

February 1, 2023 | Myanmar

Justice For Myanmar calls for Canadian and UK sanctions on MOGE following MTI Energy's investment in the Yadana Gas Project

US oil major Chevron is selling its 41.1% stake in the Yadana Gas Project to a subsidiary of the Canadian oil company MTI Energy. Chevron first disclosed the deal to the Guardian.

Yadana is the biggest gas project in Myanmar, within an industry that is the largest source of foreign revenue for the illegal military junta. Gas revenue bankrolls the junta's ongoing war crimes and crimes against humanity.

The Yadana project was formerly operated by TotalEnergies, which withdrew in 2022, increasing Chevron's stake to 41.1%, the largest in the consortium. Other stakeholders in the project are PTTEP, the current operator, and Myanma Oil and Gas Enterprise (MOGE), a state agency illegally controlled by the junta.

Through the sale, MTI Energy and Chevron will ensure funds continue to flow to the junta, making them complicit in the junta's international crimes.

Who is MTI Energy?

MTI Energy Inc, based in Edmonton, Alberta, is an offshoot of oilfield equipment manufacturer Mitey Titan Industries and located at the same address. MTI Energy CEO Mehtab (Tab) Khehra has been described as heading "a whole galaxy of service companies active in Cameroon, Congo, Gabon, Equatorial Guinea and especially Nigeria."

An Alberta registry search shows that the company has four directors, including Toronto corporate lawyer, Ralph Lean, and Adewale Olorunsola (AKA Wale Sola), who heads the Nigerian-Canadian merchant bank, Rein Capital. Rein Capital subsidiary, Rein Energy, is a shareholder in MTI subsidiaries Shibah Energy and Caxes Energy, according to data from the Dutch corporate registry.

In 2021, Shibah Energy and Caxes Energy took over Chevron's stake in Brazil's Papa-Terra field. MTI Energy also secured four blocks in 2021 in Angola.

MTI Energy is registered as having no shareholders and it is unclear who the company's profits are distributed to.

MTI Energy is purchasing Chevron's stake through its Bermuda subsidiary, Et Martem Holdings. Bermuda is a tax haven and secrecy jurisdiction.

As a UK overseas territory, Bermuda has implemented UK sanctions on Myanmar under the territory's *International Sanctions Regulations 2013*.

However, with MOGE unsanctioned in either jurisdiction, Canadian and UK sanctions appear insufficient in preventing the transaction.

Justice For Myanmar spokesperson Yadanar Maung says: “Chevron’s irresponsible sale of its stake in the Yadana Project to MTI Energy will ensure that gas funds keep flowing to the illegal Myanmar junta, bankrolling their campaign of terror in response to two years of mass resistance that has prevented the junta from gaining control of Myanmar.

“MTI Energy’s investment will make the company complicit in the junta’s ongoing war crimes and crimes against humanity.

“We condemn MTI Energy’s total disregard for the lives and democratic will of the people of Myanmar, and its blatant breach of the company’s obligations under the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

“This sale is the result of failures of the Canadian and UK governments to sanction Myanma Oil and Gas Enterprise (MOGE).

“Is the Canadian government willing to stand by while a Canadian company takes over the largest stake in such a significant gas project that enriches the murderous, illegal junta?

“We call on the Canadian and UK governments to immediately sanction MOGE and prevent companies in their territories from financing the junta’s international crimes.”

More information:

Justice For Myanmar, a group of covert activists campaigning for justice and accountability for the people of Myanmar, is calling for an end to military business and for federal democracy and a sustainable peace.

Justice For Myanmar | media@justiceformyanmar.org
<https://www.justiceformyanmar.org/> | Mirror: <https://justiceformyanmar.github.io/justiceformyanmar.org/>
<https://twitter.com/justicemyanmar> | <https://www.facebook.com/justiceformyanmar.org/>