

# LOST PARADISE

An aerial photograph showing a small village with several buildings scattered across a valley floor. The surrounding hills are covered in dense green forest.

## **DAMAGING IMPACT OF MAWCHI TIN MINES IN BURMA'S KARENNI STATE**

**By the Molo Women Mining Watch Network**

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## Introduction

The Molo Women Mining Watch Network was formed by women from the Karenni Women's Organization, Karenni Social Welfare and Development Centre and Karenni Evergreen Organization, who wanted to research information about the Mawchi tin mines. The network was named after the Molo Stream which flows from the Mawchi mines to the Salween River. It aims to work for women throughout our state who are facing social and environmental impacts of mining, and to empower them to solve these problems.

The first digging activities in the Mawchi area were carried out by local people themselves, who took the minerals to sell in Toungoo. After the British learned about the existence of the minerals in 1830, the British government sent a man named Mr. D. Molly and two assistants to Mawchi to research the mine. After this, a British government delegation came to meet Kay Pho Du, Sawphya (ruler) of Kyepogyi, and made an agreement to start tin mining in the area.

The high quality tin and tungsten from the Mawchi mines has been exported to world markets since the British colonial times. The Mawchi area even became known as "Little England." However, even though the Mawchi mine is more than a century old, there has been no improvement in the lives of the local people. No group has researched exactly what has been happening to the people and the environment as a result of the mining, even though it has been going on since 1830. We have therefore collected as many facts as we could and compiled them in this report.

## Molo Women Mining Watch Network

## Ancestral lands and water sources to be lost from expansion of Mawchi mines

On August 6, 2012, at a meeting to develop the mining sector and upgrade exports, Mining Minister U Thein Htait said, "Tin from Mawchi is the highest quality in the world market. To get more benefits, it is necessary to use world-class technology." The government therefore plans to use modern technology and heavy machinery to increase excavation at the Mawchi mines. According to Burma's constitution, all mines must be under the central government.

"The mines will be extended to Lohkarlo village. This means all the villages in the area will be moved. If digging continues downwards from Lohkarlo village, it will have severe impacts on the people. They have been living there for generations. It will be very difficult for them to move," said Poe Reh, the district administrator of the Karenni National Progressive Party.

Because of the extension of the Mawchi tin and tungsten mines, local people are becoming increasingly worried that they will lose even more of their ancestral lands, water and mineral resources.



## Tin production for export and domestic use

The Mawchi tin and tungsten mines in Kayah state were the main source of tungsten in the world before World War 2, when most of the mines were destroyed. Tin and tungsten are also mined in the Heinda, Kanbauk and Kalonta mines in Tenasserim division, by private mining companies. The government has set up a smelting factory in Thanlin, but no mine is being operated solely by the government.

Neighboring Thailand produced only 1,000 tons of tin in 2003, down from 1,700 tons in 2002, mainly in Kanchanaburi, Phuket, and Phangnga provinces. Now only one manufacturer, Thaisarco company, can continue production. Others stopped because of the heavy government tax and high cost of production.

World tin consumption is increasing by 5% every year. Over half of the world's tin is used as solder for joining wires to circuit boards. For example, 8 g of tin is used in each mobile phone, and also in TVs, computers, and phone lines. Widespread use of electronic goods is causing an increased demand for tin.

World production of tin peaked in 2005, when 325,000 tons were produced. Since then, production has fallen by 13% each year. Falling production and rising demand means that tin prices have been rising. Today, the top tin producing country is China, which produces one third of the world's tin. China is also the country which uses the most tin, and also imports the most. In other words, China needs more tin from Burma.

Current president U Thein Sein is calling for international investment without solving the country's basic political problems. This will cause irreparable social and environmental damage for ethnic people in the long term.

Environmental organizations and other community based organizations have repeatedly called for suspension of all mega-development projects, including mining projects, which cause severe damage to the environment, until there are legal safeguards to protect people's rights and rule of law.

## Villagers suffer impacts of Heinda tin mine in Tenasserim

The Burmese Mining Ministry and Thai-based Myanmar Pongpipat company have been operating a joint mining venture for 13 years at Heinda, east of Dawei in Tenasserim Division. The Burmese government granted the concession for the project, which covers over 2,000 acres of land. Because of the mining, fruit plantations which had been cultivated by local people for generations have been destroyed. The water in Khaetar and Khaetu streams has also become polluted over the past ten years. Ten villages downstream from the mine can no longer use the stream water or catch fish. A villager said "There are no trees left: betel nut, jackfruit, coconut – all the trees are gone."

