

Press Release

## **Myanmar's MOGE included in new EU sanctions Japanese government and companies must swiftly and responsibly withdraw from gas joint venture**

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Mekong Watch  
Friends of the Earth Japan

On February 21, 2022, the European Union (EU) announced sanctions against 22 persons and four entities in Myanmar including the Myanmar Oil and Gas Enterprise (MOGE)<sup><1></sup>. Japan's Ministry of Economy, Trade and Industry (METI), ENEOS Corporation, and Mitsubishi Corporation are in a joint venture with MOGE in the Yetagun gas project in Myanmar<sup><2></sup>.

MOGE is a state-owned enterprise, and as a regulator of the oil and gas sector oversees oil and gas exploration in Myanmar. As the reason for imposing sanctions on MOGE, the EU states that "MOGE is thus controlled by and generates revenue for the Tatmadaw, therefore contributing to its capabilities to carry out activities undermining democracy and the rule of law in Myanmar/Burma."

It has been pointed out that the Yetagun gas field development, financed in part by Japan's government and private companies, may bring large amounts of revenue through MOGE to the Myanmar military. In December 2021, leaked documents published by Justice For Myanmar showed that the Yetagun project would earn the military junta US\$22.37 million over six months from 21 October, 2021<sup><3></sup>. The fact that the EU has targeted MOGE confirms the validity of these observations and raises serious questions as to how much funds from the Japan-funded Yetagun project have flowed to the Myanmar military through MOGE and contributed to human rights violations by the military.

Mekong Watch and FoE Japan have been requesting METI, JX Nippon Oil & Gas Exploration (a subsidiary of ENEOS), and Mitsubishi Corporation, all of which are investing in the Yetagun gas project through Nippon Oil Exploration (Myanmar), to ensure that revenue from the project will not flow to the military, and to disclose the payments they have made or plan to make in connection with the project<sup><4></sup>. However, none of the Japanese investors have disclosed any information about payments. Although there were media reports last week that Mitsubishi Corporation finally decided to withdraw from the Yetagun project, the stated reason for the withdrawal was deterioration of profitability, not consideration for the human rights situation in Myanmar.

Japan has been involved in the Yetagun project since the 1990s, and the field began production in 2000 under the military regime at the time. The project has been an important source of income for the military regime for most of its production period. Japan's government and corporations have an enormous responsibility for having contributed to the violence and human rights abuses committed by the military.

We call on METI, ENEOS, and Mitsubishi Corporation to swiftly organize a responsible withdrawal while ensuring that the revenue from the project is not paid to the Myanmar military, to avoid further complicity in human rights abuses by the military.

Notes:

<sup><1></sup> COUNCIL DECISION (CFSP) 2022/243, February 21, 2022:

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022D0243&from=EN>

<sup><2></sup> The Yetagun project is operated by a consortium led by Malaysian state-owned oil company Petronas Carigali(40.9%) with Thailand's PTTEP (19.3%), Japan's Nippon Oil Exploration (Myanmar)(19.3%), and MOGE(20.5%).

<3> Leaked Documents Show Min Aung Hlaing Personally Concerned Over Oil and Gas Payments, Justice for Myanmar, December 16, 2021:

<https://www.justiceformyanmar.org/stories/leaked-documents-show-min-aung-hlaing-personally-concerned-over-oil-and-gas-payments>

<4> Request to the Minister of Economy, Trade and Industry from Mekong Watch and FoE Japan, September 15, 2021: [http://www.mekongwatch.org/PDF/rq\\_20210915\\_Eng.pdf](http://www.mekongwatch.org/PDF/rq_20210915_Eng.pdf)

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