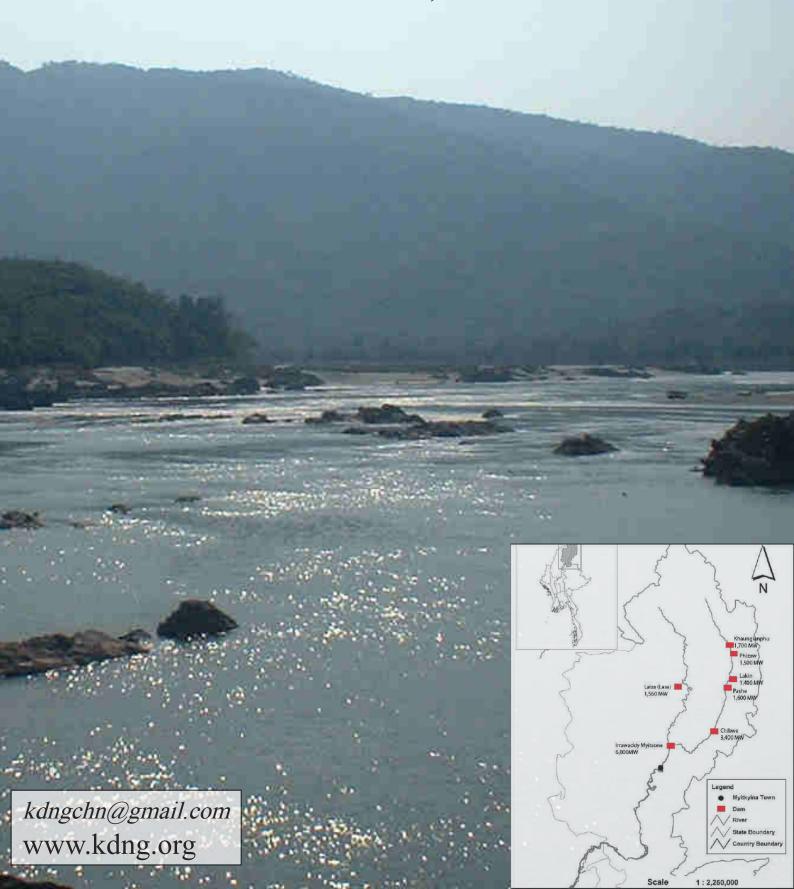


An update on the Irrawaddy Myitsone Dams Project Kachin Development Networking Group

October 14, 2011



Following Thein Sein's announcement on September 30 that construction of the Irrawaddy Myitsone dam would be suspended, villagers living near the project are living in a state of uncertainty and fear as there is no evidence on the ground that the dam project has indeed been suspended. KDNG has been monitoring the Irrawaddy Myitsone Dams Project since 2005 and provides this brief update based on research conducted just before and after the suspension announcement.

Despite the announcement from Burma's president, there has been no confirmation from the project manager, China Power Investment Corporation (CPI). In a October 3rd interview with Chinese media, Lu Qizhou, the President of CPI was very clear that CPI wants to go ahead with the construction: "I strongly hope that with unremitting efforts of relevant parties, this project can smoothly move forward on schedule, and mutual benefit and win-win result will become a reality for China and Myanmar" said Mr.Lu Qizhou.

Until there is an official announcement from CPI that it will stop all the dams on Irrawaddy and its source rivers, any of the seven planned dams that are part of the Irrawaddy Myitsone Dams Project could go ahead at any time. KDNG urges the cancellation of all seven hydropower dams at the source of the Irrawaddy. All of these dams will export electricity to China and will have the same negative impacts as the Myitsone dam. Building these mega dams will cause irreparable environmental destruction, unpredictable water surges and shortages, and inflict social and economic damage to the millions who depend on the Irrawaddy. Thousands of Kachin villagers will also be forced to relocate.

Local people are stuck in relocation camps and living in uncertainty

"We do not trust what the President said about suspending the Myitsone dam. We can see the workers and dam construction machines still at the site. Some workers are doing surveying at the construction site. Gold mining and logging that are also destroying the Myitsone and the Irrawaddy River are actively going on at the Myitsone and upstream of Myitsone. If the dams are really stopped, all these destructive activities should stop immediately." (a villager at the dam site)

"I don't know what will be our future. We don't know what to do for our livelihood in this camp, there is no space. Everyone is worried for their future. We are staying here not because of our will and not because we are happy. I feel like I've just travelled to one place and waiting to go back home. We are praying to go back to our old village. After just one year the roof is already leaking and the floor is breaking in this house. I feel like we are living in the desert." - Resident of Aung Mye Tar relocation camp, 11 October 2011



Houses at Aung Mye Tar relocation comp, 4.3 miles downstream of the Myitsone

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"There is no water at the farmland that they gave us and 16 miles far from the camp. It is very difficult to find pasture for our livestock. We got only a 80 x 100 square foot house compound and there is no land left to grow vegetables for family curry. There is no land for long term crops as well. Life is very terrible in here. Although we would like to go back to our original village, the village has already been destroyed because it is located near the dam site. The authority doesn't allow us to do hillside farming as well." (Resident of Mali Yang relocation camp in October 2011)