Another village woman said "We are illiterate and don't dare to file a complaint. We don't know where to complain to. We just bear the suffering inflicted by others."

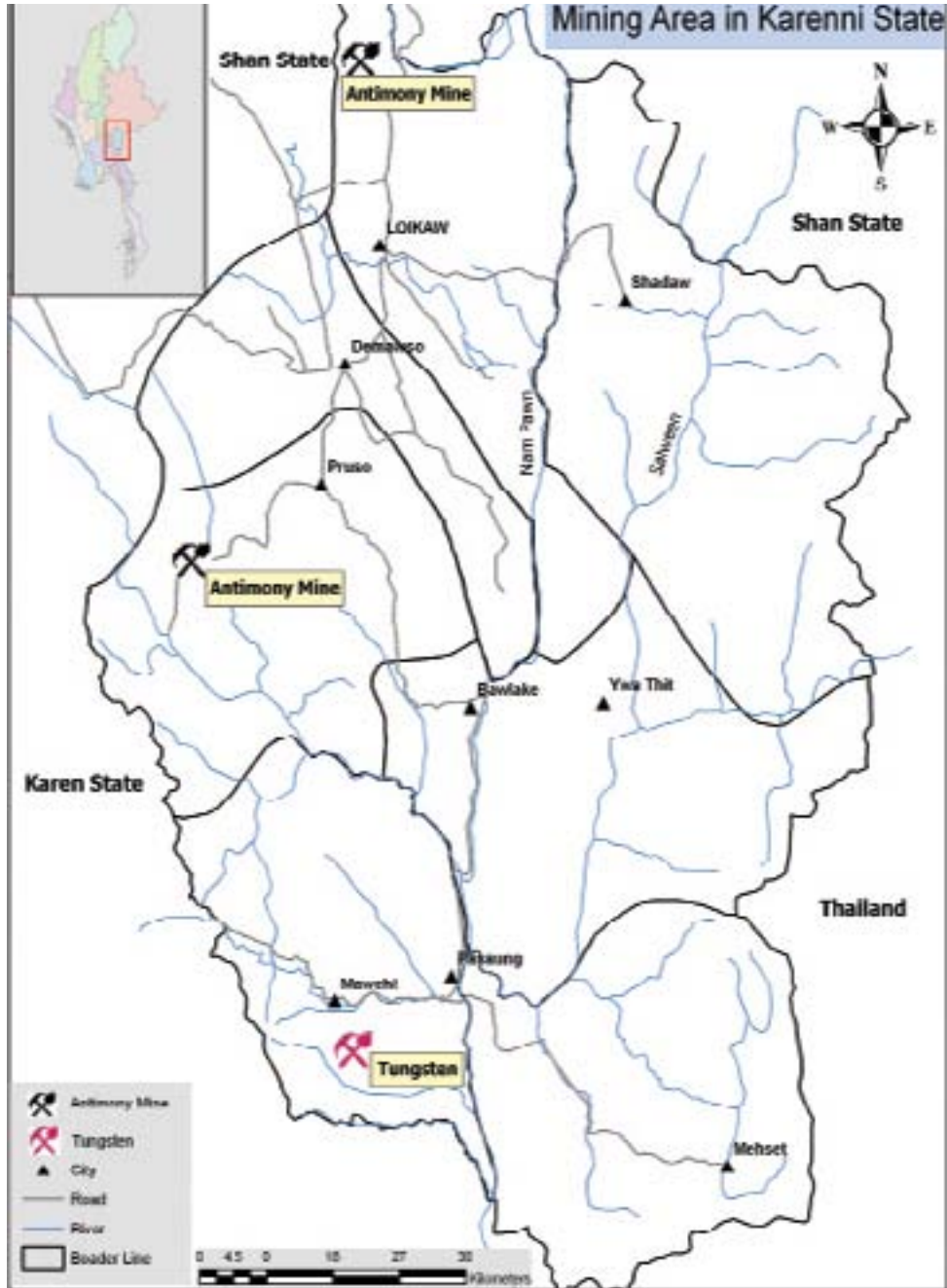
Villagers have also accused the authorities of forcing them to move due to expansion of the Heinda mine: "We have been living here since before the mining project. Now they are forcing us to move, but no exact date has been fixed yet."

Some villagers have complained to the Karen National Union, which gave permission to the Burmese government and the companies to carry out mining, but there has been no reply.

The Heinda mine is not as old as Mawchi, but people have suffered greatly during the past thirteen years. There can thus be no question of the scale of suffering for those living around Mawchi, where mining has been going on for over a hundred years.

