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The international oilfield services companies supporting the Myanmar junta's oil and gas industry

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Myanmar's oil and gas industry provides enormous revenues to the illegal military junta, enabling it to wage a brutal offensive against its own people.

Now newly-leaked documents and corporate records reveal that some of the world's biggest oilfield services companies, including Baker Hughes, Halliburton and Schlumberger, have continued to work in Myanmar after the military's attempted coup, helping the flow of gas - and revenues vital to the junta - to continue.

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Justice For Myanmar has identified 22 companies from the United States and other countries that help to prop up the military junta.

We believe oilfield services companies have made themselves complicit with the junta as it commits war crimes and crimes against humanity against the people of Myanmar.

Why the gas industry matters for the junta

On February 1, 2021, the Myanmar military staged an illegal attempted coup. The junta responded to mass and sustained nationwide resistance to the coup attempt with a campaign of terror.

The junta has since murdered more than 2,900 people and arbitrarily arrested over 17,000 according to the [Assistance Association for Political Prisoners](#), and is conducting indiscriminate air strikes and shelling across the country, killing at random, destroying property and displacing over 1.1 million people.

The oil and gas industry is [the biggest source](#) of foreign-currency revenue for the junta. Oil and gas revenue is used to purchase arms, jet fuel and other supplies needed for the junta's continuing commission of war crimes and crimes against humanity.

According to the [junta's own figures](#), Myanmar earned US\$1.72 billion from gas exports in the six

months to March 31, 2022 alone.

Some international energy giants have withdrawn from Myanmar or announced their exit following the military's coup attempt. They include TotalEnergies, Chevron, Petronas, Eneos, Mitsubishi and Woodside Petroleum.

But gas revenue is clearly still flowing as operators continue business as usual in the junta's oil and gas sector, against their international human rights responsibilities.

Worldwide calls for companies to stop bankrolling the Myanmar military have gained momentum with hundreds of thousands of people signing a [petition](#) and [letter](#) calling on oil gas companies to stop supporting the bloodbath in Myanmar.

The organisation which controls Myanmar's lucrative oil and gas

The junta maintains a grip on the sector through the Myanma Oil and Gas Enterprise (MOGE), a government agency which it illegally controls.

MOGE regulates the sector and acts as both a state revenue collector and commercial partner in oil and gas projects, ensuring the junta gets lucrative tax and royalty payments, as well as a vast share of profits.

Most of the junta's oil and gas revenues come from a series of [offshore gas fields](#), with the majority coming from its role as state revenue collector and a small proportion coming from its commercial stake in each project:

- The Shwe gas project is operated by the South Korean corporation, POSCO International. MOGE has a 15% stake in the [project](#).
- The Yadana gas project was formerly operated by France's TotalEnergies until it pulled [out](#) in July 2022, and [is now operated by Thailand's PTTEP](#). The US oil company Chevron holds the biggest stake in the project at 41.1%, which it is [selling](#) to the Canadian company, [MTI Energy](#). MOGE [has a 21.8% stake](#) in Yadana, which increased from 15% as a result of TotalEnergies' withdrawal.
- The Zawtika gas project is also operated by PTTEP. MOGE has a 20% stake in the project.
- The Yetagun gas project, [formerly operated by Malaysia's Petronas](#), has been taken over by the Thai company, [Gulf Petroleum Myanmar](#). MOGE has a 20.5% stake in the project.>

Companies, governments and investors must act

International oilfield services companies in Myanmar's oil and gas industry have worked directly and indirectly with MOGE. This has included working since the coup attempt on POSCO International's plans to develop the Shwe gas project and PTTEP's plans to develop the Zawtika gas project.

These oilfield services companies provide critical support and equipment to the sector, from drilling to maintenance to supply. By doing so, they help to keep the gas revenues flowing to the junta, making them complicit in its international crimes.

By propping up this industry, major corporations are breaching their international responsibilities

under the [UN Guiding Principles on Business and Human Rights](#) and the [OECD Guidelines for Multinational Enterprises](#) to identify, mitigate and remedy negative human rights, and to responsibly disengage if they cannot end their links to severe human rights violations. By failing to act, companies risk deepening complicity in the junta's atrocity crimes, which are backed by oil and gas payments.

