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FRENCH OIL GIANT TOTAL S.A. STILL LINKED TO KILLINGS AND FORCED LABOR IN BURMA (MYANMAR)

New report by EarthRights International responds to the company with evidence and recommendations

Bangkok, December 16, 2009 -- The French oil giant Total S.A. (Total) continues to be linked to killings and forced labor in Burma and continues to mislead policymakers, investors, and the general public about its impacts in the military-ruled country, according to the Washington DC-based nongovernmental organization EarthRights International (ERI).

In a recent response to ERI's 106-page report ***Total Impact: The Human Rights, Environmental, and Financial Impacts of Total and Chevron's Yadana Gas Project in Military-Ruled Burma (Myanmar)*** (Sept 2009), Total categorically denied ERI's evidence of ongoing human rights abuses in the area of its natural gas pipeline in the country. A new 35-page report released today by ERI, entitled ***Total Impact 2.0***, explains in detail how Total failed to refute any of ERI's fresh evidence of forced labor, killings, and multi-billion dollar profits funneled to the Burmese regime through the company's natural gas pipeline. ERI noted that "a close reading of Total's response makes it abundantly clear the company hasn't refuted our research and documentation on the human rights and financial impacts of their project."

"Total continues to try to distort perceptions of its role in Burma, undoubtedly at the expense of effecting real change around its presence there," according to ERI's Burma Project Coordinator Matthew Smith, an author of the ERI reports. "The people of Burma won't be fooled by savvy and misleading public relations," he added, "and neither will the general public, investors and policymakers interested in supporting them."

In September 2009, ERI published two reports with nearly 200 pages of new research, accumulated over seven years, linking Total and its Yadana partners – Chevron Corporation, the Petroleum Authority of Thailand Exploration and Production (PTTEP), and the state-owned Myanma Oil and Gas Enterprise (MOGE) – to widespread and systematic human rights abuses in the area of its natural gas project in the Tinnasery region of Burma. The reports document years of testimonies from local victims of abuses in Total's project area, committed by the Burma Army providing security for the companies and the pipeline.

"In the last few years we've documented hundreds of instances of forced labor ordered by the Burma Army securing Total's pipeline, and the cases are continuing," says ERI Program Coordinator Naing Htoo, a co-author of the ERI reports and principal fact-finder. "The company has in effect kept complaints of forced labor from reaching the International Labour Organization (ILO) and other parties" he added, "and that raises serious questions."

ERI has recommended that Total facilitate local villagers' option to file complaints of forced labor with the ILO. "Anything less spells complicity," ERI's Smith added.

ERI's September reports also linked Total and Chevron to high-level corruption and prolonged authoritarianism in connection to their pipeline project, constructed in the 1990s. ERI calculated the pipeline has generated more than US\$7 billion in revenues since production began a decade ago, and around one billion US dollars in 2008 for Burma's ruling State Peace and Development Council (SPDC), making the pipeline one of the two largest sources of revenue for the military junta, along with the Yetagun gas project. Rather than benefit the people of Burma, ERI cites documentation that most of this revenue would not have been included in Burma's national budget and that large amounts have instead found their way to offshore banks in Singapore.

In *Total Impact 2.0*, ERI once again calls on Total to publish disaggregated revenue payments to the Burmese regime since the company first signed its Yadana-project contract with the Burmese authorities in 1992. In direct response to ERI's recommendation of revenue transparency, Total recently published a figure of \$254 million that its portion of the Yadana project generated for the Burmese regime in 2008.

"We acknowledge and welcome Total's gesture toward revenue transparency but note that the company and its partners have yet to practice full and disaggregated revenue transparency in Burma since the first contract was signed in 1992," added ERI's Smith. "The company and its partners should follow through and publish complete information related to revenue data and payments as a minimum level of corporate responsibility."

In *Total Impact 2.0*, ERI re-issues its previous recommendations for Total and its consortium partners in Burma, the international community, and the SPDC. ERI's Naing Htoo claims the recommendations are "reasonable and realizable given what is known about Total's presence in Burma."

Total Impact 2.0 is the third report released by ERI in 2009 regarding Total and Chevron's impacts in Burma. The 81-page report *Getting it Wrong: Flawed "Corporate Social Responsibility" and Misrepresentations Surrounding Total and Chevron's Yadana Gas Pipeline in Military-Ruled Burma (Myanmar)* was released in September 2009 and is an in-depth exposé of five impact assessments commissioned by the companies from 2002-2008. The impact assessments were conducted by the US-based CDA Collaborative Learning Projects (CDA) using what ERI regards as a "deeply flawed methodology."

ERI collected evidence for seven years demonstrating that CDA's assessments are "inaccurate and misleading, and contrary to international best practice." The assessments "should no longer be relied upon as accurate or credible," according to the September report.

According to ERI, examples of CDA's flawed methodology in Burma include: CDA visited Total's "pipeline villages" on five occasions with escorts from the oil company, at times using interpreters provided by Total; CDA interviewed villagers in groups and in the presence of Total staff and military intelligence; local villagers were warned by Burma Army pipeline security forces about communicating to CDA and other foreign visitors, under the threat of persecution; and often, plain-clothed security were placed in villages prior to visits by outsiders, including CDA.

A villager quoted in the ERI report summed up the fundamental problem with CDA's work in Burma: "We did not say everything we knew clearly to these foreigners because we had been warned by the soldiers in advance."

Total has not yet responded to the allegations in this ERI report.

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