The Heinda example shows that there are still no effective safeguards to protect local communities against harmful mining projects in Burma.

## Background history of Mawchi tin mine



Mawchi is a fertile mineral-rich area, situated in Pasaung Township, in the southern part of Karenni state. The main resources are forest products and minerals, including tin, tungsten and sheelite.

There are nine villages in the Mawchi area: Aunkywa, Yelar, Taungpaungywa, Lerkhalo, Saethongon, Bulawbel, Kawdudoe, Zeepinkwit and Saechautgon. The local population is estimated at 4,435. Together with about 3,715 migrant workers from other areas, the total population comes to about 8,150. It is estimated that about 60% of the population are women.

The migrants working in the mine are mainly from Kyautbadauk, Yangon, Maing Shu, Arakan, Pakhokku, Meikhtilar, and Leiktho, Khlerla (or Bawkali) and Kyaukkyee from the Toungoo area.

The Paku Karen people are indigenous to the Mawchi area. Most of them are Baptist. They earn their living by hillside farming, cardamom planting, and mining. Villagers from Taungpawywa, Aukywa, Lokharlo, Saethongon, mainly work in the mines, but despite working there for many years, there have been no signs of development in the area. All the benefits from the mines have been taken away by the authorities and businessmen from elsewhere. The local people are still living in poverty, and have suffered from the environmental impacts of the mines. There has been no improvement in health, education, transportation and economy. At present there is a village tract hospital set up by local people and one government hospital. However, medicine supplies and support for the doctors are ongoing problems.

Now the mine is monopolized by the Kayah State Mining Company Limited, the military-owned Union of Myanmar Economic Holdings Limited (UMEHL) and the No 2 Mining Ministry. All the mineral resources are controlled by these groups. KMPC supplies mining explosives, and all the products of the mine must be submitted to them.

## Timeline of the Mawchi mines

Before 1830 : The villagers went to sell tin in Toungoo. The British government then sent a research group to the Mawchi area.

1830 : The British government delegation came to meet Kae Pho Du, Saw-phyah of Kyepogyi, and made an agreement to start mining for tin.

1830 – 1942 : The British government operated the Mawchi mine for 112 years. They brought workers from Yunnan province in China, and from Nepal.

1943 - 1945 : Japanese occupying forces operated the mine in World War Two.

1945 - 1947 : After Japan lost the war, the British government resumed operation of the mine.

1948 - 1950 : Prime Minister U Nu, head of the Anti-Fascist People's Freedom League-led government, invaded Karenni state and took military control of the Mawchi mine.

1951 – 1952 : The remnants of the British company in the Mawchi mine were boycotted by the local mine workers, so the British left.

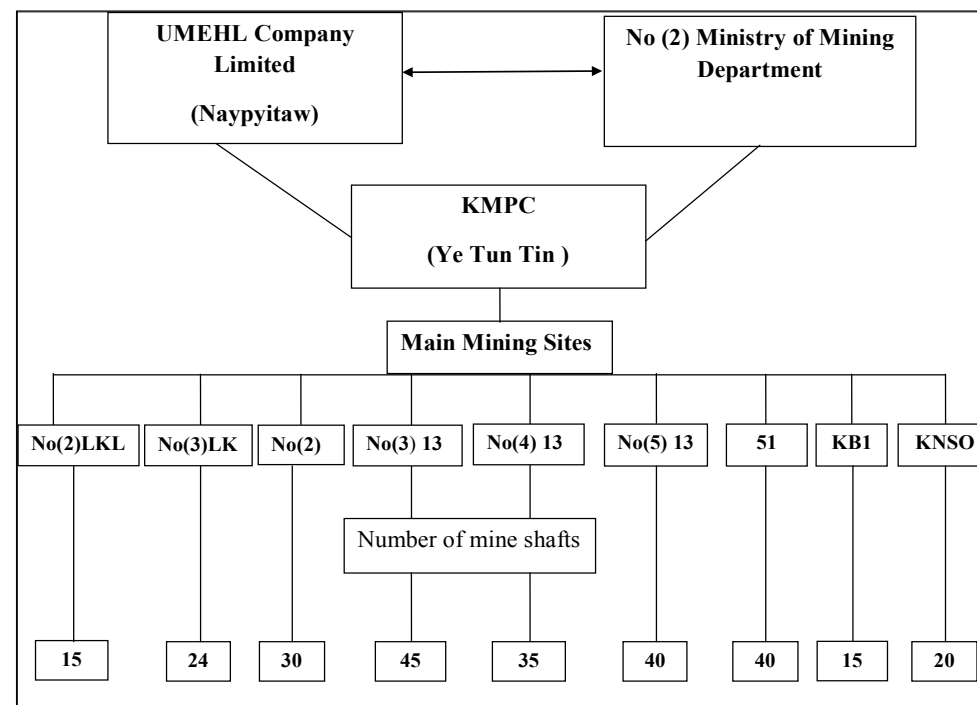
1952 - 2012 : The Burmese government has continued operating the mine.

