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The Billion Dollar Death Trade: The International Arms Networks that Enable Human Rights Violations in Myanmar

Conference room paper of the Special Rapporteur on the situation of human rights in Myanmar

Summary

The Myanmar military has imported at least \$1 billion USD in arms, dual-use goods, equipment, and raw materials to manufacture weapons since it initiated a military coup in February 2021. In this paper, the Special Rapporteur provides the international community with details of how the military junta acquired these weapons and related materials and how it continues to acquire them despite international condemnation and the establishment of international arms embargoes and sanctions. The Special Rapporteur describes how some Member States have enabled these transfers through either outright complicity, or lax enforcement of sanctions and bans on weapons and dual-use technology to Myanmar.

The Special Rapporteur highlights jurisdictions that allow an extensive network of suppliers to operate, including those who deliver tools, machinery, equipment and raw materials that enable the production of a range of weapons used by the military to commit atrocities against the people of Myanmar.

This paper illustrates how actions by Member States to pressure the military junta, including the imposition of economic sanctions, are failing. Because sanctions are not coordinated, nor effectively enforced, for example, arms dealers and other entities linked to the military junta are able to easily circumvent them, including by using front companies or creating new ones.

The international community has important options to stop more arms from going to the Myanmar military. They include targeting the junta's key sources of revenue, fully enforcing measures prohibiting the flow of arms to Myanmar, and establishing and enforcing comprehensive sanctions on the arms networks that are procuring weapons for the Myanmar military. Seizing these options is imperative to protecting and defending the human rights of the people of Myanmar.

The findings of this paper are summarized in an infographic available here: <https://www.ohchr.org/sites/default/files/documents/countries/myanmar/infographic-sr-myanmar-2023-05-17.pdf>.

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I. Introduction

1. On 11 April, a Yak-130 fighter jet armed with two 250 kg bombs took flight from Tada-U Airforce Base between 7:10 and 7:15 AM. During the flight, one of the airmen released the bombs over Pazigy village in Kanbalu Township, Sagaing Region. The bombs hit their intended target: a ceremony attended by approximately 300 people—including dozens of children—marking the opening of a National Unity Government (NUG) People's Administration Office. The ordinance detonated with deadly impact—ripping the bodies of men, women, and children open, turning their skin to ash, and inflicting critical shrapnel wounds. Soon after, two Mi-35 attack helicopters, flying from a base in Monywa arrived over Pazigy village to continue the coordinated attack. The gunner onboard aimed his machine gun and began strafing survivors and first responders, unloading hundreds of rounds of ammunition, killing and maiming many more in the process.

2. The Pazigy village attack killed at least 160 people. According to the NUG, nearly 40 of those killed were children. Only 59 people's remains were identifiable, with one rescue worker stating that victims remains "had to be picked up part by part and buried."¹ The attack is yet another example of the Myanmar junta's probable crimes against humanity and war crimes against the people of Myanmar.

3. This brutal attack is also another example of how the Myanmar junta is using internationally supplied arms and associated materials to commit atrocities. The Russian Federation supplies the Yak-130 aircraft, Mi-35 helicopters, and the ammunition for the PK machine gun used in the attack. The Myanmar military's Directorate of Defense Industries domestically manufactures the bombs and the machine gun, relying in part on raw materials supplied by private entities from Singapore, China, and Thailand.

4. Since the illegal military coup led by Senior General Min Aung Hlaing two years ago, the military has killed a minimum of 3,500 civilians, detained at least 22,000 political prisoners, and forcibly displaced over 1.5 million people.² Over the last year, since the Special Rapporteur published "Enabling Atrocities: UN Member States' Arms Transfers to the Myanmar Military" ("Enabling Atrocities"), violence has escalated in both ethnic minority areas as well as the so-called "Burmese heartland" centered on Sagaing and Magway Regions.³ The military has increasingly conducted airstrikes and land attacks, committed murder, torture, and sexual violence, and pillaged and burned villages ostensibly aligned with opposition groups. These operations have resulted in atrocities amounting to probable war crimes and crimes against humanity by the Myanmar military.

5. This report documents that at least \$1 billion USD worth of weapons, dual-use technology, and materials used to manufacture weapons were exported for use by the Myanmar military junta from the day it launched its coup, February 1, 2021, to December 2022.

6. These weapons, and the materials to manufacture more of them, have continued to flow uninterrupted to the Myanmar military despite overwhelming evidence of its responsibility for atrocity crimes. The Special Rapporteur identified over 12,500 unique purchases or recorded shipments directly to the Myanmar military or known Myanmar arms dealers working on the military's behalf. This paper identifies many of the major networks and companies involved in these transactions and the jurisdictions in which they operate, namely Russia, China, Singapore, Thailand, and India.

