

***Fact Sheet***

***16 Sept. 2019***

**MYANMAR ARMY’S USE OF BUSINESS PROFITS TO FUND PERSECUTION**

**THE UN INDEPENDENT INTERNATIONAL FACT-FINDING MISSION ON MYANMAR**

As part of its examination of the human rights situation in Myanmar, the UN Independent International Fact-Finding Mission on Myanmar exposed the extensive business interests the Myanmar military, the Tatmadaw, uses to fund persecution of ethnic groups. The [report,](https://www.ohchr.org/EN/HRBodies/HRC/MyanmarFFM/Pages/EconomicInterestsMyanmarMilitary.aspx) first released on 05 August, now forms part of the final report delivered to the Human Rights Council today.

The Mission urged the international community to sever ties with Myanmar’s military and the vast web of companies it controls and relies on. The Mission said the revenues the military earns from domestic and foreign business deals substantially enhances its ability to carry out gross violations of human rights with impunity.

The report, for the first time, established in detail the degree to which Myanmar’s military has used its own businesses, foreign companies and arms deals to support brutal operations against ethnic groups that constitute serious crimes under international law, bypassing civilian oversight and evading accountability.

The Mission said the U.N. Security Council and Member States should immediately impose targeted sanctions against companies run by the military, known as the Tatmadaw. It encouraged consumers, investors and firms at home and abroad to engage with businesses unaffiliated with the military instead.

The Mission also called for the imposition of an arms embargo, citing at least 14 foreign firms from seven nations that have supplied fighter jets, armored combat vehicles, warships, missiles and missile launchers to Myanmar since 2016. During this period, the military carried out extensive and systematic human rights violations against civilians in Kachin, Shan and Rakhine States, including the forced deportation of more than 700,000 ethnic Rohingya to Bangladesh.

“The implementation of the recommendations in this report will erode the economic base of the military, undercut its obstruction of the reform process, impair its ability to carry out military operations without oversight and thus reduce violations of human rights and international humanitarian law, and serve as a form of accountability in the short-term,” said Mission Chair Marzuki Darusman.

The Mission’s report exposes two of Myanmar’s most opaque enterprises, Myanmar Economic Holdings Limited (MEHL) and Myanmar Economic Corporation (MEC), both of which are owned and influenced by senior military leaders. Among them are Commander-in-Chief Senior General Min Aung Hlaing and Deputy Commander-in-Chief Vice Senior General Soe Win, both of whom the Mission previously said should be investigated and prosecuted for genocide, crimes against humanity and war crimes.

MEHL and MEC own at least 106 businesses involved in everything from construction to pharmaceuticals, manufacturing, insurance, tourism and banking. Both companies, along with at least 23 of their subsidiaries, hold licences for jade and ruby mining in Kachin and Shan states. International human rights and humanitarian law violations, including forced labour and sexual violence, have been perpetrated by the Tatmadaw in northern Myanmar in connection with their business activities.

The investigative report follows recommendations the Mission’s Experts made in September 2018 after documenting how Myanmar’s armed forces brutally violated the human rights of ethnic groups nationwide.

While it is clear that Myanmar authorities must be held accountable for the human rights violations they perpetrated, the report emphasizes that concrete action must also be taken to address corporate responsibility to respect human rights in Myanmar.

The report details how 45 companies and organizations in Myanmar donated over six million dollars to the military in the weeks following the beginning of the 2017 clearance operations in Rakhine State. So-called “crony companies” with close links to the Tatmadaw later financed development projects in Rakhine State that furthered the military’s “objective of re-engineering the region in a way that erases evidence of Rohingya belonging to Myanmar.”

The report found that at least 14 foreign firms have joint ventures with the Tatmadaw, while 44 others have some form of commercial ties with Tatmadaw businesses. These foreign companies risk contributing to, or being linked to, violations of international human rights and humanitarian law. At a minimum, they are contributing to supporting the military’s financial capacity. All companies doing business in or buying goods from Myanmar should conduct heightened due diligence to ensure they are not benefiting the Tatmadaw.

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