1970 – 1973 : A Russian company came and began operating the mine but left due to fighting between the Karenni National Progressive Party (KNPP) and the Burma Army .

1975 : KNPP arrested 6 mine engineers.

1989 : KNPP arrested another mine engineer.

## Relations between tin mining companies



The company currently operating the Mawchi mines is the Kayah State Mining Product Company (KMPC). The company started operating the mines in 1991, in joint cooperation with the government. Now it has taken over operations from the government and is now working under the control of the UMEHL and Ministry of Mining no. 2.

Ye Tun Tin, manager of KMPC, was formerly a Burma Army officer, posted in the mining area under successive governments, who then became a militia leader. He is notorious for abusing local people. He is a member of the ruling Union Solidarity and Development Party and is now a Member of Parliament representing Pasaung township.

The cease-fire Karenni National Solidarity Organization (“Kya Phyu”) owns a company called Kayah Ngwe Kya which is also doing mining with the permission of UMEHL. The Kayah Ngwe Kya company is able to sell their mining products freely. UMEHL and Kayah state mining company do not own any mines, but control all the mines in the Mawchi area. They sell explosives and dynamite to the mine owners. All the mining products must be sold to them.

**UMEHL (Naypyidaw)** - This is a government company which monopolizes all the mine products. It shares 30% of the products with the Ministry of Mining No.2.

**Ministry of Mining No.2** – The ministry started doing mining after the end of the British colonial era.

### **Kayah State Mining Product Company – (KMPC)**

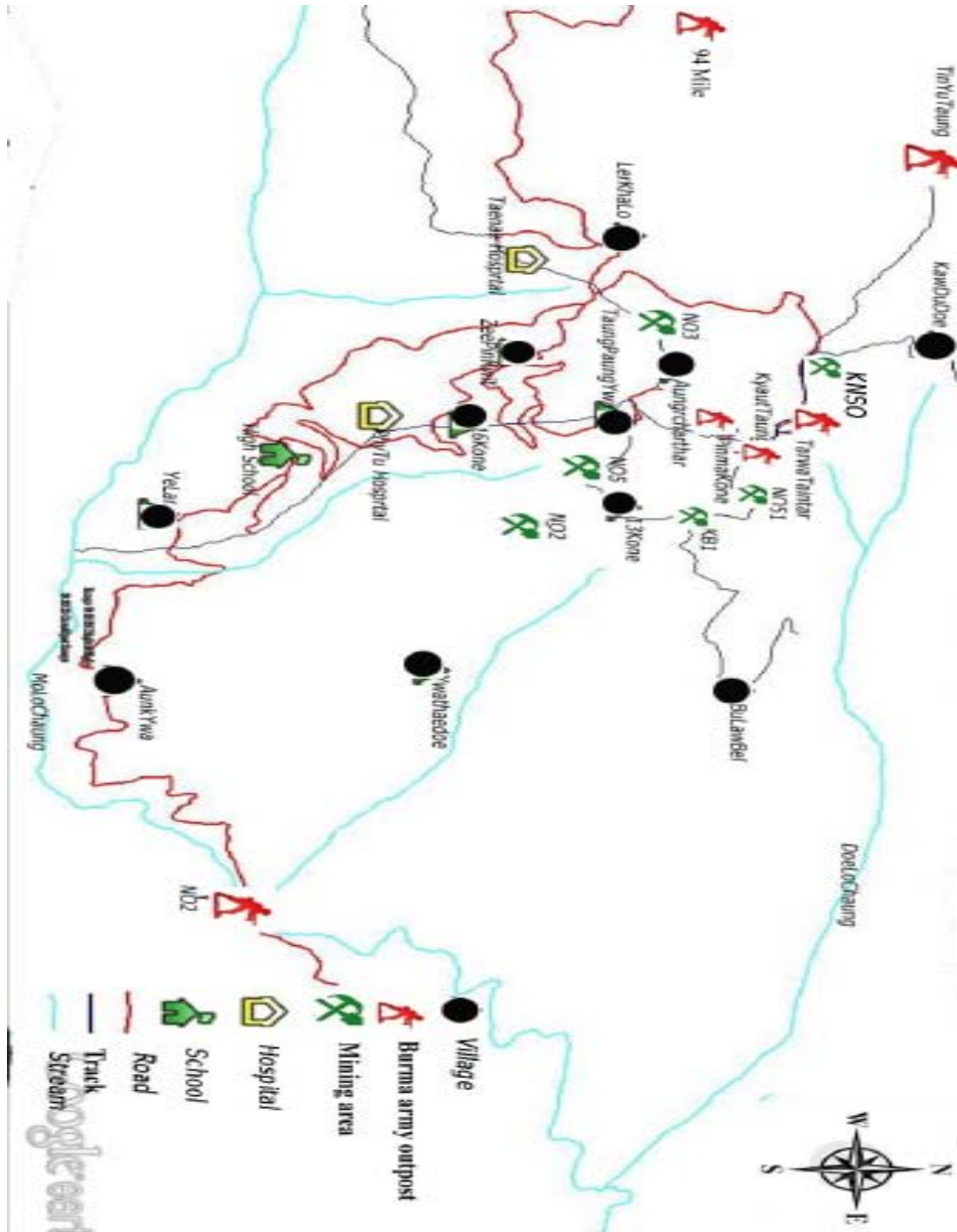
It sell the detonators and dynamite to the mine owners and buys the mine products.