Companies also face sanctions risks. The [United States](#), [European Union](#) and [United Kingdom](#) have put sanctions on the ruling body of the junta, the State Administration Council, which illegally controls MOGE through the junta's Ministry of Energy. In February 2022, the European Union became the first jurisdiction to [sanction MOGE](#) itself. EU sanctions prohibit the provision of economic resources that directly or indirectly benefit MOGE (with a narrow exemption for technical assistance related to the decommissioning of projects), applicable to the activities of oilfield services companies. While the [US](#) sanctioned the junta's energy minister and MOGE managing director and deputy managing director to mark the second anniversary of the military's illegal coup attempt, it stopped short of designating MOGE the entity.

We call on all oilfield services companies that are not within the remit of EU sanctions to stop their activities in Myanmar unless the projects they are working on suspend payments to the junta, and withhold them in protected accounts. As part of a campaign of [disinformation](#) seemingly aimed at ensuring business as usual, TotalEnergies, POSCO International and Chevron have all suggested at various times that they have no power to divert revenues, but there are [practical steps](#) gas companies have refused to take to do so.

International investors, including pension funds and their asset managers holding shares in the below mentioned oilfield services companies, also have a responsibility under the UN Guiding Principles and the OECD Guidelines to use their leverage to convince their investee companies to act responsibly, and to divest from those companies if they do not act responsibly. If the asset managers do not do so, the [OECD Due Diligence Guidance for Responsible Business Conduct](#) indicates that they risk deepening their relationship to and responsibility for the atrocity crimes the Myanmar junta is committing with oil and gas revenue. In 2021, a significant TotalEnergies' shareholder [stated](#) that "it is clear that TotalEnergies is indirectly helping finance crimes against humanity in Myanmar" and Norway's Oil Fund has [divested from PTT](#) over its business with the Myanmar junta. More investors need to urgently act.

The United States in particular should stop sending mixed messages to US companies about investing in Myanmar's oil and gas industry. The US Commerce Department's [Country Commercial Guide](#) for Myanmar, last updated in July 2022, describes the sector as a "best prospect industry" with "significant opportunities for U.S investors in the Burmese energy market". It lists opportunities in areas including exploration and feasibility studies, onshore and offshore extraction, processing and support for machinery and maintenance. The guide recommends companies directly compete in junta tenders: "Tender notices from government ministries are published on the regime's Ministry of Energy website."

This comes despite a US State Department [Business Advisory](#) from January 2022 warning that state-owned enterprises are key providers of economic resources for the junta, and that companies and individuals exposed to state-owned enterprises face "significant reputational, financial, and legal risks, including violations of U.S. anti-money laundering laws and sanctions, as well as abetting human rights abuses." At the top of the list is MOGE.

With the [National Defense Authorization Act](#) signed into law in December, the US must act now and impose sanction on MOGE, in coordination with its allies the UK, Canada and Australia.

Governments must also prevent companies in their territory from supporting Myanmar's oil and gas sector because of its role in propping up the junta, in accordance with their state obligations under the UN Guiding Principles.

Oilfield services companies with business in Myanmar since the attempted coup

An investigation by Justice For Myanmar has identified 22 oilfield services companies from the United States and other countries that have helped to maintain and expand the oil and gas industry of Myanmar, despite knowing that since February 2021, revenues from this industry are the main financial prop for a brutal and illegal junta.

According to tax filings received by Distributed Denial of Secrets, Justice For Myanmar sources, company disclosures and other sources, oilfield services companies continued to do business in Myanmar, and profit, since the military's illegal attempted coup.

In alphabetical order, these include:

Baker Hughes (USA)

Baker Hughes is a global oilfield services company listed on the New York Stock Exchange, with a branch office in Myanmar. It is part of a consortium of companies which won a 2018 [contract](#) from POSCO International for work related to Shwe Phase Two, an expansion of the Shwe gas project.

Baker Hughes has also provided services to PTTEP as recently as March 2022, according to leaked filings.

A tax record shows that in the six months to March 31, 2022, Baker Hughes made US\$2.66 million in profits before tax on service revenue of US\$10.96 million.

This tax record mentions POSCO as a customer, though some of these revenues do not appear to have been earned from the oil and gas industry.

Baker Hughes shareholders include Capital Group, Vanguard, State Street Global Advisors, BlackRock, JPMorgan and Norges Bank Investment Management.

Ben Line Agencies (Singapore/Jersey)

Ben Line Agencies is a privately-owned international shipping and logistics corporation that has provided support vessels for the Shwe gas project following the military's coup attempt, according to a source with knowledge of the industry.

It has a [subsidiary in Myanmar](#) with directors from Australia and Malta, and operates a branch office in Kyaukphyu, western Myanmar, near the Shwe Gas field.

