of-the-security-council-on-myanmar-march-10-2021/?fbclid=IwAR2ytKvHa71PQufzswCyoOX-Ccu98gTtitMsvAqwa7EwrXqg0vQqzErABfE>

15 United Nations, “Hopes for UN Security Council action against Myanmar military coup ‘waning’ fast, warns Special Envoy” UN News, 5/3/2021. Available at: <https://news.un.org/en/story/2021/03/1086572>

16 Andrews, T., (2021), “Report of the Special Rapporteur on the situation of human rights in Myanmar, Report No. A/HRC/46/56”, United Nations, 4/3/2021, pg 18. Available at: https://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session46/Documents/A_HRC_46_56.pdf

17 Allard, T., Potkin, F., Rizki, N., Widiyanto, S., “SE Asian nations say consensus reached on ending Myanmar crisis”, Reuters, (23/4/2021), Available at: <https://www.reuters.com/world/asia-pacific/southeast-asian-leaders-discuss-myanmar-with-coup-leader-2021-04-23/>

18 State Administration Council, (2021), “Press Release on ASEAN Leaders’ Meeting”, Available at: <https://cincds.gov.mm/node/12094?d=1>

19 CRPH, (2021), Statement on Facebook, title unknown, Available at: <https://www.facebook.com/crph.official.mm/photos/pcb.163485679110745/163485229110790>

20 ALTSEAN, (2021), “Factsheet”, Available at: <https://twitter.com/Altsean/status/1389831084754366465>

21 S. Korean parliament passes resolution condemning military coup in Myanmar, Yonhap News Agency, 27/2/2021, Available at: <https://enyna.co.kr/view/AEN20210226007100315>

es, and strongly called for the immediate release of all those detained, including Aung San Suu Kyi.²² In the same month, the government undertook the following measures: (1) suspension of new exchanges and cooperation in the field of defense and security with Myanmar; (2) No issuances of export permit of military supplies to Myanmar and strict control over export of dual-use items; (3) review of development assistance to Myanmar, except for projects that are linked to the livelihoods of the people and humanitarian assistance; and (4) granting humanitarian exemptions for Myanmar nationals to allow them to stay in South Korea until the situation improves.²³

Companies: In late February, Woodside, after pressure from civil society, announced that it would reduce its presence in Myanmar and has withdrawn their staff and stopped their offshore drilling campaign that was carried out by their sub-contractor, TransOcean.²⁴ Petronas has claimed force majeure on its Yetagun project,²⁵ citing low production volumes. Posco C&C is seeking to exit its joint steel venture with the military-owned and now sanctioned Myanmar Economic Holdings Ltd (MEHL), and has stopped paying dividends.²⁶ By contrast, Total's CEO released a statement on April 4 detailing risks to staff and meeting Yangon and Thailand's electricity needs as reasons for why they must keep paying sale proceeds to Myanma Oil and Gas Enterprise (MOGE) and operating the Yadana project.²⁷

22 Lee, J.H., "South Korea Condemns Myanmar Violence, Urges Release of Suu Kyi", Bloomberg, 6/3/2021, Available at: <https://www.bloomberg.com/news/articles/2021-03-06/south-korea-condemns-myanmar-violence-urges-release-of-suu-kyi>

23 Ministry of Foreign Affairs, "Korean Government's Measures on Situation in Myanmar", 12/3/2021, Available at: https://www.mofa.go.kr/eng/brd/m_5676/view.do?seq=321574&srchFr&srchTo&srchWord&srchTp&multi_itm_seq=0&itm_seq_1=0&itm_seq_2=0&company_cd&company_nm&page=1&titleNm

24 Bucci, N., "Woodside will withdraw its workers from Myanmar for suspected human rights abuses", The Guardian, 27/2/2021, Available at: <https://www.theguardian.com/world/2021/feb/27/woodside-will-withdraw-workers-from-myanmar-for-suspected-human-rights-abuses>

25 Yep, E., & Ang, S., "Petronas declares force majeure at Yetagun offshore gas field in Myanmar", SP Global, 4/5/2021, Available at: <https://www.spglobal.com/platts/en/market-insights/latest-news/natural-gas/040521-petronas-declares-force-majeure-at-yetagun-offshore-gas-field-in-myanmar>

26 Kim, C., "S.Korea steel giant POSCO weighs how to exit Myanmar military-backed venture -source", Reuters, 5/4/2021, Available at: <https://www.reuters.com/article/us-myanmar-politics-posco-exclusive/exclusive-south-korea-steel-giant-posco-weighs-how-to-exit-myanmar-military-backed-venture-sources-idUSKBN2BS0K0>

27 Pouyann, P., (2021), "Total and the human rights crises in Myanmar". Available at: <https://www.linkedin.com/>



OIL AND GAS SECTOR IN MYANMAR.

Myanmar's offshore gas sale proceeds were forecasted to be USD 1.54 billion,²⁸ which equates to about 10% of the Union Government's revenue for financial year 2021-22 (see Table [1]).²⁹ The Shwe Gas project has contributed between USD 214 million and USD 471 million per year from 2015 to 2019, including taxes (see Table 3).