### **Kayah Ngwe Kya Company -**

This company belongs to the Karenni National Solidarity Organization or “Kya Phyu” organization, which splintered from the Karenni National Progress Party in 2002. It is permitted to operate by the KMPC, and can sell its products freely. It has excavated new mining sites and is also working in Lokharlo no.(3)mine.

In the British colonial time there were 8 main mining sites in the Mawchi area, with several hundred mining shafts. Apart from this, local people and migrants have also dug their own small mines. There are about 50 small mines. The Kayah Ngwe Kya company is also digging new sites.

## Military security for the Mawchi mines



## Social impacts of tin mining

### Health problems caused by tin mining

Tin mine workers commonly suffer from lung diseases and also arthritis, which are caused by the unhealthy working conditions, dust and frequent use of explosives. Other long term health impacts of digging up tin are not known.

An old man from Saethongon village, who had been working in the mine for 10 years is now bedridden with lung disease and arthritis. He cannot be treated by the doctor in Loikaw public hospital, and has to go to Mandalay for medication.

Women mainly work collecting tin nuggets in the mine and washing them. Their working hours are from 7 am to 5 pm. They earn 5,000 kyats per day. They work with bare hands and feet. They often suffer pain and numbness in their hands and legs, from working the whole day.

A woman from Lerkhalo village who washes tin said, “I have no time to care about my health. I just struggle to earn a living. If I get pain, I buy medicine and take it. Now I have come to hear about strange diseases, which I never knew about before. A woman from Bulawbel is suffering from breast cancer.” Other women are also suffering from breast cancer, and diseases like hypertension and diabetes.

A local man from Lokharlo said: “I am not sure if it was from the mining, but a woman who worked in the mines gave birth to triplets and no child survived. Many children die from diarrhea and typhoid.”



## Pollution from mining waste

Earth, slag, and pieces of old wood removed from the mines are dumped at the foot of the nearest hills.

When it rains, the run-off from the dump-sites flows into local streams used by local communities, who are unaware of possible health risks from toxins in the slag. Mining in and around the streams has also muddied the water and made it unusable.

The debris from the mines is dumped into a huge pile, which is then removed by hosing with a large water pipe. Khaemaphyu resettlement village, which is situated downstream from the mines, has had to use this dirty water for two years. A housewife from the village said: “We use the water from this Molo stream. We don’t know whether there any dangers from the minerals. No one has told us anything.”



Molo Chaung

When a mine is started, markings are put around the entire mountain. Due to piles of earth from the mines which have blocked the Molo stream, the Khaemaphyu villagers are no longer able to cultivate their fields. A local villager said, “My family can’t do any farming because there is not enough water for our farms.”

## Drinking water problems

Villagers from Saethongon and Taungpaung in the Mawchi mine area drink water that seeps from the mining tunnels. Before mining started in the area they used to drink water from the Molo stream, but now it is too polluted to drink. They do not know if it is safe to drink water from the tunnel, but they have no choice but to use it. When there are detonations in the mine, they notice that the quality of the water in the tunnels is affected, but do not know if this is harmful.