7. The diversity and volume of goods provided to the Myanmar military since the coup is staggering. The Special Rapporteur has identified transfers of fighter jets, attack

¹ "Death toll in Myanmar air strike rises to 165, while threat of attack remains," *Radio Free Asia*, 13 April 2023, <https://www.rfa.org/english/news/myanmar/toll-04132023155954.html>.

² Assistance Association for Political Prisoners (AAPP), "Daily Briefing in Relation to the Military Coup," 12 May 2023, <https://aappb.org/?p=24930>; UN OCHA, Myanmar Humanitarian Update No. 29, 6 May 2023, <https://reliefweb.int/report/myanmar/myanmar-humanitarian-update-no-29-6-may-2023>.

³ Conference Room Paper of the Special Rapporteur, "Enabling Atrocities: UN Member States' Arms Transfers to the Myanmar Military," U.N. Doc. A/HRC/49/CRP.1, 22 February 2022, <https://www.ohchr.org/en/documents/thematic-reports/ahrc49crp1-conference-room-paper-special-rapporteur-enabling-atrocities>

helicopters, reconnaissance and attack drones, advanced missile systems, tank upgrades, radio and communication equipment, radar complexes, and components for naval ships. The Special Rapporteur's research uncovered the transfer of substantial spare parts for these same systems, including for fighter jets, since the coup. 16 percent of the trade documented in this paper relates to the purchase of manufacturing machinery, tools, equipment, and critical raw materials—including, steel, aluminum, copper, brass, lead, certain chemicals and lubricants, and rubber—by the Myanmar military's Directorate of Defense Industries (DDI), which oversees the production of weapons and ammunition within DDI weapons factories, known in Burmese as Karkweye Pyitsee Setyone, or "Ka Pa Sa."

8. This report identifies the following sources of trade in arms and related materials to the Myanmar military:

- \$406 million USD from entities in the Russian Federation, including state-owned entities;
- \$267 million USD from entities in China, including state-owned entities;
- \$254 million USD from entities operating in Singapore;
- \$51 million USD from entities in India, including state-owned entities; and
- \$28 million USD from entities operating in Thailand.

9. Over \$947 million USD of arms-related trade identified by the Special Rapporteur went directly to entities controlled by the Myanmar military—e.g., the Directorate of Procurement, Directorate of Defense Industries, or specific branches of the military like the Myanmar Air Force or Tatmadaw Basic Training School. This means that the military itself was listed as recipient on trade-related documents, eliminating any doubt of who the end recipient would be. A further \$58 million USD flowed through Myanmar-based military suppliers or sanctioned arms dealers.

10. The Special Rapporteur has identified 254 unique suppliers that have, since the coup, transferred materials to the Myanmar military. He has identified many of those entities in this paper and has provided the names of the suppliers to relevant jurisdictions, including the jurisdictions in which these entities are operating, as well as to Member States that have imposed sanctions to date on entities transferring arms to the military.

11. Russia and China-based entities are critical to the Myanmar military for transfers of advanced weapon systems and their spare parts. Since the coup, Russian entities, including state-owned entities, have transferred fighter jets, advanced missile systems, reconnaissance and attack drones, and spare parts for fighter jets, attack helicopters, and other systems.

12. Numerous private and state-owned companies registered in China, including Hong Kong, continued to supply the Myanmar military with an extensive array of arms, equipment, and raw materials between October 2021 and December 2022. Shipments have included the delivery of advanced trainer jets / light attack aircraft, upgrades to tanks, and overhaul and repair work for older Chinese fighter jets that make up the Myanmar Air Force fleet. Chinese firms provide essential raw materials directly to the Myanmar military in the domestic weapons manufacturing, including aluminum, copper, steel, rubber, and lubricants.

13. To be clear, unlike Russia, China, and—to a much lesser extent—India, the Special Rapporteur has received no information indicating that entities owned or controlled by the Governments of Singapore or Thailand, or the governments themselves, have approved or transferred arms to the Myanmar military. Rather, arms dealing organizations appear to be using the jurisdictions of Thailand and Singapore, and specifically the banking and shipping sectors there, to facilitate arms transfers.

14. Singapore has become a major jurisdiction for spare parts, raw materials, and manufacturing equipment sent to the Myanmar military. Entities operating in Singapore have become critical to the continued operation of Myanmar's Ka Pa Sa weapons factories. At least 138 Singapore-based firms have served as intermediaries for the Myanmar military since the coup.