Although the civilian government between 2015 and 2020 appeared to be seeking to exercise more control over gas sale proceeds, there is a long history of gas sale proceeds being misappropriated through opaque accounting³⁰ and exchange rate manipulation.³¹ The Yadana project alone is estimated to have generated almost USD 8 billion from 2000 to 2008, of which USD 4.8 billion went to the military regime, representing 70% of Myanmar's foreign exchange inflows in 2007-8. This was exempt from sanctions, providing the military with vital access to US dollars. The military used exchange rate manipulation to ensure that over 99% of payments was not recorded in the Myanmar national budget.³² Presently, approximately 50% of Myanmar's foreign exchange now comes from gas sale proceeds. Actions taken by the military since the coup have served to confirm that these sale proceeds are almost certain to be misappropriated again.³³

Whilst being vital to the military's financial security, gas sale proceeds have relatively minimal importance for the Myanmar people. They are around only 2% of GDP per year³⁴ and the industry provides only a small number of jobs (0.05% according to the 2017-2018 Myanmar Extractive Industries Transparency Initiative (EITI) report). Myanmar's government revenue represents a small part of GDP (e.g., 13.9% in 2019).³⁵ Only 12.5% of overall government budget allocation was invested in education, health, and social welfare in 2017-2018, amongst the lowest in Asia.³⁶ This means many people rely instead on infor-

pulse/total-human-rights-crisis-myanmar-patrick-pouyann%C3%A9/

28 Petronas has declared force majeure on its gas field, thus the gas sale proceeds will be less than forecasted.

29 Myanmar Government, (2020), "FY 2020-2021 Budget Brief on the Oil and Gas Sector", Ministry of Planning, Finance and Industries, July 2020

30 State owned Enterprises (SOE), such as the Myanmar Oil and Gas Enterprise (MOGE) retained 55% of their 'profits' which were held in the Myanmar Economic Bank (MEB), another SOE, in funds called 'Other Accounts'. As of 2016, MOGE's cash in hand "represented more than 3 times revenues and more than 7.5 times expenditures ... MOGE's cash-on-hand also represents the highest share of total assets of any national oil company in the world" and as of March 31, 2018, MOGE's 'Other Accounts' held USD 4.75 billion (see Bauer et al, 'State-owned Economic Enterprise Reform in Myanmar: The Case of Natural Resource Enterprises', Report, Natural Resource Governance Institute, 2018: pg 18.). The absence of transparency means it is unconfirmed, but it is thought that large sums were loaned to military-linked businesses and will never be repaid. Whilst the NLD government ordered that the Other Accounts be closed in 2019, the only civilian government officials that could confirm whether this took place have been detained since the coup.

31 Up until 2012, the military government exchanged its revenue from natural gas exports at a rate of 6 kyat to the dollar, while the market exchange rate was 1,000 kyat to the dollar. For the Yadana project, from 2000 to 2009, USD 4.83 billion of earnings based on the market exchange rate would have been recorded by the military government as USD 30 million in the national budget. This leaves about USD 4.8 billion of natural gas revenue unaccounted for in the national budget during this period (see TOTAL Impact: The Human Rights, Environmental, and Financial Impacts of Total and Chevron's Yadana Gas Project in Military-Ruled Burma', EarthRights International, September 2009, p. 43.).

32 Earth Rights International, (2009), "TOTAL Impact: The Human Rights, Environmental, and Financial Impacts of Total and Chevron's Yadana Gas Project in Military-Ruled Burma", p. 43.

33 The military resisted reforms by the civilian-led government of 2015 to 2020 and has already unwound many that went through. In addition to its use of force, the military has arbitrarily detained key civilian government officials that could confirm whether the status of "Other Accounts", appointed military generals in ministerial positions, removed all judges appointed by the civilian government, replaced members of the Constitutional Tribunal, repealed laws that protect civil rights and re-enacted oppressive laws used to search private residences.

34 World Bank, 'Revenue, excluding grants (% of GDP) - Myanmar', The World Bank Group, 2020. Available at: <https://data.worldbank.org/indicator/GC.REV.XGRT.GD.ZS?locations=MM>

35 Ibid.

36 Tun Pa Pa Kyaw, 'Social Policy for Children in Myanmar', SocialProtection.org, Apr 19, 2020. Available at: <https://socialprotection.org/discover/blog/social-policy-children-myanmar>

mal social safety nets. In contrast, the defence budget is three times larger than spending on health, and regularly reaches 15% of the national budget.³⁷

MYANMAR'S OFFSHORE GAS PROJECTS.

Myanmar's existing offshore gas infrastructure consists of offshore facilities and pipelines that extract gas from four projects. Three projects, Yadana,³⁸ Zawtika,³⁹ Yetagun,⁴⁰ export gas to Thailand, where it is purchased by Thai state owned PTT. The Shwe project exports gas to China, where it is purchased by the China National United Oil Corporation (CNUOC). All the projects apart from Yetagun also provide gas for domestic use. The International oil and gas companies investing in these projects include Total, Chevron, KOGAS, Posco International, ONGC, PTTEP and Petronas. Companies that have exploration licenses include Woodside Energy, Total, CNCP and BG group (Royal Dutch Shell).

Each of the four projects is separated into 1) an upstream extraction operation through a joint venture (governed by a production sharing agreement) and 2) a gas transportation operation by a separate pipeline company, whose shareholders generally mirror the parties to the production sharing agreement. The government agency MOGE has a central role in these projects (see Box 1) as a collector of gas sale proceeds for the state and as a minority investor under the production sharing agreement and the pipeline company.

Table 1. Projected (Revenues) Sale Proceeds for Gas in Myanmar for 2021–2022⁴¹

	2021–2022 Forecast (in USD)
Royalty	225,573,770
Profit/Petroleum Split	737,704,918
State contribution	231,770,492
Income tax from Oil and Gas companies	53,114,754
Total sale proceeds for offshore projects	1,230,163,934
State contribution	139,016,393
Income tax from pipeline companies	175,081,967
Total revenue from pipeline projects	314, 098,361
Total inflows from offshore and pipeline projects	1,544,262,295

³⁷ Nyein, N., "Myanmar Parliament Slashes Military's Budget Request for First Time", The Irrawaddy, 28/5/2020, Available at: <https://www.irrawaddy.com/news/burma/myanmar-parliament-slashes-militarys-budget-first-time.html>

³⁸ A joint venture operated by Total with participation by Chevron, PTTEP and MOGE.

