

Swedwatch report highlights human rights risks in sale of mining equipment to Myanmar

Irresponsible jade extraction has led to extensive human suffering and environmental degradation in Myanmar's conflict-affected Kachin state. The use of heavy mining equipment, manufactured by companies such as Caterpillar, Komatsu and Volvo Construction Equipment, has enabled extraction to take place at an unprecedented speed. A Swedwatch report finds that the companies rely on insufficient human rights safeguards regarding risks associated with the use of their equipment.

Since the early 2000s, jade extraction has levelled mountains and deforested vast areas of intact forests in the state of Kachin, Myanmar. The mining comes with severe adverse impacts for local residents; seemingly thousands have lost their access to land and livelihoods, and hundreds allegedly die every year in landslides and flooding caused by negligent jade mining practices. The jade trade is also intimately linked to an ongoing armed conflict which has marred Kachin for almost 60 years.

The level of mining witnessed in Myanmar over recent decades would have been impossible without the use of foreign heavy mining equipment, sold by local distributors, dealerships, or smugglers. Many of the customers are reported to have close links to the Myanmar military - one of the parties in the armed conflict in Kachin - and to the former military junta which repressed the country for decades. But although the problematic jade extraction is enabled by use of machines from companies such as Caterpillar, Komatsu and Volvo Construction Equipment, the three companies are not able to demonstrate adequate awareness of how their products are used, or of the impacts they leave behind.

"The calamitous human rights impacts linked to jade extraction in Myanmar are well-known. Nevertheless, Swedwatch's research indicates that mining equipment companies fail to address risks associated with the irresponsible use of their products in this high-risk environment. Companies should step up their efforts and strengthen their adherence to human rights standards in their provider-customer relationships", says Therese Sjöström, author of the report.

According to the United Nations Guiding Principles on Business and Human Rights (UNGPs), companies have a responsibility to prevent or mitigate adverse human rights impacts linked to their products - even when the impact is caused by a third party, such as a customer. The UNGPs also stipulate that companies should use their leverage towards business partners, for example during sales of products, to mitigate the risk that their products will be used in a way that causes harm. Swedwatch's report shows that the companies are poorly aligned with the UNGPs in this regard.

"Myanmar is a high-risk market from a human rights perspective, which must be recognized in any business activity in the country. Foreign companies that sell products in Myanmar should take measures to prevent that the rights and safety of the local population are negatively impacted from the use of their products, and that local rights holders are given the opportunity to raise their concerns without fear of reprisals", says Per Söderberg, policy advisor at the Church of Sweden.

The report *Overlooked and undermined - Communities affected by jade mining operations in Myanmar and the responsibilities of companies providing machinery* has been developed with the support of the Church of Sweden who also participated in developing its recommendations.

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