15. Entities operating in Thailand have likewise shipped spare parts for advanced weapons systems as well as raw materials and manufacturing equipment for the KaPaSa weapons factories. Twelve of the companies exporting arms and related materials to the Myanmar military were established following the coup, and many were established by sanctioned arms networks already operating in Singapore. This suggests that Thailand may be a new jurisdiction being considered by arms dealers as they seek alternative routes to avoid scrutiny over shipments.

16. Trade from India to the Myanmar military comes from both state-owned and private entities. State-owned arms manufacturers shipped a coastal surveillance system, a remote-controlled weapons system, unknown components from an ammunition and missile manufacturer, and 122 mm howitzer barrels. Private sector entities shipped explosive fuses likely for artillery shells.

17. This paper, “The Billion Dollar Death Trade: The International Arms Networks that Enable Human Rights Violations in Myanmar,” builds on the findings of “Enabling Atrocities.” That paper examined known arms transfers from Member States to Myanmar since 2018, discussing the legality of those transfers and applying relevant international law. The paper highlighted, in particular, those Member States that continued providing the military with a range of lethal arms with full knowledge of atrocities that were being committed in the country. With the post-coup escalation of attacks against civilians, the Special Rapporteur urged the Security Council to impose a comprehensive arms embargo and targeted economic sanctions against the Myanmar military. Recommendations to Member States included, among others, state level arms embargos and coordinated, holistic sanctions with active enforcement.

18. The findings of this paper demonstrate the imperative for Member States to impose coordinated sanctions that target the Myanmar junta’s finances as well as weapons procurement networks. Arms dealers have been easily able to circumvent sanctions imposed by the United States, the European Union, the United Kingdom, and Canada by using front companies and creating new companies to evade them. Through case studies, the Special Rapporteur shows that while arms trading entities have been sanctioned, their broader networks (many of which are identified in this paper) have not been.

19. Member States also have not adequately targeted the key sources of foreign currency that the SAC relies on to purchase arms. Most significantly, Myanma Oil and Gas Enterprise—likely the largest single source of foreign currency for the SAC—has only been sanctioned by the European Union to date. Meanwhile, no Member State has imposed sanctions on Myanma Foreign Trade Bank since the coup (though sanctions Canada put in place on the bank in 2007 remain). The SAC also retains near unfettered access to billions of dollars of the State of Myanmar’s foreign exchange reserves because they have not been cut off. The Special Rapporteur assesses that coordinated sanctions on these key revenue earning streams and financial channels could deprive the SAC of billions of dollars. Another key target, though non-financial, is jet fuel, required by the military for its fighter aircraft and helicopters. Comprehensive sanctions on the transfer of jet fuel to the Myanmar military is an imperative to save lives.

20. The Special Rapporteur implores the international community to change course and do everything in its power to degrade the Myanmar military’s ability to attack the people of Myanmar. This paper makes clear that many options exist to accomplish this goal.

II. Methodology and Mandate

21. The Special Rapporteur submits this conference room paper in accordance with his mandate as established by the Human Rights Council in Resolution 52/31. That resolution specifies that the Special Rapporteur should: “monitor the situation of human rights in Myanmar” and “make recommendations on additional steps necessary to address the ongoing crisis, including through thematic reports and conference room papers.”⁴

⁴ Situation of human rights in Myanmar, Human Rights Council Resolution 52/31, U.N. Doc. A/HRC/RES/52/31, 13 April 2023.

22. Since the 1 February 2021 military coup, the Special Rapporteur has consistently recommended that the international community support the cause of human rights in Myanmar by denying the military junta (1) financial support, (2) weapons, and (3) legitimacy. The Special Rapporteur focused on Member States' positions vis-à-vis the arms trade to the Myanmar military in his February 2022 conference room paper, "Enabling Atrocities: UN Member States' Arms Transfers to the Myanmar Military." He examined the question of legitimacy in the 31 January 2023 paper, "Illegal and Illegitimate: Examining the Myanmar military's claim as the Government of Myanmar and the international response."⁵ He returns to the question of weapons transfers to the military in this paper, focusing on the networks and businesses providing arms and materials to the military.

23. To develop this paper, the Special Rapporteur conducted extensive open-source research and reviewed corporate records, public reports, and trade subscription databases. The Special Rapporteur received highly credible and detailed information from confidential sources. Confidential sources of evidence have not been cited due to security concerns. The Special Rapporteur extends his sincere gratitude to individuals who have provided this information.