³⁹ A joint venture operated by PTTEP, with participation by MOGE.

⁴⁰ A joint venture operated by Petronas, with participation by Nippon Oil, PTTEP and MOGE.

⁴¹ Ministry of Planning, Finance and Industries, (2020), "FY 2020-2021 Budget Brief on the Oil and Gas Sector".

BOX 1 - WHAT IS THE ROLE OF STATE-OWNED ENTERPRISES IN MYANMAR OIL AND GAS

State owned enterprises (SOE) or State Economic Enterprises (SEE) are a key part of a military state that was constructed after the 1988 coup. The mechanisms for their governance are not provided for in the law; SOEs are controlled by internal ministry directives and report to their line ministry.

The MOGE is the SOE responsible for oil and gas upstream production and collecting gas sale proceeds. MOGE is considered by the Government of Myanmar (GoM) to be a government agency⁴² and is a de facto department of its line ministry, the Ministry of Electricity and Energy (MOEE). MOGE collects royalties, profit shares and bonuses from gas projects on behalf of the Myanmar government. It also participates in the joint ventures that operate these projects, receiving a further profit share, and dividends as a shareholder of the company that operates the pipeline.

MOGE also takes a proportion of gas, usually 20%, for domestic use which it sells. This includes sales to the military and military-owned businesses and their affiliates.⁴³

MOGE does not disclose fully audited accounts; law reforms may have addressed this lack of transparency had the coup not taken place. Instead, the Myanmar Extractive Industries Transparency Initiative (EITI) process, which provided a degree of oversight, has now been suspended.⁴⁴

THE SHWE GAS PROJECT.

The Shwe gas project consists of the Shwe, Shwe Phyu and Mya offshore gas fields, located in blocks A-1 and A-3 of the Bay of Bengal, Myanmar. The project started production in 2013 and is operated by POSCO International from Korea⁴⁵ with joint venture partners Gail JJ, ONGC from India, Korean Gas Corporation (KOGAS) from South Korea and MOGE. Table 2 outlines the ownership shares of the joint venture.

Table 2. Ownership of the Shwe Project (A1 Block)

Company	Share
POSCO International	51%
ONGC Videsh	17%
MOGE	15%
Gail JJ	8.5%
Korea Gas Corporation	8%

⁴² The main difference between Myanmar's SOEs and other government departments is that whereas other departments are allocated a budget and must return unspent money at the end of the fiscal year, SOEs may retain a percentage of their profits which, as footnoted above, were held in "Other Account."

⁴³ Publish What You Pay Australia, (2021), "The military or the people. Who will benefit from Myanmar's offshore gas projects?", Available at: <https://www.pwyp.org.au/publications/who-benefits-from-myanmar-gas>

⁴⁴ EITI, (2020), "Myanmar suspended due to political instability", Available at: <https://eiti.org/news/myanmar-suspended-due-to-political-instability>

⁴⁵ Hyun-woo N., "POSCO Daewoo renamed as POSCO International", The Korea Times, 18/3/2019, Available at: https://www.koreatimes.co.kr/www/tech/2020/02/693_265546.html

The Shwe gas project is the second largest source of gas sale proceeds. It was forecast to produce 30% of all Myanmar gas for 2021-2022.⁴⁶ Eighty percent of gas is exported to China (comprising of 13% of China's imported gas) where it is purchased by the CNUOC. About 20% is used domestically where it is sold to the military and its business associates and the Myanmar Electric Power Enterprise.⁴⁷ The project is estimated to produce 500 mmscf per day with bonuses if production is increased.⁴⁸ The Table 3 outlines Shwe volumes and values for production and export (i.e. production less domestic use).

Table 3. Shwe Gas Production Volumes and Values (estimates)

Year	Production volume of Gas(MMSCF)	Production value (estimation) in USD	Export Volume (MMSCF)	Export value (USD)
2017-2018	172,023	1,124,791,258	142,339	930,699,168
2016-2017	174, 994	1,046,750,837	144,054	861,678,944
2015-2016	185, 059	1,316,137,721	163,807	1,164,993,714

Shwe gas is transported from Ma De Island, Rakhine state to Muse on the border with China through a pipeline known as the Shwe or Myanmar China-Gas Pipeline. The pipeline became operational 28 July, 2013. The pipeline is owned by the South East Asia Gas Pipeline Co., Ltd. (SEAGP),⁴⁹ whose shareholders are shown at Table 4, and comprise of the upstream investors in the Shwe project. CNPC-SEAP is a subsidiary of the China National Petroleum Corporation (CNPC) and is both the largest shareholder and the operator of the pipeline. The construction of the pipeline was controversial due to illegal land seizures and allegations of other human rights abuses.⁵⁰

Table 4. Ownership of SEAGP⁵¹

Company	Share
CNPC-SEAP Co., Ltd.	51%
Posco International	25%
ONGC Caspian E&P B.V	17%
MOGE	7%
Gail (India) Limited	8.5%
KG-SEAGP Company Limited	8%

⁴⁶ Ministry of Planning, Finance and Industries, (2020), "FY 2020-2021 Budget Brief on the Oil and Gas Sector".

