

Frontier Fridays: The Top Stories in Myanmar this Week

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Welcome back to Frontier Fridays. This week French-owned TotalEnergies came out in support of sanctions, Telenor made headlines for not one but two sales, the chief of the Arakan Army said the junta could be “blown out like a supernova” in a candid interview, and changes were made to Myanmar’s representation at the International Court of Justice.

TotalEnergies says it will “comply with” and “support” sanctions

TotalEnergies, the French energy conglomerate, has asked the American and French governments to set up targeted sanctions against Myanmar’s state oil and gas company. TotalEnergies has operated the Yadana gas project in Myanmar since the 1990s, from which the state-controlled Myanma Oil and Gas Enterprise, and by extension the junta as a whole, derives revenue. Natural gas projects in Myanmar [generate](#) over US\$1 billion in foreign revenue annually, making it the junta’s single largest source of foreign currency revenue in the formal economy, which has prompted numerous calls from activists and civil society organisations for foreign companies involved in the gas projects, especially TotalEnergies and American-owned Chevron, to halt business.

In a January 18 [letter](#) to Human Rights Watch, TotalEnergies said it had spoken with French and United States authorities about the implementation of targeted sanctions, and would “comply with” and “support” such sanctions. The letter stated that the company had formally requested to the French Ministry of Foreign Affairs that “these sanctions be set up with a view to putting in place a legal framework to respond to calls requesting us to stop the financial flows resulting from the production of the Yadana field to MOGE.” But it’s important to note that while the company has reportedly decided to terminate its projects, TotalEnergies will maintain “the operation of the existing Yadana field.” The letter states that this decision was taken “not to maintain profits (...) but to avoid the deterioration in the living conditions of the population and to guarantee the safety of our personnel.” It sounds like TotalEnergies’ argument is that the company is either unwilling or unable to easily and unilaterally pull out of Myanmar unless they are compelled to do so by sanctions imposed by the French government, which has so far dragged its feet when it comes to meaningful action on its involvement with junta-backed companies. There could be some basis for TotalEnergies’ argument given the junta’s response to Telenor employees when the Norwegian telecommunications company announced that it would be pulling out of Myanmar, with several executives reportedly [blocked](#) from leaving the country. But it could also be an excuse for TotalEnergies to simply protect its revenue stream.

While the US, Canada, the United Kingdom, and the European Union have all imposed economic sanctions on junta leaders and several military-run conglomerates, MOGE has notably not been included and the French government, in particular, has not supported such measures. The French government has repeatedly [said](#) that it plans to exclude oil and gas sanctions “to stay involved on the ground” and, similar to the TotalEnergies statement, avoid adding to the burdens of Myanmar people, but did hint that their position could change in Europe’s fourth round of sanctions, set to be

announced on February 1. The recent statement by TotalEnergies in support of sanctions will likely put additional pressure on the French government and will make it harder for them to continue to oppose targeted action. It could also put pressure on American-owned Chevron, another partner in the Yadana gas project, to also come out in support of sanctions. The American company has so far [argued](#) against sanctions – going as far as to dispatch lobbyists to agencies including the US State Department to make the case for how sanctions could disrupt its operations in Myanmar. For now we'll wait and see.

Telenor announces sale of Wave Money and local operations

This week, the Telenor Group [agreed](#) to sell its majority share in Wave Money to Yoma Strategic, a consortium led by tycoon Serge Pun, which was already a partner in Wave Money's joint venture. Telenor will be selling all of its shares in the company, which adds up to 51 percent of the total shares, for US\$53 million, according to a January 17 statement. The deal is still subject to approval by the Central Bank of Myanmar, which is now under the control of the junta. Telenor confirmed that Yoma Strategic includes internet service providers Frontiir and WIT Investment, a Taiwanese venture capital firm. Wave Money was first launched in Myanmar in 2017 as a joint venture between Telenor and Yoma Bank, which is part of First Myanmar Investment, within Serge Pun's Yoma Group. Telenor reportedly first tried to exit Wave Money in 2020, catching the attention of Alibaba's fintech affiliate, Ant Financial, which was willing to pay US\$73.5 million for the 51pc shares, but backed away shortly after the coup, allowing Yoma Strategic to come in and pay over \$20 million less.