*Villagers in Mawchi area use the water that seeps from the mine tunnel*

Mine workers are mostly from Demawso, Pruso, Nanphae and Loikaw, and from the villages of Kawduder, Phobukho, Bulawper and Bukhoe in the Mawchi area. There are also workers from other parts of Burma, including Kyaut Padown, Pakhokku, Meikhtilar, and Leiktho, Khlerlar, Kyautkyee from the Toungoo area.



*Mining in the stream has caused water to become polluted and to dry up*



*The water from the stream is so polluted that villagers have had to use a bamboo pipe to bring spring water from the other side of the mountain*

## Health problems downstream from the mines

Water downstream from the mines smells bad. The villagers from Kaemaphyu, Hteeko and Doemuber villages, which are lower down from the mines, have to use another stream. The villagers often suffer from skin diseases and diarrhea, but no health team has come to research about whether this is caused by pollution from the mine. Another disease many villagers suffer from is malaria.

There used to be various species of fish, prawns, crabs and turtles in the stream, but now they are very hard to find. Only when water levels rise in the Salween in the rainy season are more fish to be found. There has been no research to find out which local fish species still exist or which have become extinct.

## Living conditions and safety of mine workers

There are workers from other parts of Burma as well as local workers in the Mawchi area. The owners of the mines build huts for the workers. The working time is from 7 am to 5-6 pm. They have to work ten hours a day and get paid a daily wage of 5,000 kyats (about US\$6), as well as meals. The owners allow them to work in the mine on Saturdays. The workers can earn extra for carrying the tin out of the mine tunnel.



*A mining site in Mawchi mine*

There are no measures to protect workers from accidents, and no social security system. The mine owners are supposed to take responsibility for the workers' health and security. It is said that mine owners collect funds from other mine owners to give to the families of those who die or are injured when mines collapse.

There have been injuries due to dynamite explosions and crushing by rocks. A worker was injured in February 2012.



*Daily mine workers*

## Gender disparity

Generally male mine workers and female tin nugget washers get equal pay: 5,000 kyat (US\$6) a day. However, male workers can work daily, while women do not regularly get work washing tin.

The women who collect tin nuggets earn far less than the male tin workers. They have to work for three days to earn 5,000 kyats.

Sex work is available for women. A young local man said: "There are sex workers from Mong Hsu. There are not many brothels near the mining area, but when the mining expands, so will the sex business."



*Women washing tin without any protection*



*Women collecting tin nuggets for daily income*

## **An old woman from the Mawchi area recounts her experience**

When I was young I saw Englishmen here. I was working in Lerxhalo No. 3 mine. At the time, all the area surrounding the mine was green with big trees and bamboo. When I was attending high school, I used to walk from my village to Autywa. Along the way it was green and pleasant. After the government took over the mine, all the environment was destroyed because they only cared about the mining.

I can still see before my eyes what happened on Martyrs' Day in 1977. The big rocky mountain fell down. All the people ran away, shouting and crying as if the world had ended. There was logging in the Aunkywa area and logs were sent to Taungpaung village. At that time the place was quite crowded. On holiday, I used to go to the Molo stream with my teacher to play. We caught fish and grilled them to eat. We visited the hot springs, danced and were very happy. We went into the forest on holidays to search for vegetables, and catch fish, prawns and frogs.

From 1996, the mining was not only on the mountain but also in the streams. From that time on, the water in the lower part of Molo stream has become badly polluted. People in Kaemaphyu, at the lower part of the stream, have to use the water. It is a little better for people in Mawchi, because they use water from the spring in the mine. When I got married, my husband was a mine worker. It was hard work with no benefit. We were in debt. We needed to apply to buy necessary equipment for the mine. After we got the equipment, we dug the mine and submitted the tin to the government agents. They undervalued the tin, saying it was low grade.

My husband, the father of my children, got tuberculosis and died. When he died, our lives became miserable. It was worse when the army seized the mine. At that time somebody asked me to sell the mine, but I didn't. The mine was the only thing we had to rely on.

After the army seized the mine, there began a time of "porters." The army forced us to carry their burdens. Only people who could afford to give money did not have to go. People who couldn't pay had to go. The worst thing was when they put my son in six-holed shackles. When I went to the office, they said, "If you want your son back, you must give us your mine." Tin from my mine was good at that time. Finally they took away my mine, and I lost it. At the time I had no idea what to do with my eight children. I borrowed money from other people, and had to pay back with interest. I sold liquor. I went around to other villages to sell. The business was bad. The situation of the village was unstable. Then I left for the Thai border.