⁴⁷ MEITI, (2020), "Myanmar EITI Report (2017-18)", available at: https://eiti.org/files/documents/meiti_reconciliation_report_2017-2018_final_signed_31st_march_2020.pdf and Publish What You Pay Australia, (2021), "The military or the people. Who will benefit from Myanmar's offshore gas projects?", <https://www.pwyp.org.au/publications/who-benefits-from-myanmar-gas>

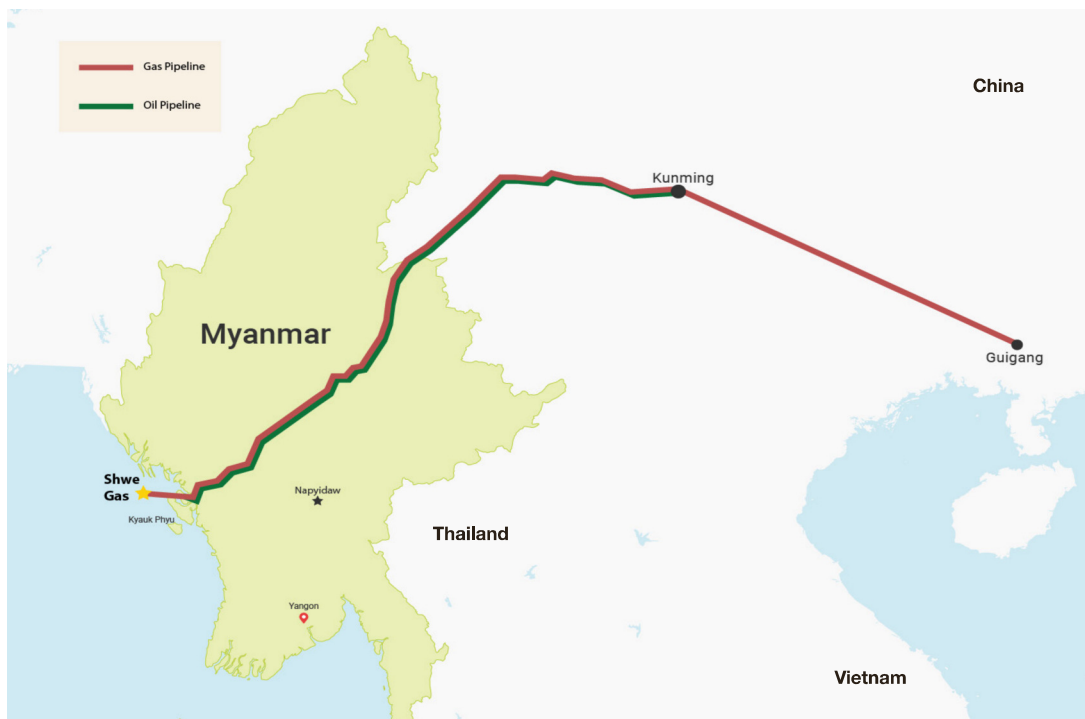
⁴⁸ There is an agreement between CNPC and MOGE for Shwe gas project that production bonus will be paid 1 million USD when approval on initial production period, 2 million USD on (90) days after production with 150 mmscf per day, 3 million USD on (90) days after with the production of 300 mmscf per day, 4 million USD on (90) days after with the production rate 600 mmscf per day, 5 million USD on (90) days after with the production rate of 750 mmscf per day, 10 million USD on (90) days after with the production rate of 900 mmscf per day.

⁴⁹ Parallel to the gas pipeline, and oil pipeline owned by the South East Asia Crude Oil Pipeline Co., Ltd. (SEACOP) transports oil imported by tanker from Kyaukphyu to oil refinery in Yunnan. SEACOP is owned by CNPC-SEAP (51%) and MOGE (49%). It is operated by CNPC-SEAP.

⁵⁰ Kyaw et al, (2017), "In Search of Social Justice along the Myanmar-China Oil and Gas Pipeline A Follow-up Report' Myanmar-China Pipeline Watch Committee (MCPWC)", Available at https://media.business-humanrights.org/media/documents/files/documents/Follow-up_Report_English_14092017.pdf

⁵¹ MEITI, (2020), "Myanmar EITI report 2017/8", page 442.

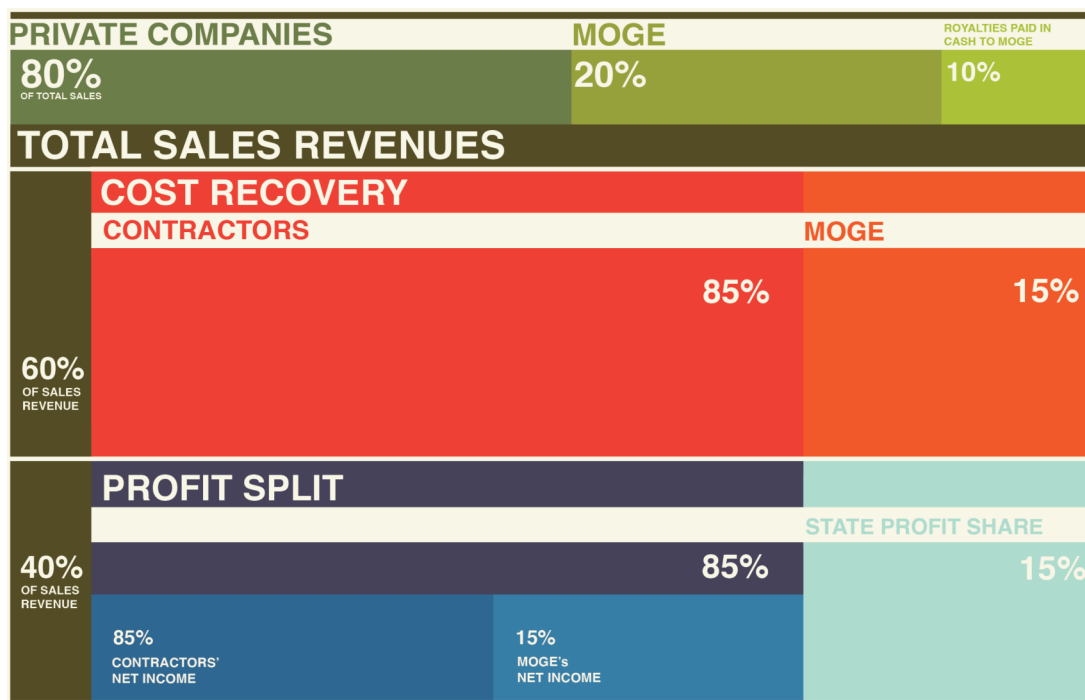
Diagram1. Map of Shwe Project Pipelines



HOW GAS SALES PROCEEDS FLOW TO MOGE AND ARE AT RISK OF MISAPPROPRIATION BY THE MILITARY.

