



### Update by the Shan Human Rights Foundation

December 13, 2021

#### **Regime-crony Ngwe Yi Pale starts coal exploration in community watershed at Nam Ma, Hsipaw township**

Since November 23, 2021, Mandalay-based Ngwe Yi Pale company, a long-standing Burma Army crony, has started coal exploration in the main watershed area in Nam Ma, Hsipaw township, despite strong community opposition.

Company workers have used a backhoe to clear trees and topsoil in a five-acre area at the centre of the forested Ho Na Fa watershed, where they have dug a pit for test drilling. This has already blocked the main stream which flows north into the Nam Ma river and irrigates villagers' rice and corn fields.

12 workers are staying at the site, and working throughout the day, drilling and pumping water out of the test pit.



*Coal exploration site at watershed*



*Workers exploring for coal at watershed*

The workers have already built a road to access this new site from Ngwe Yi Pale's existing Na Koon coal mine in the west and from Wan Long village in the north. This new road not only cuts through the forested watershed, but also through villagers' hill farms.

The Ho Na Fa watershed is a vital irrigation source for Nam Ma villagers, whose main livelihood is farming of rice and corn. The forested watershed has been preserved for generations by customary law, forbidding the cutting of trees or farming.





*Aerial view of coal exploration site at watershed*



*New road for coal exploration in watershed*

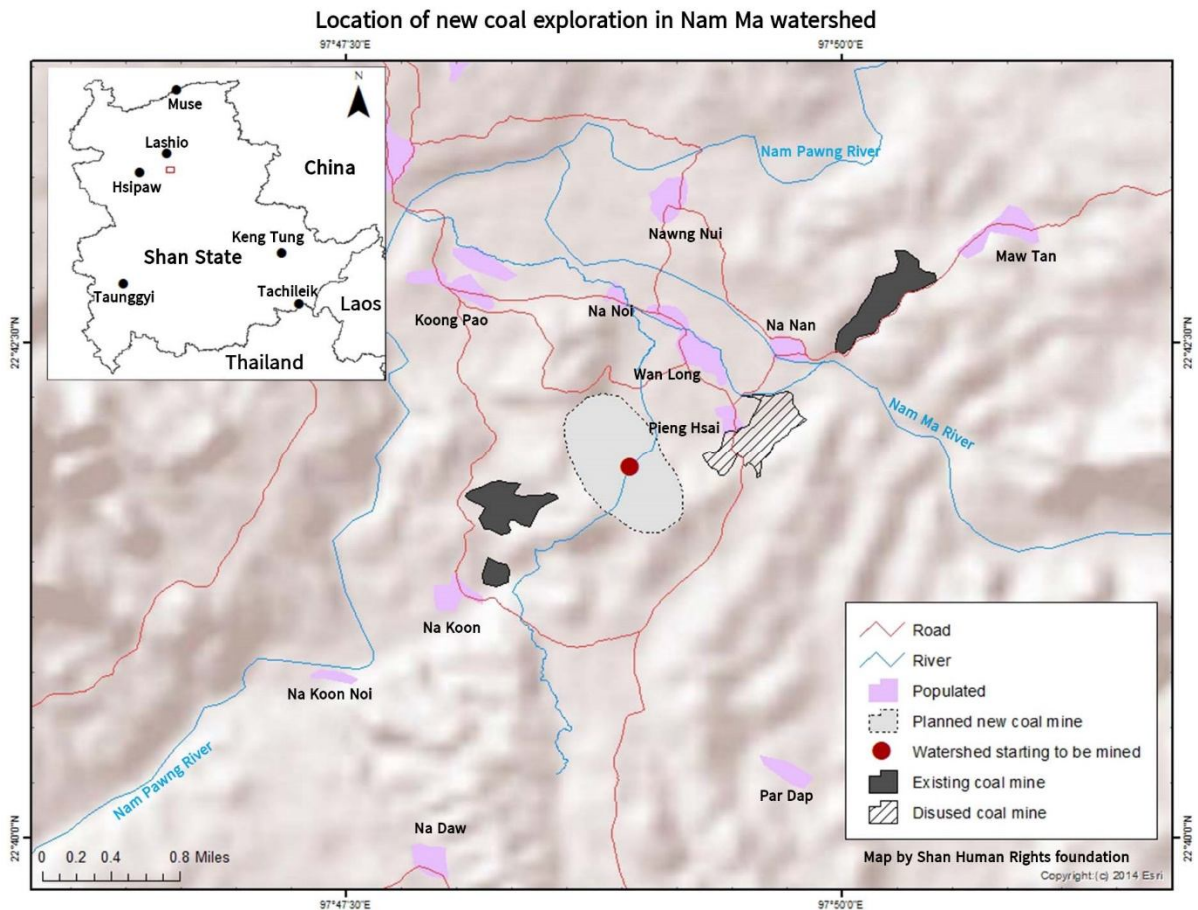
Ngwe Yi Pale has long tried to expand its mining operations into the Ho Na Fa area, but has been blocked by community opposition. Its most recent attempt to mine in Ho Na Fa was in 2012, when it secretly dug up 25 truckloads of coal before being stopped by the Shan State Progress Party/Shan State Army (SSPP/SSA), on the urging of local villagers.