China Oilfield Services Limited (China)

China Oilfield Services Limited (COSL) is a subsidiary of the state-owned China National Offshore Oil Corporation. COSL is listed on the Hong Kong Stock Exchange and has a branch office in Myanmar.

Since the coup attempt, the company has supplied a semi-submersible rig to Myanmar which has

been received by MOGE on behalf of PTTEP. This rig, the Shen Lan Tan Suo, is [reported to have been contracted by PTTEP](#) to drill at the Zawtika project for 15 months from October 2022.

As of January 20, 2023, the Shen Lan Tan Suo was at the Yetagun gas field, according to vessel tracking data seen by Justice For Myanmar.

Other shareholders of COSL include Allianz SE.

Coens (South Korea)

Coens is a privately-owned South Korean oilfield services company with a subsidiary in Myanmar. Its services include recruitment and its [website](#) boasts “a comprehensive understanding of MOGE”. A leaked filing shows that Coens has primarily provided services to POSCO International since the military’s coup attempt, and it was active in Myanmar in 2022, according to a Justice For Myanmar source.

Destini Berhad (Malaysia)

Destini Berhad is a Malaysian conglomerate operating in the oil and gas, engineering, manufacturing and defence industries listed on the Malaysian stock exchange. Its oilfield services subsidiary, Destini Oil Services, has an active presence in Myanmar, according to the company’s LinkedIn [profile](#).

The company has won contracts from the Malaysian oil giant Petronas, and in 2018, won a US\$5.2 million contract from POSCO International to provide tubular running services, according to a [company announcement](#).

Staff from its subsidiary, Destini Oil Services, were active in Myanmar throughout 2021 and at least up to early 2022, providing services to POSCO International, according to a source with knowledge of the industry.

Destini Group shareholders include Aroma Teraju Sdn. Bhd., Utarasama Marine Sdn. Bhd., Linc Shared Services Sdn. Bhd., Gutoai Junan Securities and Norges Bank Investment Management.

Diamond Offshore Drilling (USA)

Diamond Offshore Drilling is an oilfield services company listed on the New York Stock Exchange, with a branch office in Myanmar.

It [has been reported](#) that Diamond Offshore won a drilling contract in 2018 from POSCO International to work on the Shwe gas project.

One of its rigs, the Ocean Monarch, was operating in Myanmar [from December 2020](#). The rig [reportedly left the country’s waters](#) in March 2022.

The leaked filings show that Diamond Offshore reported US\$37.5 million in fees during the year to September 2021 and another US\$24.2 million from then until March 2022, all paid to it by POSCO International for work in Myanmar.

The company did not respond to questions from Justice For Myanmar on whether it has ongoing contracts in Myanmar, but its Myanmar branch office remains registered.

Diamond Offshore Drilling shareholders include Contrarius Investment Management, Wellington

Management, Samuel Terry Asset Management, KGH, Capital Group, BlackRock and Vanguard.

Energy Drilling (Singapore)

Energy Drilling is a privately owned builder of self-erecting tender rigs. The company was contracted by PTTEP to build a rig for the development of the Zawtika project. In November 2022, Energy Drilling [announced](#) that the rig left Singapore for Myanmar.

ENRA Group Berhad (Malaysia)

ENRA Group is an oilfield services provider listed on the stock exchange of Malaysia. In September 2022, ENRA Group was [awarded a contract](#) by Gulf Petroleum Myanmar for condensate storage, offloading facilities and storage for the Yetagun Project.

ENRA shareholders include Trillion Icon Sdn. Bhd., Mizreen Capital Sdn. Bhd., Maybank Securities Pte Ltd, and Carillo Capital Sdn. Bhd.

Federal International (Singapore)

Federal International is an oil industry services and procurement company listed on the Singapore Exchange. The company said in September 2021 that it [signed a procurement agreement](#) with the Indonesian firm PT Gunanusa Utama Fabricators, which has a [contract with PTTEP](#) to build four wellhead platforms and associated pipelines for the expansion of the Zawtika gas project

Federal International owns 2.58% of the Indonesian company.

Federal International shareholders include KGI Securities and OCBC Securities.

Gavin & Doherty Geosolutions (Ireland)

Gavin & Doherty Geosolutions is a privately owned engineering company. It won a contract from PTTEP in August 2021 related to the development of the Zawtika gas field. According to [Ground Engineering](#), Gavin & Doherty Geosolutions is responsible for soil analysis for 3D modelling, and has prior experience on the Zawtika project.