Diagram 2 below sets out MOGE’s entitlements to payments from Shwe under the production sharing agreement.

Diagram 2. Fiscal Regime For Shwe Gas Project



The exact arrangements of how the gas sale proceeds flow from the buyer, CNUOC, to MOGE is unknown and the contracts have never been disclosed. However, according to the Myanmar EITI report (2017-2018), the fiscal regime is as follows:

- 10% of Royalties from sales of available Gas are given to MOGE.
- Up to 60% of sales revenues may be used for cost recovery, with MOGE receiving up to 15% of this portion.
- 15% of the sales from the gas after cost recovery and royalties are subtracted are collected by MOGE as the state's profit share.
- The remaining 85% of the sales from the gas after cost recovery and royalties are subtracted are split among the contractors (i.e. the companies that entered the production sharing agreement with MOGE), from which MOGE receives 15%.

CNUOC deposits payments at the China Development Bank in Hong Kong which are then transferred to the China Development Bank in Seoul. Posco, as the project operator, then transfers funds in US dollars to a correspondent account of the Myanmar state-owned Myanma Foreign Trade Bank (MFTB) in the Oversea-Chinese Banking Corporation, Limited (OCBC), a Singapore bank.⁵²

Transfers of cash payments from CNUOC for royalties take place every month and go to the contractors who in turn pass these on to MOGE (in its role as collector of gas sale proceeds for the state).⁵³

Table 5. POSCO International Yearly Payment to Myanmar Government⁵⁴

Financial Year	MMK (Myanmar Kyat)	US Dollars
2017-2018	262,057,008,872	198,085,346
2016-2017	282,425,388,990	206,247,774
2015-2016	576,644,680,344	475,097,369
2014-2015	398,179,029,859	386,292,800

PIPELINE REVENUES.

SEAGP charges the Shwe Project joint venture partners a gas transportation fee. SEAGP pays dividends to each shareholder, including MOGE, but only with the unanimous approval of all SEAGP shareholders. It also pays taxes. In 2017/18, these payments were approximately USD

30 million, although the payments are likely to increase substantially in the coming years.⁵⁵

⁵² Statement from LEE Jaejung, a member of the National Assembly of the Republic of Korea; "A risk of being using for criminal activities" - Where the revenue from Posco's Shwe gas project goes?", Ilyoshinmun, 6/5/2021, Available at: https://ilyo.co.kr/?ac=article_view&entry_id=400520

⁵³ EITI Report (2017-18) Available at: https://eiti.org/files/documents/meiti_reconciliation_report_2017-2018_final_signed_31st_march_2020.pdf

⁵⁴ Myanmar Extractive Industries Transparency Initiative 2017-2018, BDO, March 2020; Myanmar Extractive Industries Transparency Initiative 2016-2017, PWC; Myanmar Extractive Industries Transparency Initiative 2015-2016, Stephen Moore; Myanmar Extractive Industries Transparency Initiative 2014-2015, Stephen Moore.

⁵⁵ EITI Report (2017-18) Available at: https://eiti.org/files/documents/meiti_reconciliation_report_2017-2018_final_signed_31st_march_2020.pdf. There will increase after the pipeline cost recovery phase concludes; by way of comparison, the Yadana pipeline provided taxes and dividends to MOGE of USD 140 million in 2017-18 (noting that MOGE has a larger shareholding in the Yadana pipeline than the Shwe pipeline).

MILITARY ACCESS TO GAS SALE PROCEEDS.

Following the attempted coup, the military is likely to once again use MOGE to misappropriate all payments (gas sales proceeds, pipeline dividends and taxes) to sustain its control of the government apparatus, finance its operations against the local population and to seize portions for private gain. As part of its illegal seizure of the powers of state, the military has appointed new “Ministers.” The MOEE Minister appointed by the National League for Democracy (NLD) has been arbitrarily detained by the junta and his replacement was Deputy Minister in 2011, a time when billions in financial payments and proceeds were misappropriated. The military similarly exercises control over the state-owned enterprise banks in which MOGE has its accounts.⁵⁶ Therefore all (revenue) inflows from these projects and pipelines are now controlled by the military. This means any international oil and gas company making or facilitating the payment of funds to MOGE is likely to be assisting the Myanmar military in committing extensive human rights abuses and financing and legitimizing its claim to be the Government of Myanmar.

Myanmar civil society groups and the CPRH, which has since formed a National Unity Government, are calling for these payments (gas sales proceeds, pipeline dividends and taxes) to be paid into escrow accounts until a democratically elected government is in power. Notably they are not calling for production to be stopped.

BOX 2 - WHAT ARE ESCROW ACCOUNTS?

Escrow accounts are bank accounts where funds are held by an independent third party on behalf of a beneficiary. In this case, the beneficiary would be the Government of Myanmar (rather than the illegal junta). There are other examples of escrow accounts being used to hold oil and gas sale proceeds, such as in Iran and Iraq.⁵⁷ These accounts are generally administered under the purview of a well-respected and trusted international organization. The rationale for escrow accounts for oil and gas sale proceeds vary, but include when a government is either illegitimate or breaking international law.