## Environmental destruction

### Deforestation

The mines in Mawchi are made of tunnels which need many logs. Each mine shaft needs at least 100 pieces of wood every month. Each piece must be more than one meter long and six inches wide. Prop posts are also needed. Usually hard wood is used. The wood at the entrance can be kept for years but the prop posts must be changed every month.



*Logs are used to prop up the roof in one of the Mawchi mine tunnels*



*A piles of logs for mining*

### Landslides

Because of the mining there are landslides in the rainy season. There are many underground tunnels beneath the villages, particularly Saethongon village. The houses in the village shake when dynamite is detonated underground in the mines.

A woman from Saethongon said: “The tunnels of work sites no. 2, 3, 4 and 5 are all underneath the houses. Later Yukawkho (Saethongon) will not be safe to live in. The way to travel here is full of landslides and deep canyons. It is worse in the rainy season. It is too dangerous to travel here.”



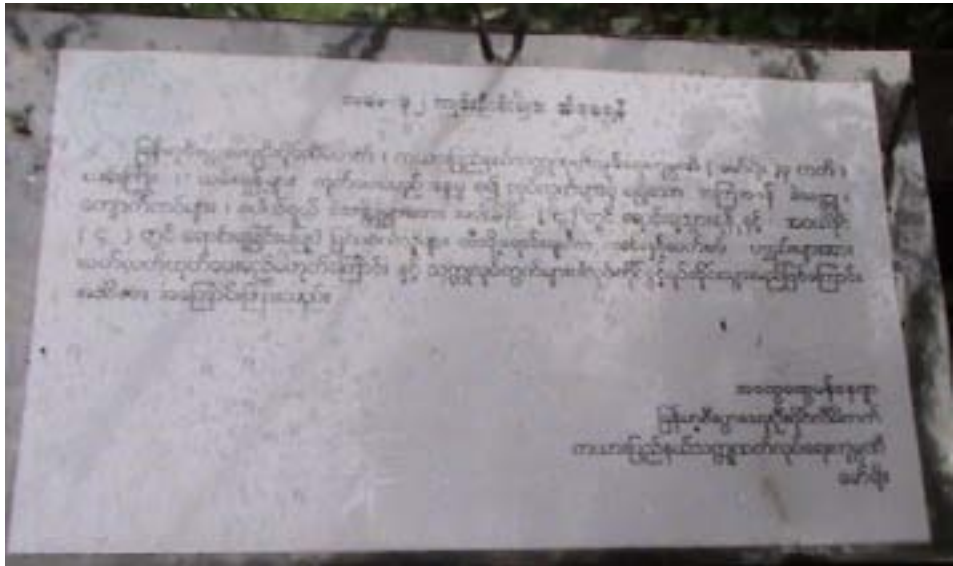
*Landslide at Taungpaw village in 2011*

*Landslide on 25 April, 2012*

In 2011, a house with a woman inside was buried under a landslide. There was no trace of the victim. Last year in August two mine workers were killed. There have been two severe landslides because of the mining at Mawchi mining. The first time was in 1977, and then in 1987 was the falling of the large rocky mountain, when many houses were destroyed and many people died in Lokharlo village. A site worker was killed by a landslide on April 25, 2012. On the following day, two friends of the worker who went to look for the body of their dead friend also died in another landslide.

## Who benefits from tin mining?

Currently the local tin market is controlled by the KMPC. The UMEHL and Ministry of Mining No 2 are in control above KMPC. Dynamite and detonators for use in the mines are issued by the company. In return, the mine owners must trade their mining products with the company. The people of Kayah state have no way of knowing the income from the mines because even the Kayah state government doesn't know this. It is clear that the central government has been monopolizing the Mawchi mines. The company took most of the benefit from the tin mining. The tin mine owners can get profit only by smuggling the tin on the black market. The government army and Kyaephyu have set up checkpoints on the road from Mawchi to Loikaw, where they levy official and unofficial taxes on transported goods.



