

Blockade of Songkhla's Deep-Sea Port October 2, 2008

Executive Summary

Songkhla fishermen, now under the guidance of a local member of parliament and at least one NGO protest group, have organized with surprising alacrity to protest against Coastal Energy, a subsidiary of NuCostal (Thailand) Ltd (NC), for company drilling operations in the Gulf of Thailand.

Last week, fishermen used boats to blockade Songkhla's Deep-Sea Port to draw attention to their complaints and demands.

Currently, protest leaders have announced a three-day cooling off period, October 2-5, during which the port will remain open to most traffic and to allow NC management to consider their demands. However, the blockade will continue against NC vessels, three of which are currently being prevented from leaving/accessing the port.

Navy and Coast Guard forces are not expected to intervene.

Event Details / Background

The Songkhla Fishermen's Association, now led by Democrat Party minister of parliament Praporn Aguru, claims to represent Songkhla fishermen from four coastal districts in Songkhla Province: Muang, Satinprat, Singha Nakorn and Ranot. Fishermen are demanding compensation for alleged damage to fishing areas caused by NC drilling operations, approximately 30 kilometers offshore. Fishermen are also demanding assurances that no present or future environmental damage will result from drilling.

Citing decreasing fish stocks in NC concession drilling areas, the fishermen are demanding varied amounts of compensation over considerable periods of time, broken down into four categories by type and size of vessel:

Category 1

For 995 boats greater than 6 meters or more in length, 300 baht/day for six months per year;

Category 2

For 180 boats less than 6 meters in length, 150 baht per day for six months per year

Category 3

For 28 boats registered to local district citizens, of any size and type- 950 baht per day for 12 months per year.

Category 4

For 253 large, dragnet boats- 700 baht per day for 10 months per year.

The overall demand is for compensation from NC pursuant the above terms for a 5-year period. Sources within the fishermen's association report that 12 meetings have already occurred with NC representatives but no agreement is pending.

Local NGO protest leader Jarun Tongma criticized New Coastal and government officials for ignoring local concerns over the environmental impacts of NC's offshore drilling operations. He termed the demand for continuing compensation for decreased fish stocks as "reasonable."

Despite the economic turmoil and possibility of violence at the seaport, sources report that the Thai Navy and Coast Guard are not expected to take action to clear the port.

Comments

The issue has begun to gain traction in the national media, thus complicating options for quick, local resolution of the dispute. Bangkok based anti-government protesters could incorporate the issue into their laundry list of complaints against the current administration. If politicized, local members of the anti-government People's Alliance for Democracy (PAD), who have already blockaded airports in south Thailand, could choose to join the fray. We must stress, however, that currently there is no indication the PAD will interfere in the seaport blockade.

NuCoastal's problems could draw protest attention to other Songkhla-based oil and gas drilling operations ongoing in the Gulf of Thailand. We urge oil and gas clients with interests in the area to consult with corporate communications personnel to prepare company responses for possible use in responding to media enquiries, should the dispute continue or expand.

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