SHWE JOINT VENTURE PARTNERS.

POSCO International

POSCO was created in 1967/68 as a steel making company and has grown to a global presence in energy, steel, manufacturing and other industries across the Asia-Pacific, Europe, the Americas and Africa. The Korean Times reported that Posco International’s operating profit from the Shwe gas was USD 276 million dol-

⁵⁶ The Myanma Economic Bank and the Myanmar Foreign Trade Bank (MFTB) and potentially the Myanma Investment and Commercial Bank (MICB).

⁵⁷ Previous uses of the escrow strategy include the 1981 Executive Order No. 12276 which authorized the Secretary of the Treasury to work with the Federal Reserve Bank of New York to interdict payments passing through and assets held in U.S. financial institutions going to Iran. Assets were put in escrow until American hostages, captured by the Iranian government, were confirmed to be released. A more recent example of diverting revenues for humanitarian purposes comes from the Iraq Oil-for-Food program which placed funds for oil revenues into escrow with BNP Paribas. The Iraqi economy was heavily dependent on oil revenues, so the impacts on ordinary people were excessive and exacerbated by mismanagement and corruption. In contrast, Myanmar’s economy is not dependent on gas reserves; they are 2% of GDP and most people rely on informal social service systems and there are widespread calls for targeted sanctions from within Myanmar. In 2013, the U.S. and Iran signed a deal to reduce some U.S. sanctions in exchange for reductions in Iranian nuclear activity. A key part of this deal was that the U.S. would grant waivers to some purchasers of Iranian oil, who would place money into escrow accounts that Iran could use to purchase humanitarian supplies.

lars in 2020, 64% of the company's total operating profit.⁵⁸ Whilst Posco is seeking to end its relationship with the now sanctioned MEHL, it has continued facilitating payments to MOGE in its role as the Shwe gas upstream project operator.

KOGAS

Incorporated by the Korean government in 1983, Korea Gas Corporation has become the world's largest LNG importer. KOGAS has a 17% interest in the Shwe gas upstream production and 8.5% of the shares in SEAGP. During 2013-2020, it invested a total of USD 365 million in this project, apart from the purchase of 8.5% of share, and made a total of USD 372 million as net profit.⁵⁹

ONGC Videsh Limited Ltd

ONGC Videsh Limited is the international arm of ONGC and has been associated with exploration and development of Shwe gas project in Myanmar since 2002. OVL has already invested USD 722 million and will further be investing an additional USD 121.27 million towards development of Shwe oil & gas project in Myanmar.⁶⁰ It is the second largest petroleum company of India. It has stake in 37 oil and gas projects in 17 Countries, including 6 projects in Myanmar

GAIL JJ Ltd

GAIL is India's leading natural gas company with diversified interests across the natural gas value chain of trading, transmission, LPG production & transmission, LNG re-gasification, petrochemicals, city gas, E&P, etc. It owns and operates a network of around 13,250 km of natural gas pipelines spread across the length and breadth of the country. It has a global presence in 5 countries - USA (GGUI, GGU-LL, GAIL-Sabine Pass), Egypt (Equity in 2 Retail Gas Companies), Singapore (GAIL Global Singapore Pte Ltd), Myanmar (A1 & A3 E&P Blocks, Myanmar - China Gas Pipeline) and China (China Gas). It has a participating interest in two Exploration and Production blocks in Myanmar.

Both Indian companies have serious allegations of rights violation from other projects overseas.⁶¹

RED FLAGS FOR INVESTORS.

Since the coup, investors are exposed to the risk of funding the military through the military's misappropriation of MOGE cash, supporting its efforts to crush Myanmar's transition to democracy and its human rights abuses, thereby leading Myanmar to a failed state. Investors, including pension funds, sovereign wealth funds and institutional investors, have a responsibility and financial incentive to ensure that their investment is not contributing to this.

58 Hyun-woo, N., "Myanmar coup becoming risk for POSCO's businesses there", The Korea Times, 18/2/2021, Available at: http://www.koreatimes.co.kr/www/tech/2021/02/693_304185.html

59 Taken from a public statement from Lee, Jaejung, a member of the National Assembly of the Republic of Korea

60 ONGC, (2020), "Annual report 2019/20" Available at: https://www.ongcvidesh.com/wp-content/uploads/2020/11/OVL-English-Annual-Report-19-20_24-11-2020_Low_res_compressed.pdf

61 For example, ONGC remains listed List of Scrutinized Companies in the U.S. as having involvement in Iran because of oil-related investments and other prohibited activities, has a track record of environmental damage in India and human rights abuses. There is a corruption case being investigated by the Central Bureau of Investigation (CBI) that involved both GAIL and ONGC in connection with energy business related contracts with Rolls-Royce worth thousands of crores. See the following: <https://energy.economictimes.indiatimes.com/news/oil-and-gas/competition-commission-orders-fresh-probe-against-gail-india/59603737>, <https://economictimes.indiatimes.com/industry/energy/oil-gas/ongc-fined-rs-2-05-crore-for-green-norm-violation-in-assam/articleshow/71167417.cms?from=mdr>

Initial research reveals that the following investors have shares in the companies involved in the Shwe project: BlackRock, Vanguard Group, Lazard Asset Management LLC, Norges Bank (Norwegian Sovereign Wealth Fund), Dutch pension funds – PGGM and APG⁶², Swedish Pension Fund, the Canadian Pension Plan Investment Board (CPPIB) and National Pension Service (NPS) South Korea.⁶³ The list of top 20 investors for each company can be found in Appendix 1.

