

Update by Action for Shan State Rivers

December 6, 2019

Large-scale coal mining begins in Mong Kok despite local opposition

Large scale land clearance for coal mining has begun since the last week of October in Mong Kok, Mong Hsat township of eastern Shan State, despite opposition from local villagers.

On October 22, 2019, over 300 villagers held a prayer ceremony to protect their lands from coal mining. However, since then, Thai workers have been using backhoes, bulldozers and ten-wheel trucks to clear lands southwest of the village of Wan Weng, beginning clearance of 3,200 acres for coal mining.

On November 2, 2019, villagers heard from Mong Hsat land officials that eight of the nine villages in Mong Kok tract – housing about 2,500 people -- would be forced to move, to make way for the giant coal mine and coal fired power plant.

The 28-year coal project in Mong Kok is a joint venture signed in July 2019 between Thailand's Sahakol Equipment Co. Ltd (SQ) Company and Golden Lake Co. Ltd from Burma. However, it is well-known that the Burma Army-owned Myanmar Economic Corporation (MEC) is behind Golden Lake (Shwe Yekan) Company. When Sai Non, the owner of Golden Lake Co. Ltd, visits Mong Kok, he stays with the Burma Army.

MEC were the original joint project holders in 2008 with Saraburi Coal (a subsidiary of Italian Thai Development Company) for the coal project in Mong Kok. However, the project in its original form was suspended in 2011, after strong opposition from the Thai side of the border.

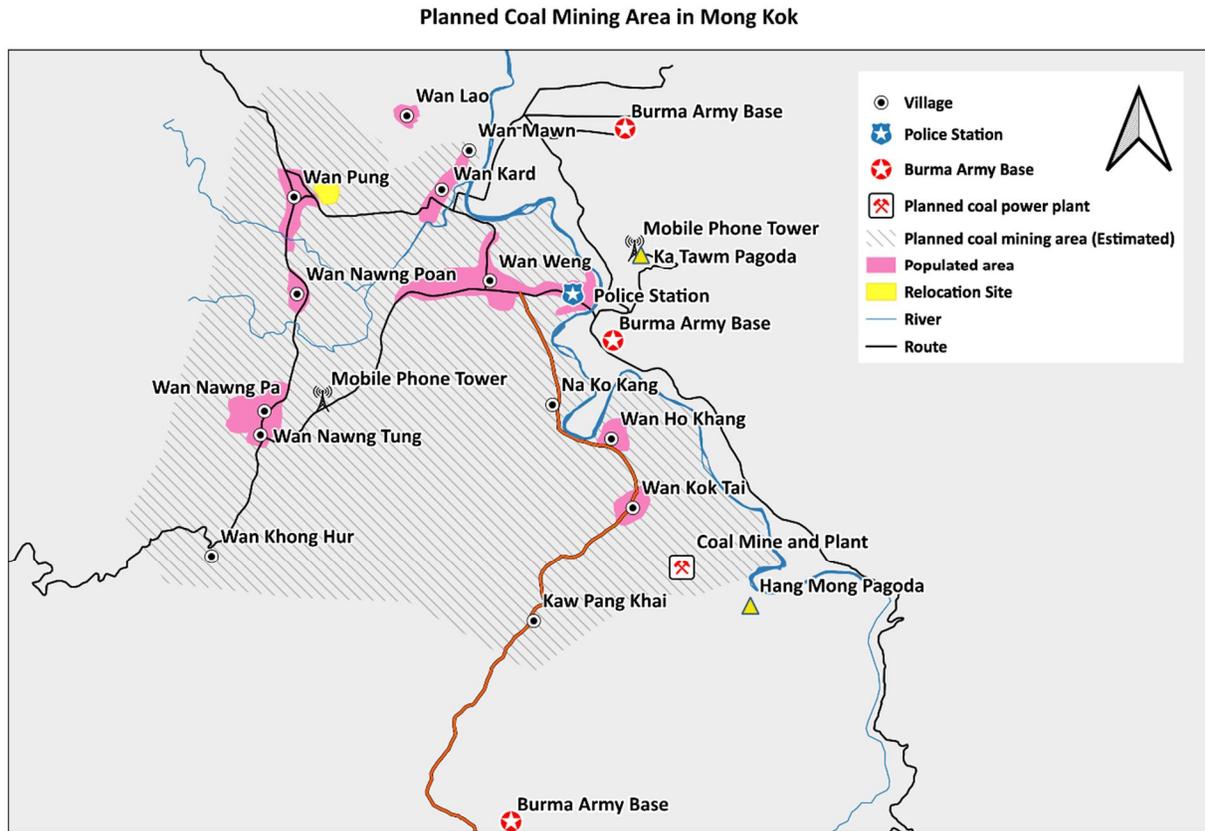
However, MEC continued to push for the project, and in the Myanmar EITI 2015-2016 report, it was reported that MEC was awarded a 20-year license (from 18 November, 2018, to 17 March, 2035) to dig for coal in 13.7596 square kilometers in “Minekote” (Mong Kok), “Minesat” (Mong Hsat).

On July 17, 2017, the Department of Agricultural Land Management and Statistics of Mong Hsat township issued a letter to the chairmen of all three sections of Mong Kok, informing them that MEC was planning to use 200 acres of land for a coal fired power plant and other purposes, and asking for any objections to be submitted in writing before August 15, 2017.