The company did not respond to questions from Justice For Myanmar regarding the current status of its contract in Myanmar, which could potentially violate EU sanctions on MOGE.

PT Gunanusa Utama Fabricators (Indonesia)

PT Gunanusa is a fabricator of oil and gas platforms, and was awarded a [contract](#) from PTTEP in March 2021 to build and install four wellhead platforms and pipelines for the expansion of the Zawtika project. The contract is worth [US\\$300 million](#). As part of the project, it signed a procurement agreement with Federal International.

Gunanusa Utama Fabricators shareholders include Federal International.

Halliburton (USA)

Halliburton is a New York- oilfield services company with a branch office in Myanmar. Through its Singapore subsidiary, Halliburton provides services to both POSCO International and PTTEP.

Leaked tax filings show that Halliburton Drilling Technology Inc had business in Myanmar as recently as June 2022. In the six months to the end of June 2022, Halliburton made revenues of

around US\$480,000.

In the year to September 2021, the company's Myanmar branch reported pre-tax profits of US\$6.3 million on US\$17.8 million in sales, according to leaked filings. This included the first eight months of the military's attempted coup.

Halliburton's Myanmar branch company has remained active in 2022 and in November, advertised for a sand control leader position in Myanmar, according to an official post on LinkedIn.

Halliburton shareholders include Vanguard, Capital Research & Management, SSgA Funds Management, BlackRock Fund Advisors and Norges Bank Investment Management.

Hyundai Heavy Industries (South Korea)

Hyundai Heavy Industries (HHI) is a company listed on the Korea Stock Exchange with a branch office in Myanmar. It is currently building a gas compression platform for Shwe Phase 3, under a contract from POSCO International that was [signed](#) days before the military's attempted coup. The order was worth 500 billion won - currently US\$402 million - and the platform is being built by Korea Shipbuilding & Offshore Engineering, a subsidiary of HHI.

The platform will support the expansion of the Shwe project, which means more gas revenues for the military junta.

HHI shareholders include HD Hyundai, the National Pension Service of Korea, KCC Corporation, Norges Bank Investment Management, Hyundai Motor Company and Samsung Asset Management.

InterMoor (USA)/Acteon Group (UK)

InterMoor is a subsidiary of the subsea services company, Acteon Group, [acquired by KKR](#) in 2012. It [won a contract](#) in 2020 to provide mooring services for Diamond Offshore Drilling's Ocean Monarch rig for the Shwe gas project.

A Justice For Myanmar source has confirmed the presence of InterMoor personnel in Myanmar in 2021 and 2022 and a leaked tax filing by Diamond Offshore Drilling in Myanmar shows that the US company invoiced POSCO International for services provided by InterMoor.

KKR is a New York-listed, US investment corporation. Its shareholders include Vanguard, Capital Group, ValueAct Capital, Principal Financial Group and BlackRock.

Japan Drilling Company (Japan)

Japan Drilling Company (JDC) provides services to PTTEP for its Zawtika gas project. PTTEP [awarded a contract](#) to JDC's Hakuryu 5 drilling vessel in 2020, and Justice For Myanmar has confirmed that the company was active in Myanmar in 2021, sending international staff to Myanmar following the military's attempted coup.

McDermott International (USA)

McDermott is an oilfield services company with a branch office in Myanmar. In 2020 [it filed for bankruptcy](#), delisted from the New York Stock Exchange and is being restructured.

It is part of a consortium with Baker Hughes that won a 2018 [contract](#) from POSCO International to work on the expansion of the Shwe gas project.

McDermott did work on the Shwe gas project throughout 2021, according to leaked tax filings for its Myanmar branch.

Muhibbah Engineering (Malaysia)

Muhibbah Engineering is an engineering company specialising in marine construction, including for the oil and gas sector. The company is listed on the stock exchange of Malaysia and has a branch office and a subsidiary in Myanmar.

In 2022, it completed an engineering, procurement, construction, installation and commissioning contract for the Yetagun Acid Gas Removal Unit (AGRU) project, according to its [annual report](#).

Muhibbah Engineering shareholders include FIL Investment Management (Hong Kong) and KAF Investment Funds Bhd.

Oceaneering International (USA)

Oceaneering is a New York-listed oilfield services company. Oceaneering staff were active in Myanmar in 2021 and at least up to March 2022, including a US-based ROV technician, based on information available on LinkedIn. Oceaneering was working with POSCO International, according to a source with knowledge of the industry.