Table 6. Investors and % of Ownership

	GAIL (India) Ltd	ONGC Ltd	POSCO	KOGAS
Stake in Shwe	8.5	17	51	8.5
Owners of Owners				
Government of Myanmar				
Government of India	60	60		
Government of Korea				34.1
NPS Korea			12.8	5.37
GAIL (India) Ltd		6.4		
CitiGroup Inc.			8.66	
Korea Electric Power Corporation				20.5
BlackRock	0.644	0.65	6.107	1.415
Nippon Steel			3.32	
KB Financial Services			2.08	KOGAS
GIC Pvt Ltd			1.97	
KOGAS Employees Stock Ownership Association				3.19
KOGAS Holding Company				7.03
Lazard Asset Managers LLC	0.222	0.378	0.873	0.001
The Vanguard Group, Inc.	1.34	0.421	2.736	0.72
Samsung Asset Management Co., Ltd.				0.33
Sources: Company Websites and S&P Database				

⁶² Justice for Myanmar, (2021), "Investing in the military cartel", Available at: <https://www.justiceformyanmar.org/stories/investing-in-the-military-cartel>

⁶³ The National Pension Service was established in 1987 to help secure the retirement benefits of Korean citizens with income security, thereby promoting national welfare in the case of retirement, disability or death. The governance for administering and investing the Fund is strictly specified in the National Pension Act. According to the Act, the major agenda including investment plans and performance evaluation are discussed and approved by the Fund Management Committee of the National Pension Service ("Fund Management Committee") that, as the highest decision-making body, is comprised of representatives of employers, employees and the insured and the relative government agencies. While the Minister of Health and Welfare is responsible for administering and investing the Fund, the actual works are outsourced to and implemented by the NPSIM equipped with professional investors. The National Pension Service has been the largest shareholder of Posco by owning 11.36% of the shares as of March 2021. It purchased more shares by 0.26% compared to the previous month. It sounds contradictory because what the company has emphasized over the recent years was responsible investments. Part of responsible investment includes adopting the shareholders guideline that allows the company to exercise its power as a shareholder to resolve issues concerning the ESG. As of now, the National Pension Service has not taken any action for Posco in relation to the ongoing Myanmar military coup.

	GAIL (India) Ltd	ONGC Ltd	POSCO	KOGAS
Norges Bank Investment Management	1.138	0.378		0.343
Teachers Insurance and Annuity Association of America - College Retirement Equities Fund			0.158	0.036
Others	36.65	31.8	56	27
Total	100	100	100	100

Sources: Company Websites and S&P Database

RECOMMENDATIONS.

Oil and gas companies extracting in Myanmar, including KOGAS, POSCO, ONGC Videsh Ltd, and GAIL JJ Ltd must:

- Use their stakes in joint ventures with the MOGE to ensure payments do not reach bank accounts now in the control of the Myanmar military, its leaders, business interests or business partners.
- Place gas sale proceeds into escrow accounts until there is an elected, civilian government.
- Support targeted sanctions on the gas sector that prevent sale proceeds reaching accounts controlled by the military, whilst allowing production to continue.
- Make a public declaration of support for contract disclosure and pledge to actively push for contract disclosure in Myanmar and other countries where they operate.
- Disclose profitability and all relevant payments to government at the project level where they do business

Governments including South Korea and India must:

- Support comprehensive, targeted sanctions against MOGE, the military, its leaders and its business interests and business partners as demanded by the National Unity Government.
- Suspension of all commercial ties between Indian companies (including state owned) with Myanmar military and its affiliated entities including MEC and MEHL.
- Use its diplomatic leverage and influence to ensure rule of law is upheld and a return to democratic norms, civilian led government and the immediate release of those men and women detained including journalists, civil society activists and MPs.

- Introduce legislation to ensure all companies publicly disclose their beneficial ownership, project profitability and payments to governments at a country-by-country, project-by-project basis in-line with the laws already in place in the 27 EU nations, UK, Canada, Norway, Switzerland and awaiting implementation in the US.

Investors in oil and gas companies in Myanmar must:

- Use their influence to demand companies rule out financial payments flowing to MOGE, the Myanmar military, their business interests or associates.



Appendix 1. List of top 20 investors in POSCO International, KOGAS, ONGC and GAIL.

POSCO International / POSCO (KOSE:A005490)

Latest Holders			
Holder	Common Stock Equivalent Held	% of CSO	Market Value (KRW in MM)
National Pension Service	9,679,228	12.799	3,561,904.3
Citigroup Inc., Banking and Securities Investments	6,549,199	8.66	2,410,070.3
BlackRock, Inc. (NYSE:BLK)	4,618,161	6.107	1,699,458.6
Nippon Steel Corporation (TSE:5401)	2,894,712	3.828	1,065,238.6
Samsung Asset Management Co., Ltd.	2,401,789	3.176	883,845.6
The Vanguard Group, Inc.	2,068,942	2.736	761,359.6
KB Asset Management Co., Ltd.	1,817,635	2.403	668,880.0
GIC Pte. Ltd.	1,718,369	2.272	632,350.6
POSCO Employee Stock Ownership Association	1,563,028	2.067	575,186.0
Dimensional Fund Advisors L.P.	943,972	1.248	347,376.7
T. Rowe Price Group, Inc. (NasdaqGS:TROW)	736,268	0.974	270,942.7
Lazard Asset Management LLC	660,202	0.873	242,950.8
J.P. Morgan Asset Management, Inc.	558,606	0.739	205,564.0
Pzena Investment Management, Inc (NYSE:PZN)	533,432	0.705	196,300.1
FMR LLC	488,882	0.646	179,906.0
Northern Trust Global Investments	373,490	0.494	137,442.3
Franklin Resources, Inc. (NYSE:BEN)	356,782	0.472	131,293.9
Invesco Ltd. (NYSE:IVZ)	258,901	0.342	95,274.2
Caisse de dépôt et placement du Québec	255,014	0.337	93,843.8
Geode Capital Management, LLC	249,557	0.33	91,835.6
Brandes Investment Partners, L.P.	239,759	0.317	88,230.0