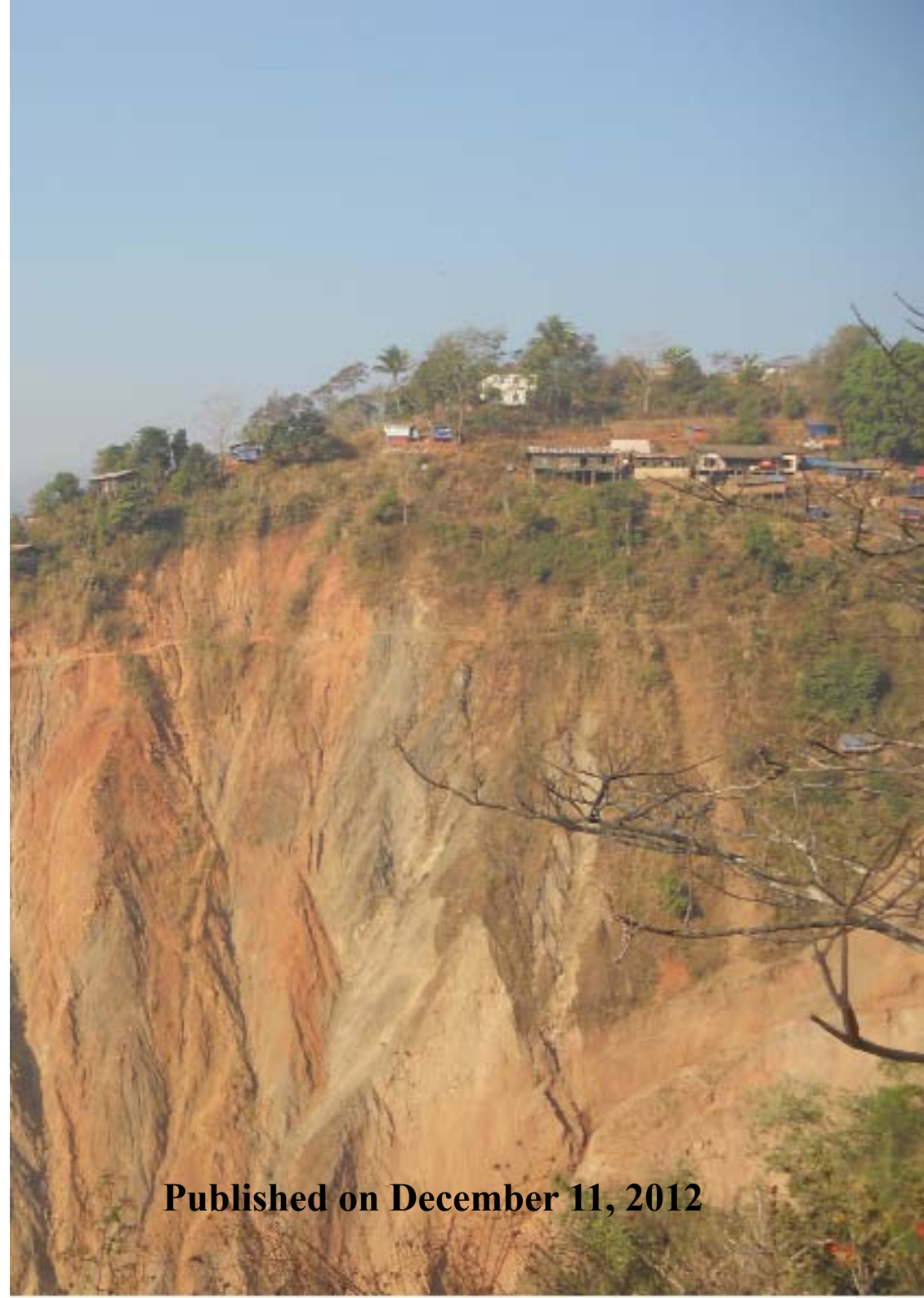
*UMEHL signboard of rules for mine owners*

## Conclusion and recommendations

Because of the selfishness of the ruling government, the local Karenni people have not gained any benefit from the Mawchi mines, even though they have been in operation under the government and various companies for many years.

The Molo Women Mining Watch Network therefore makes the following recommendations:

1. Mines which are dangerous for the people must be shut. Full health care and educational support must be provided to the people.
2. An immediate countrywide ceasefire must be implemented so that there can be genuine peace between KNPP and the government. The current U Thein Sein government must immediately organize a political conference for all ethnic groups based on equal rights.
3. The army must be withdrawn and land mines must be cleared so that people can earn their living freely and have fewer burdens.
4. Karenni people themselves must have the right to decide on the sale and use of the mineral resources which are their heritage, and there must be laws to guarantee this. It is therefore urgently needed to amend the constitution.
5. The local people must not be forced to move from their villages against their will for the Mawchi mining projects. The authorities and companies must not pressure people to move from lands which are their heritage.
6. There must be FPIC (Free, Prior, and Informed Consent) of local affected people before any expansion of existing mines or any new mining projects.



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