Oceaneering shareholders include BlackRock, Vanguard, State Street Global Advisors, Sourcerock Group and Fidelity.

PetroVietnam (Vietnam)

PetroVietnam is a state-owned oil and gas conglomerate with three branch offices in Myanmar: PetroVietnam Overseas Exploration Operating, PetroVietnam Drilling & Well Service Corporation, and PetroVietnam Oil Corporation.

A PetroVietnam subsidiary, PetroVietnam Technical Services Corporation (PTSC) won a [contract](#) from POSCO International in June 2021 to build a steel jacket for a compression platform as part of Shwe Phase 3.

PTSC has also directly supplied MOGE, shipping it a pressure hose reel in October 2022, according to shipping records seen by Justice For Myanmar.

In September 2021, Vietsepetro, a PetroVietnam joint venture with the Russian state-controlled Zarubezhneft, [commenced construction](#) of two rig bases for the Zawtika expansion project, under a contract with PTTEP.

In July 2022, PetroVietnam Coating JSC [won a contract](#) from PTTEP to coat a 9.5km marine pipeline.

Schlumberger (USA /France/Curaçao)

Schlumberger is a New York-listed oilfield services corporation. Its Panama-based subsidiary, Schlumberger Logelco, has a branch in Myanmar.

The branch earned revenues of US\$51.7 million in the year to September 2021, according to leaked tax filings, and made pre-tax profits of US\$5.4 million on these revenues.

Schlumberger's recent customers in Myanmar include POSCO International, Woodside Energy, TotalEnergies and Petronas.

A filing for the last three months of 2021 shows that the branch earned another US\$11.5 million in revenues, mostly from POSCO International and other foreign oil companies, but also directly from MOGE. MOGE made multiple payments to Schlumberger in 2022, according to a Justice For Myanmar source.

Another customer of Schlumberger was [Goldpetrol Joint Operating Company](#). Goldpetrol operates onshore oil fields in Myanmar and is [owned by](#) the Singapore-listed Interra Resources and China ZhenHua Oil. China ZhenHua Oil is a subsidiary of the Chinese state-owned corporation, NORINCO, which is [supplier of arms](#) to the Myanmar military.

Schlumberger shareholders include Vanguard, State Street Global Advisors, BlackRock, Wellington Management, Norges Bank Investment Management and Fidelity.

Transocean (Switzerland)

Transocean is a New York-listed offshore drilling contractor.

The company's fleet status report [for February 2021](#) shows that one of its rigs, the Dhirubhai Deepwater KG2, was operating off Myanmar for Woodside when the military launched its coup attempt.

Transocean [reported](#) that this rig continued to be under contract in Myanmar until August 2021 at a day rate of US\$250,000.

Another Transocean rig, the Deepwater Nautilus, was said by a [media report](#) to have been sent to Myanmar in April 2021 under a contract with POSCO International, more than two months after the attempted coup.

Transocean did not make any further mention of Myanmar in its fleet status reports after April 2021, noting only that the Deepwater Nautilus was working at a "not disclosed" location at a day rate of US\$145,000 a day.

The Nautilus continued working at a "not disclosed" location until [at least July 2022](#). By [October 2022](#) the rig was "stacked" (inactive).

These dates and rates imply that if the Deepwater Nautilus was indeed off Myanmar during this period, then the rig earned millions of dollars in revenues for Transocean while helping POSCO International to exploit gas fields to the ultimate benefit of the military junta.

An international contingent of Transocean staff were active in Myanmar up until at least March 2022, according to a Justice For Myanmar source.

Transocean shareholders include Vanguard, PRIMECAP Management, Contrarius Investment Management, Van Eck Associates, Dimensional Fund Advisors, BlackRock and Morgan Stanley.

Weatherford International (USA)

Weatherford International is a NASDAQ-listed oilfield services company with a branch office in Myanmar. The company has a contract with PTTEP and supplied international technicians to the Zawtika field since the military's attempted coup.

Weatherford International has also supplied equipment to MOGE, via the Myanmar company Aquaterra Myanmar Ltd. Weatherford International provided wellhead accessories, which were

shipped from Texas in February 2022, according to a source with knowledge of the business.

Weatherford International shareholders include Oaktree Capital Management, Yacktman Asset Management, Oak Hill Advisors, Exor Investments, Capital Group, Vanguard and BlackRock.

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P.S.

- Justice for Myanmar. February 1, 2023:
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