In 2017, a forest blessing ceremony was organised by 15 local monks and 600 villagers at Ho Na Fa in order to protect the watershed. The ceremony was held precisely where Ngwe Yi Pale is now digging.



*Forest blessing ceremony at Ho Na Fa watershed, 2017*





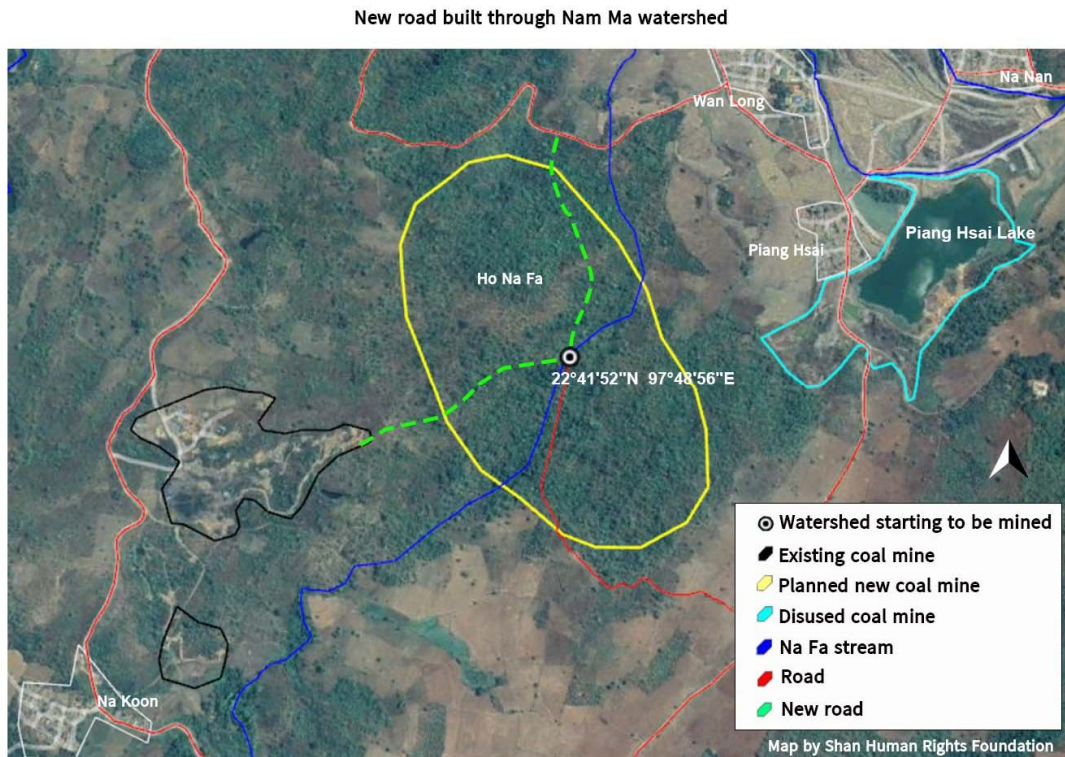
As SHRF reported in our [previous update](#), Ngwe Yi Pale has reneged on a signed agreement with local village leaders on January 2, 2021, that it would stop all coal mining in Nam Ma by the end of June 2021, and would not damage any watersheds (or pay compensation of one billion kyat). The over 3,000 residents of Nam Ma have for years demanded that Ngwe Yi Pale stop all coal mining in their area, due to destruction of their farmlands, and ongoing air and water pollution.

Ngwe Yi Pale has partnered from the outset with the Burma Army. When it began mining in Nam Ma in 2004, the Northeast Regional Commander had a one-third share in the operation. While current production sharing agreements are unknown, the military is clearly still benefitting directly from the coal, and has a direct interest in authorizing ongoing mining and expansion, regardless of legalities. Since the coup, Ngwe Yi Pale has thus continued mining at full capacity in both its existing coal mines in Nam Ma (at Na Goon and Koong Pao) sending 100 truckloads of coal a day to its Sinn Shweli sugar factories and Crown cement factory in Nawng Khio township, as well as to factories in Mandalay and other parts of Burma. Based on official figures from last year, Ngwe Yi Pale produces half of the total coal output in northern Shan State.

SHRF strongly condemns Ngwe Yi Pale's ongoing theft of Shan State's natural resources and contempt for the rights of local communities to protect their health and environment (in clear

violation of the CSR pledges on their website). Their mining operations are not only earning profits for themselves, but also for the military regime, subsidizing its slaughter of civilians across the country.

We therefore urge people throughout Burma to boycott all Ngwe Yi Pale products, including Sinn Shweli sugar and Crown cement.



#### Contact

Sai Hor Hseng

+66: 94-728-6696

(Shan, English)

Sai Yord Leun

+66: 97-173-1530

(Shan, Burmese)