

OPENING REMARKS BY DOUGLAS BARNES, HEAD OF BRITISH INVESTMENT AND TRADE,
BRITISH EMBASSY, YANGON

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Good morning.

The British Embassy provides one of the two co-chairs of the Myanmar Steering Committee on the Voluntary Principles on Security and Human Rights. My colleague Deputy Head of Mission David Hall who, together with Romaric Roignan of TOTAL is the co-chair, regrets that he is not in Yangon today to join you. However, as the head of the British Embassy Commercial Section, I am very pleased to welcome you on his behalf.

Indeed, the implementation of the VPs – as we call them – is important for all parts of our Embassy, including my Commercial Section. Several UK-listed companies are investing in the extractives industry here, including Shell and Ophir, and we are keen to bring UK expertise in deep water exploration and production to Myanmar.

Our Embassy wants to see oil and gas and mining make a full contribution to Myanmar's sustainable development, so that the extractives sector supports, rather than undermines, peace and human rights.

UKAID - or DFID - also provides support to the Extractives Industries Transparency Initiative – EITI. This focusses on tax and revenue transparency, and although this is separate from the VPs, it complements it. Where countries are active participants in EITI and the VPSHR, companies are more confident about investing in them, as the stakeholder risks are reduced.

In the UK, we have a significant offshore oil and gas industry, as well as small mining industry on British soil. But our interest in supporting a responsible extractives industry comes mainly from global investments by British companies. Amongst the FTSE 100 - the largest 100 companies listed on the London Stock Exchange - 7 are mining companies and 2 are oil and gas producers. All these companies have with investments across the world, sometimes in difficult and dangerous places.

Security problems related to the extractives industries are therefore a very real risk for British companies. Over the years we have seen some serious problems associated with mining and oil and gas companies, in countries from Colombia to the Congo, some of which in recent years have led to litigation.

It has not only been British oil and gas and mining companies which have had problems. Companies from the USA, Canada, Australia, Netherlands and elsewhere have all faced local challenges operating overseas safely and responsibly. These challenges led them to rethink their approach to security and their approach to engaging with the security authorities of the countries they operated in.

This was why, in 2000, the British and American Governments got together with a number of other governments, companies, and NGOs who were concerned about the impact oil and gas, and mining, was having on local communities and conflict dynamics. Together they created the Voluntary Principles on Security and Human Rights.

Since the VPs was established in 2000, the chairmanship has rotated amongst the 10 governments which are members. The British Government is currently the Chair. The next Plenary will be held in London in March 2019.

The VPs are intended to be a practical collaborative platform for developing good practice and guidelines. They are intended to make a difference on the ground, and to promote collaboration between companies and public and private sector security providers in a way which protects and respects human rights.

This is why we are pleased to see that a new VPs In-Country Working Group has been established in Myanmar in 2018, with a Secretariat provided by Myanmar Centre for Responsible Business.

MCRB has worked for over five years on promoting responsible investment in the extractives sectors, and has been financially supported to do this by the British government, as well with the governments of Norway, Netherlands, Switzerland and Ireland.

Today's seminar is intended to raise awareness amongst companies and other Myanmar stakeholders of what the VPs are, and how they can be useful for mining, oil and gas, and extractives companies in Myanmar.

You will be hearing from those companies who already use the VPs about why they are relevant to the security companies and other service companies that they sub-contract to, and you will also be hearing how the VPs have been used locally in other countries.

We hope that as a result of today's seminar, more companies will turn to the practical tools of the VPs when deciding how to run their operations safely and responsibly in Myanmar, and that a useful agenda can be developed for the Myanmar Working Group.