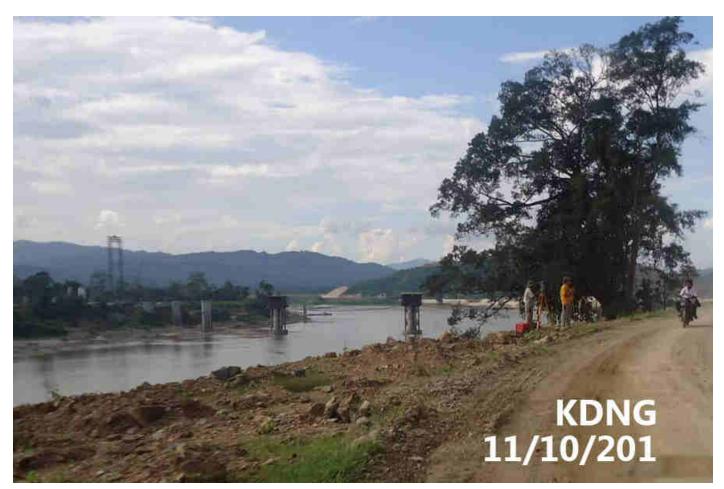


Houses at Mali Yang relocation camp, 4 miles downstream of Myitsone

Despite suspension announcement, workers are still active and waiting next instructions

The majority of Chinese workers had left the Myitsone dam site before the suspension announcement on September 30th. This was most likely due to the rainy season conditions, as Sinohydro explained in its promotional video (http://vimeo.com/28387356) that workers can only operate for seven months of the year. Some workers have remained and are conducting land surveys and constructing a supply road to the dam site. Workers at the site have been notified that the suspension announcement will not hinder work.

"The CPI staff told us they will work with the Burmese government and not to worry for our jobs. He told us, please wait at the project site, after rainy season, we will continue the project, so don't take back the trucks and equipment." – interview with Asia World worker

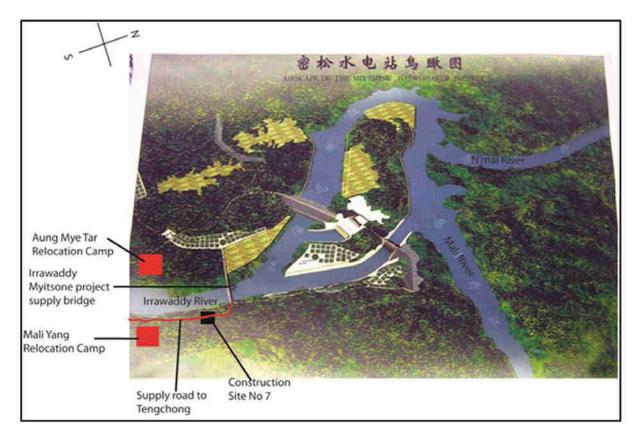


Chinese workers conduct land surveys between Lahpye and Tawngban villages on October 11, 2011. This photo is taken looking upstream and the Irrawaddy Myitsone bridge and a containment wall are seen in the distance. Construction Site No. 7 is directly across the road to the right.



Active construction inside Myitsone dam site area on October 11.

Myitsone Project Diagram Plan



Current status of Myitsone dam project

Construction of the main dam has not yet begun but several diversion tunnels and containment walls have been completed. A supply road, bridge, and railway are nearly completed.



The Irrawaddy Myitsone bridge south of Myitsone dam site. The 600 meter long, 300 ton capacity suspension bridge is planned to be completed in 2011. This bridge will link the project supply headquarters in Tengchong, China to the Myitsone dam site.



A railway to transport equipment and materials between construction sites at the Myitsone Dam



Power relay station to transfer electricity for construction activities at the Myitsone dam site



A containment wall downstream of the Myitsone dam site is already cracking, possibly due to poor quality materials or poor construction standards.



China Gezhouba Group (CGGC) office at the Myitsone dam site. The company has been contracted to build diversion tunnels and other infrastructure.

Machines and equipment remain at the Myitsone dam site



Trucks and machines are sitting and ready at the Myitsone dam site



Machines at Construction Site No. 5



Trucks and machines are parked and ready at Chinese workers' compound



A factory for breaking stones and making bricks at Construction Site No.7.

Tight security at the dam site



Signboard in Burmese language: "Project Area, No entry except staff, Dangerous at the working site" Signboard in Kachin language: "Restricted Area, If enter, you will be detained or arrested"



"Myitsone dam project area: Restricted area, enter only with permission"





A guard tower equipped with security cameras is stationed at all construction sites

Gold mining ravaging the landscape and rivers at the confluence and upstream of Myitsone

Mining and logging concessions were given after dam plans were announced in order to clear out the dam and reservoir areas. Large scale gold mining began in 2010 and continues today. Mercury and cyanide used in the processing of the gold is dumped without regulation into local rivers and directly into the Irrawaddy, threatening downstream populations with exposure to toxins which leads to health problems and birth defects.



Hka Ka Bo Mining Co. Ltd. and the government's No (2) Mining Ministry have a joint venture to mine for gold at the Myitsone



Gold mining on the river banks at the Myitsone dam site



Gold mining on the river banks at the Myitsone dam site



Gold mining on the river banks at the Myitsone dam site