Villagers from the three sections of Mong Kok held a meeting and agreed to oppose the project. They collected signatures and submitted a letter of objection to the Department of Agriculture Land Management and Statistics of Mong Hsat township on August 9, 2017, but received no reply.

However, this year, on August 12, at 7 pm, the company staff came to one of the Mong Kok village leaders and said that the letter of objection sent two years earlier should be withdrawn, as it could cause “problems” between local people and the company. They asked if villagers

really understood what they had signed, and if anyone had forced them to do so. They also promised they would come and explain the advantages and disadvantages of the coal project to villagers.



On October 17, 2019, Thai company representatives came to Mong Kok and held a meeting with villagers at Kyaung Wan Weng temple from 3 pm to 5 pm. They told villagers that they would only do “testing” of coal first, starting on October 25, 2019. However, it is clear from the scale of digging since then, with large areas cleared and coal heaped in large piles, that this is more than mere “testing.”



large scale clearing for coal

According to Thai news sources, it is planned to mine 300,000 tons of coal a year, mainly for Thailand, and to build a 600 megawatt coal-fired power plant for distribution to Thailand’s power grid.



Company workers' camp

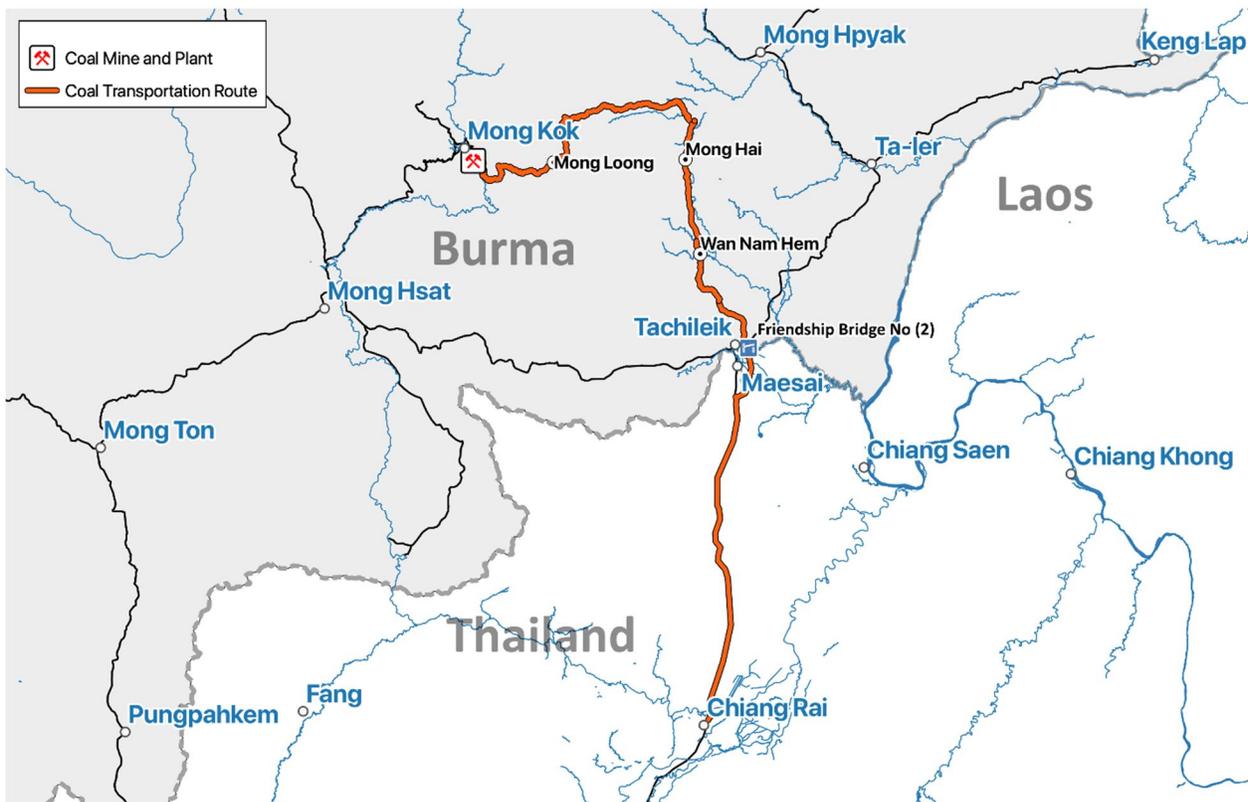
Thai company staff say that the coal will be transported by road from Mong Kok through Mong Loong and Mong Hai to Taw Kaw in Tachileik, from where it will be transported across the No. 2 Friendship Bridge to Maesai in Thailand.

It is also assumed that some of the coal may be used in a 23 megawatt coal fired power plant being built at Wan Nam Hem village, between Mong Hai and

Tachileik, by Minn Khit Thit company, under a permit issued by the Myanmar Investment Commission on 22

December 2017. Minn Khit Thit co. also has a five year concession (from 24 June 2015 to 10 February 2020) to dig for coal in 0.2003 square kilometers in the same area.

Planned coal transport route from Mong Kok



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