Reuters [reported](#) this morning that Lebanon's M1 Group and local firm Shwe Byain Phyu Group will partner to purchase Telenor's Myanmar operations, with Shwe Byain Phyu believed to be the majority shareholder. Telenor first announced in July that it would be selling its operations to M1 group for \$105 million, in an effort to divest from Myanmar, but the sale was blocked by the junta, with many suspecting the military was trying to force a sale to a local company under its influence. An October order reportedly from Min Aung Hlaing's office, obtained by Reuters, instructed officials at the Ministry of Transport and Communications to reject the sale to M1 Group, which is owned by the family of Lebanese Prime Minister Najib Mikati. The order did not state why, but a source told Reuters that the junta favoured a local buyer. The chairman of Shwe Byain Phyu, Thein Win Zaw, is also the director of Mahar Yoma Public Company, which is part of a consortium that has a stake in the military-backed telco Mytel.

Arakan Army chief gives rare, candid interview

In a rare interview [published](#) by the Asia Times on Tuesday, Arakan Army commander-in-chief Twan Mrat Naing spoke about the current situation in Rakhine State, touching on the possibility of conflict resuming, his attitude towards the junta and its opponents, and the Rohingya crisis.

He referred to the ongoing ceasefire in Rakhine, informally established in November 2020, as "not that stable" and says it's "uncertain" how long it will last, but added that the AA wishes "to have a meaningful ceasefire for mutual benefit and interest." He called the junta "paranoid" and "overstretched" and said that "they could be blown out like a supernova" once their chain of command and cohesion is disrupted, but also said the junta will "do anything to remain in power". These are not exactly new takes, but the use of such extreme language from one of their strongest potential adversaries could be indicative of what's to come.

However, despite rumours in recent weeks that the AA could be looking to join with the resistance, including working with the NUG and PDFs, the AA chief says that there has so far been "no significant cooperation". This is also relatively unsurprising given that the AA likely would not gain

much by joining with the newly-formed resistance groups and has already said that it remains focused on upholding the “Path of Rakhita”, the group’s modus operandi that pushes for sovereignty in Rakhine. Twan Mrat Naing also had harsh words for the National League for Democracy. While he acknowledged the party’s “staggering” electoral victory in 2020, he said party leadership is “aging and ossified” and “not up to the expectations of the people”. Surprisingly, he didn’t dismiss out of hand the possibility of the junta holding an election in 2023, implying that the Arakan National Party could participate in such an election, but also suggested the ANP might simply merge with the AA’s political wing.

While the AA does not seem to be preparing to pick up arms and fight at this present time, there have been recent reports of other armed groups in the state resuming fighting. RFA [reports](#) that residents in Maungdaw Township in western Rakhine State are concerned by possible clashes along the Bangladesh border involving the Arakan Rohingya Salvation Army. Earlier this month, photos and videos were circulated on social media which seemed to show around 50 ARSA troops conducting armed exercises near Maungdaw. Locals are concerned that the group could be taking advantage of the relative calm in the state to launch attacks against the military. In November, reportedly clashes broke out between ARSA and the military in Maungdaw, leaving residents on edge and fearful that another attack could be imminent. In the Asia Times interview, Twan Mrat Naing commented on ARSA saying that some “educated Muslims in the diaspora are irresponsibly manipulating ARSA and exploiting the troubled political environment” and said the Rohingya Solidarity Organization is “politically more mature”. But he did not comment on whether he knew of any recent ARSA activity in the state.

Changes to representation in Rohingya Genocide case

The Gambia’s legal team at the International Court of Justice [announced](#) last week that Aung San Suu Kyi has been replaced by the military as its top representative in its case against Myanmar for allegedly committing genocide against the Rohingya. When the case was first brought to the court in 2019, Aung San Suu Kyi led Myanmar’s defence team, personally travelling to The Hague. Yesterday, the NUG’s foreign minister Zin Mar Aung reportedly [told](#) DVB yesterday that the shadow government has put forward UN Ambassador Kyaw Moe Tun as Aung San Suu Kyi’s replacement at the International Court of Justice in the case brought forward by The Gambia. The junta had previously [reportedly](#) put forward its foreign minister Wunna Maung Lwin back in June as part of its restructuring of the committee. It’s not yet clear who will represent Myanmar, but the case is set to resume on February 21 and the court’s decision on who should represent Myanmar could be a point for either side in the legitimacy battle. The Gambia’s legal team also told Frontier that they would continue to pursue the case even if it were given to the junta as it would not constitute “diplomatic recognition.” At least two international lawyers from the case who had been appointed when the NLD was still in power confirmed they were no longer working on it, and the junta appointed a new team composed of its own officials.

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