KOGAS / Korea Gas Corporation (KOSE:A036460)

Latest Holders			
Holder	Common Stock Equivalent Held	% of CSO	Market Value (KRW in MM)
South Korea	24,144,353	28.131	784,680.1
Korea Electric Power Corporation (KOSE:A015760)	18,900,000	22.021	614,241.1
National Pension Service	4,957,254	5.776	161,108.4
Korea Gas Corp. ESOP	2,941,365	3.427	95,593.0
BlackRock, Inc. (NYSE:BLK)	1,245,416	1.451	40,475.4
The Vanguard Group, Inc.	815,002	0.95	26,487.2
Samsung Asset Management Co., Ltd.	595,505	0.694	19,353.6
Norges Bank Investment Management	294,795	0.343	9,580.7
Shinyoung Asset Management Co., Ltd.	249,401	0.291	8,105.4
Dimensional Fund Advisors L.P.	205,604	0.24	6,682.0
AP Fonden 2	198,699	0.232	6,457.6
Baring Asset Management Limited	159,329	0.186	5,178.1
Caisse de dépôt et placement du Québec	118,623	0.138	3,855.2
Mirae Asset Global Investments Co., Ltd	116,616	0.136	3,790.0
Northern Trust Global Investments	103,858	0.121	3,375.3
KB Asset Management Co., Ltd.	94,455	0.11	3,069.7
Hanwha Asset Management Co. Ltd.	87,273	0.102	2,836.3
Geode Capital Management, LLC	73,668	0.086	2,394.2
Charles Schwab Investment Management, Inc.	65,742	0.077	2,136.6
Goldman Sachs Asset Management, L.P.	64,551	0.075	2,097.9

Oil and Natural Gas Corporation Limited (NSEI:ONGC)

Latest Holders			
Holder	Common Stock Equivalent Held	% of CSO	Market Value (INR in MM)
India	7,599,608,458	60.409	788,428.6
Life Insurance Corporation of India, Asset Management Arm	1,367,721,993	10.872	141,895.6
Indian Oil Corporation Limited (NSEI:IOC)	986,885,142	7.845	102,385.3
GAIL (India) Limited (NSEI:GAIL)	308,401,602	2.451	31,995.4
ICICI Prudential Asset Management Company Limited	292,011,519	2.321	30,295.0
Nippon Life India Asset Management Limited (NSEI:-NAM-INDIA)	274,454,429	2.182	28,473.5
BlackRock, Inc. (NYSE:BLK)	81,065,217	0.644	8,410.2
FMR LLC	60,000,616	0.477	6,224.8
SBI Funds Management Private Limited	52,979,896	0.421	5,496.4
The Vanguard Group, Inc.	52,911,354	0.421	5,489.3
Norges Bank Investment Management	47,542,458	0.378	4,932.3
Lazard Asset Management LLC	47,517,664	0.378	4,929.8
HDFC Asset Management Company Limited (NSEI:HD-FCAMC)	38,008,357	0.302	3,943.2
UTI Asset Management Company Limited (BSE:543238)	27,479,752	0.218	2,850.9
Charles Schwab Investment Management, Inc.	20,345,780	0.162	2,110.8
BNY Mellon Asset Management	17,501,581	0.139	1,815.7
State Street Global Advisors, Inc.	10,831,670	0.086	1,123.7
Grantham Mayo Van Otterloo & Co. LLC	10,195,157	0.081	1,057.7
Pacific Investment Management Company LLC	9,869,945	0.078	1,024.0
Geode Capital Management, LLC	9,144,360	0.073	948.7
Dimensional Fund Advisors L.P.	8,386,474	0.067	870.1

GAIL (India) Limited (NSEI:GAIL)

Latest Holders			
Holders	Common Stock Equivalent Held	% of CSO	Market Value (INR in MM)
India	2,657,401,648	59.846	353,839.6
Life Insurance Corporation of India, Asset Management Arm	391,765,012	8.823	52,164.5
Oil and Natural Gas Corporation Limited (NSEI:ONGC)	217,810,924	4.905	29,002.1
ICICI Prudential Asset Management Company Limited	141,705,716	3.191	18,868.5
Indian Oil Corporation Limited (NSEI:IOC)	108,905,460	2.453	14,501.0
HDFC Asset Management Company Limited (NSEI:HD-FCAMC)	86,743,071	1.954	11,550.1
The Vanguard Group, Inc.	59,254,889	1.334	7,889.9
Franklin Resources, Inc. (NYSE:BEN)	54,873,286	1.236	7,306.5
Nippon Life India Asset Management Limited (NSEI:-NAM-INDIA)	53,798,947	1.212	7,163.5
BlackRock, Inc. (NYSE:BLK)	51,677,074	1.164	6,880.9
SBI Funds Management Private Limited	50,548,931	1.138	6,730.7
Norges Bank Investment Management	33,088,749	0.745	4,405.8
Dimensional Fund Advisors L.P.	26,173,061	0.589	3,485.0
Deutsche Bank, Private Banking and Investment Banking Investments	25,617,744	0.577	3,411.1
Kotak Mahindra Asset Management Company Limited	25,066,672	0.565	3,337.7
AllianceBernstein L.P.	21,556,345	0.485	2,870.3
FMR LLC	17,635,519	0.397	2,348.2
UTI Asset Management Company Limited (BSE:543238)	15,894,967	0.358	2,116.5
Nordea Investment Management AB	15,325,021	0.345	2,040.6
BNY Mellon Asset Management	14,893,616	0.335	1,983.1
Lazard Asset Management LLC	9,877,968	0.222	1,315.3

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