

Burma

US and UK Sanction Myanmar Military-Owned Conglomerates

China and Russia Express 'Deep Concern'

Sunday 28 March 2021, by [The Irrawaddy](#) (Date first published: 26 March 2021).

The United States and the United Kingdom have imposed sanctions on two military-controlled conglomerates, in their latest move against the Myanmar military regime.

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Myanma Economic Holdings Public Company Limited (MEHL) and Myanmar Economic Corporation Limited (MEC) have been sanctioned by the U.S Department of the Treasury's Office of Foreign Assets Control (OFAC). The UK government placed sanctions on MEHL only.

The two conglomerates are a vital financial lifeline for the junta. They control a wide range of businesses in various sectors, including banking, trade, logistics, construction, mining, tourism and consumer goods.

The U.S said that the sanctions are a response to the overthrowing of Myanmar's democratically-elected National League for Democracy (NLD) government and the ongoing repression of the country's people.

Over 270 civilians have been killed by the regime's security forces during crackdowns on peaceful anti-regime demonstrators since the Feb.1 coup.

OFAC said that MEHL's shareholder data shows that profits are systematically distributed to the military, including to those responsible for widespread human rights abuses.

MEHL has 1,793 institutional shareholders, which include regional military commands and subordinate battalions, divisions, platoons, squadrons, and border guard forces. Shares are distributed across the armed forces with no public accountability, creating secret slush funds that the military uses to augment its operational budget, said OFAC.

Andrea M. Gacki, OFAC's director, said that the U.S stands with the people of Myanmar and urged the return of its democratically-elected government.

The UK imposed sanctions on MEHL for its involvement in serious human rights violations against the Rohingya and its association with senior military figures.

MEHL contributed funds to support the military during its campaign of ethnic cleansing against the

Rohingya in 2017, the UK government said.

Designating MEHL under the Global Human Rights sanctions regime will prohibit funds being made available to any subsidiaries “owned or controlled” by MEHL, according to the UK.

More than 700,000 Rohingya have fled Myanmar for neighboring Bangladesh since August 2017 to escape military operations that the UN has called a “textbook example of ethnic cleansing”. The Myanmar military denies that, insisting that the operations were a response to coordinated attacks on security posts in Rakhine State by the Arakan Rohingya Salvation Army.

UK Foreign Secretary Dominic Raab said that the latest sanctions target the military’s financial interests to help drain the sources of finance for their campaign of repression against civilians.

The international envoy for Myanmar’s ousted civilian government, Dr. Sa Sa, issued a statement on his official Facebook page saying that he was grateful for the US and UK placing sanctions on military-owned companies that are contributing to the oppression of people in Myanmar.

Dr. Sa Sa said in the statement that the international community must continue to use all the power it has to weaken and stop the junta leaders.

He urged the international community to follow the example of the US and the UK and to cooperate together to impose targeted and tough sanctions against the military regime, including its leaders and military-owned companies and their subsidiaries.

- The Irrawaddy 26 March 2021:

<https://www.irrawaddy.com/news/burma/us-uk-sanction-myanmar-military-owned-conglomerates.html>

World Bank Forecasts 10 Percent Slump in Myanmar’s Growth

Myanmar’s economic growth is set to shrink by 10 percent this financial year as military rule hammers one of the region’s fastest-growing economies, according to the World Bank.

In December the global financial institution forecast that Myanmar’s economy would start to recover from COVID-19 by this month.

The World Bank said Myanmar has been heavily affected by protests, strikes, military action, reductions in mobility and disruption to public services, like banking, logistics and internet access.

Myanmar has seen daily protests against the military regime, the coup leaders have restricted internet access, including a shutdown of mobile internet to blackout brutal violence against peaceful protesters across the country. The internet shutdowns affect businesses and consumers, which rely on online access for payments, consumer access and delivery.

Since early February, only military-controlled banks have operated with almost all private banks shutting down as staff participate in the civil disobedience movement, refusing to work under the regime. Myanmar’s financial sector mainly relies on private bank transactions, meaning most economic activity and almost all international maritime trade has ceased.

The World Bank forecast in December that Myanmar's 2 percent growth for the 2020-21 financial year, which ends on Sept. 30. Despite COVID-19, the medium-term outlook was positive with growth estimated to recover to 7 percent due to public investment, a resurgence in manufacturing and productivity gains associated with the adoption of digital technology.

Following the coup, the bank expressed grave concerns, saying military rule was a major setback to the country's democratic transition and economic development.

The World Bank also put funding for its projects on hold.

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- The Irrawaddy 26 March 2021 :

<https://www.irrawaddy.com/news/burma/world-bank-forecasts-10-percent-slump-myanmars-growth.html>

China and Russia Express 'Deep Concern' as Myanmar's Protest Death Toll Mounts

The dead body of a young man killed by security forces during a crackdown on anti-coup protesters in Yangon is taken to his home. / The Irrawaddy

China and Russia have both expressed "deep concern" about the situation in Myanmar, as the death toll mounts from the junta's intensifying crackdown on peaceful anti-regime protesters.

As of Tuesday, over 270 civilians have been killed by security forces during crackdowns on pro-democracy demonstrators across the country.

During a meeting between Chinese Foreign Minister Wang Yi and Russian Foreign Minister Sergei Lavrov on Tuesday, both men voiced support for all parties in Myanmar to seek a political solution to the current crisis within the constitution and legal framework, and to avoid further conflict and bloodshed.

As pro-democracy supporters called on the United Nations (UN) to take serious action against the military regime, both foreign ministers said that they support all parties in Myanmar who seek political dialogue to prevent external forces from taking advantage of the crisis for their own gain, and who continue to advance the democratic transition.

China and Russia have faced severe criticism for failing to condemn the military's takeover and for blocking a U.N Security Council resolution condemning the Feb.1 coup. Anti-coup protesters have targeted the Chinese and Russian embassies in Yangon during protests against the regime, accusing them of supporting the junta and demanding that Beijing and Moscow stand with the people of Myanmar.

Stung by the criticism of China, Beijing has denied the suggestion that it supports the military takeover. In early March, Foreign Minister Wang Yi said that Beijing will try to bring about reconciliation by engaging with all relevant parties. Moreover, a spokesperson for Russia said that

reports of rising casualties among civilians are alarming and that the Russian authorities are weighing the possibility of suspending military cooperation with Myanmar.

On Tuesday, military regime spokesman Brigadier General Zaw Min Tun said in a press conference that the junta is cooperating with the five countries that neighbor Myanmar. He said that China was a friendly neighbour and had strategic relations with both the Myanmar military and the government. But the general did not reveal if Myanmar's other neighbors are cooperating with the military regime.

The general said that junta leader Senior General Min Aung Hlaing and the cabinet value and respect the words of neighboring countries, ASEAN and any countries that respect the stability of Myanmar.

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- The Irrawaddy 24 March 2021 :

<https://www.irrawaddy.com/news/burma/world-bank-forecasts-10-percent-slump-myanmars-growth.html>