24. In advance of the publication of this paper, the Special Rapporteur provided relevant extracts to the Member States identified. This paper includes the context and additional information that Member States provided him during this consultation process. He very much appreciates their engagement. The Special Rapporteur has made the decision not to list the names of entities transferring arms to the Myanmar military based in Singapore in order to allow time for the Singapore Government and other UN Member States to take action against these entities.

III. International Legal Framework

25. The Special Rapporteur has been guided by the legal framework regarding arms transfers as outlined in "Enabling Atrocities," including international human rights law, international humanitarian law as codified in the Geneva Conventions, customary international law related to State responsibility, and the Arms Trade Treaty. He incorporates a portion of that framework below while also examining private sector entities responsibilities established through the Guiding Principles on Business and Human Rights, as well as potential liability under international criminal law.

A. Member state obligations

1. Arms embargos

26. Nearly two years ago, on 18 June 2021, the General Assembly adopted Resolution 75/287 that "calls upon all Member States to prevent the flow of arms into Myanmar."⁶ [Resolution 75/287](#) passed by a vote of 119 in favor, one against (Belarus), and 36 abstentions.⁷ General Assembly resolutions reflect the views of Member States and provide policy recommendations but are non-binding. The implementation of the recommendations contained in resolutions is the responsibility of each Member State.⁸ Member States impose arms embargos under their domestic legal frameworks, where such frameworks exist.

27. The United Nations Security Council has the authority, vested in Chapter VII of the UN Charter, to impose binding arms embargos on Member States. On 21 December 2022, the Security Council adopted a resolution calling for respect for human rights in Myanmar, an end to violence, the release of political prisoners, and the upholding of "democratic

⁵ Conference Room Paper of the Special Rapporteur, "Illegal and Illegitimate: Examining the Myanmar military's claim as the Government of Myanmar and the international response," U.N. Doc. A/HRC/52/CRP.2, 31 January 2023, <https://www.ohchr.org/sites/default/files/documents/countries/mm/2023-01-27/crp-sr-myanmar-2023-01-31.pdf>.

⁶ The situation in Myanmar, UN General Assembly Resolution 75/287, U.N. Doc. A/75/287, 18 June 2021.

⁷ United Nations General Assembly, Official Records of the 83rd Plenary Meeting, Agenda item 34, U.N. Doc. A/75/PV.83, 18 June 2021, at 5/19, Draft resolution A/75/L.85/Rev.1, <https://undocs.org/en/A/75/PV.83>.

⁸ Permanent Mission of Switzerland, "The GA Handbook: A practical guide to the United Nations General Assembly," 2017, at 52, https://www.eda.admin.ch/dam/mission-new-york/en/documents/UN_GA_Final.pdf.

institutions and processes” (S/RES/2669). The resolution, however, did not invoke the Security Council’s Chapter VII powers and did not reference the issue of arms transfers in any respect.

2. International humanitarian law

28. In the absence of a global sanctions regime imposed by the Security Council, States have other obligations under international humanitarian law, as expressed in the Geneva Conventions, that are triggered in the context of a non-international armed conflict. There is now little doubt that the situation in Myanmar involves several non-international armed conflicts.⁹

29. Member States that continue to provide weapons and associated equipment to another State that is engaged in violations of international humanitarian law in many cases violate international humanitarian law themselves. Common Article 1 to the Four Geneva Conventions requires States to “undertake to respect and to ensure respect for the present Convention in all circumstances.”¹⁰ The International Committee of the Red Cross’s (ICRC) authoritative commentary on Article 1 further requires that States “refrain from transferring weapons if there is an expectation, based on facts or knowledge of past patterns, that such weapons would be used to violate the Conventions.”¹¹ Thus, if a transferring state knows that the state receiving the weapons systematically commits violations of international humanitarian law using certain weapons, the transferring state must deny further transfers of those weapons, even if those weapons could also be used lawfully.¹²

3. Customary international law

30. Under customary international law concerning State responsibility, any state that continues to sell arms to another state with knowledge of “internationally wrongful acts” the recipient state is committing with those arms is itself likely aiding and abetting in those wrongs. As articulated in Article 16 of the International Law Commission’s (ILC) draft Articles on Responsibility of States for Internationally Wrongful Acts, “a State which aids or assists another State in the commission of an internationally wrongful act by the latter is internationally responsible for doing so if: (a) that State does so with knowledge of the circumstances of the internationally wrongful act; and (b) the act would be internationally wrongful if committed by that State.”¹³ “Internationally wrongful act[s],” include, but are not limited to, crimes against humanity, genocide, and war crimes.¹⁴ The ILC’s Commentary to Article 16 specifically highlights arms transfers as a form of aid or assistance:

“a State may incur responsibility if it . . . provides material aid to a State that uses the aid to commit human rights violations. In this respect, the General Assembly has called on Member States in a number of cases to refrain from supplying arms and other military assistance to countries found to be

⁹ The existence of non-international armed conflicts in Myanmar is widely accepted, including by the IIMM. Report of the Independent International Investigative Mechanism for Myanmar, U.N. Doc. A/HRC/51/4, 12 July 2022 (“The information collected by the Mechanism this past year indicates that several armed conflicts are ongoing and intensifying on the territory of Myanmar. This triggers the application of international humanitarian law and obligates all parties to the conflicts to ensure that their forces comply with the applicable laws of war.”).

¹⁰ Convention (I) for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field, Geneva, 12 Aug 1949, https://www.un.org/en/genocideprevention/documents/atrocity-crimes/Doc.30_GC-I-EN.pdf.

¹¹ Commentary of 2016, Convention (I) for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field. Geneva, 12 August 1949, Article 1: Respect for the Convention, International Committee of the Red Cross, para. 153 and 168, https://ihl-databases.icrc.org/ihl/full/GCI-commentaryArt1#83_B.

¹² Harriet Moynihan, “Aiding and Assisting: Challenges in Armed Conflict and Counterterrorism,” Chatham House, November 2016, at 27, <https://www.chathamhouse.org/sites/default/files/publications/research/2016-11-11-aiding-assisting-challenges-armed-conflict-moynihan.pdf>. Common Article 1 applies to non-international armed conflicts and international armed conflicts equally. See Commentary of 2016, Convention (I), *supra* note 22, para. 125.

¹³ Report of the International Law Commission on the work of its fifty-third session, U.N. Doc. A/56/10, 23 April – 1 June and 2 July – 10 August 2001, Official Records of the General Assembly, Fifty-sixth session, Supplement No.10, Draft Articles on Responsibility of States for Internationally Wrongful Acts, art. 16 (2001), https://legal.un.org/ilc/documentation/english/reports/a_56_10.pdf.

¹⁴ *Ibid.*, commentary to art. 15, para. 2 at 62 (citing genocide, crimes against humanity, and other “composite acts” that, through a series of aggregated actions constitute an international wrongful act).

committing serious human rights violations. Where the allegation is that the assistance of a State has facilitated human rights abuses by another State, the particular circumstances of each case must be carefully examined to determine whether the aiding State by its aid was aware of and intended to facilitate the commission of the internationally wrongful conduct.”¹⁵

4. *The Arms Trade Treaty*

31. The United Nations Arms Trade Treaty (ATT) provides a global set of rules governing the trade in conventional weapons. The ATT’s goals include “reducing human suffering” and “contributing to international and regional peace, security and stability.”¹⁶ It was adopted at the UN General Assembly in April 2013 and entered into force in December 2014. The ATT applies to specific conventional arms, including: (a) battle tanks, (b) armored combat vehicles, (c) large-calibre artillery systems, (d) combat aircraft, (e) attack helicopters, (f) warships, (g) missiles and missile launchers, and (h) small arms and light weapons.¹⁷ 113 Member States, including China, have ratified the ATT. Singapore and Thailand have signed, but not ratified the treaty.

32. Article 6 of the ATT prohibits Member States who accede to or ratify it from transferring the arms in these categories “if it has knowledge at the time of authorization that the arms or items would be used in the commission of genocide, crimes against humanity, grave breaches of the Geneva Conventions of 1949, attacks directed against civilian objects or civilians protected as such, or other war crimes.”¹⁸ Where exports are not prohibited under Article 6, Article 7 of the ATT prohibits Member States from transferring arms where it assesses there is an unmitigable risk that those arms “could be used to commit or facilitate a serious violation of international humanitarian law” or “international human rights law.” Article 3 applies the provisions of Article 6 and Article 7 to munitions and ammunition used in the conventional arms covered by the ATT.

5. *The Wassenaar Arrangement*

33. Although non-binding, the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies commits member countries to implement national policies that do not permit the sale of arms or sensitive dual-use items to countries whose behavior is a cause for concern.¹⁹ The Wassenaar Arrangement has 42 participating states, including India and Russia. The Wassenaar Arrangement promotes “transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies” and maintains a list of dual-use goods and technologies, of which participant states are expected to apply export controls.²⁰

B. Private sector responsibility

As this report demonstrates, private sector arms dealing networks are critical to the transfer of arms and materials to the Myanmar military. The private sector actors must abide by the laws of the state in which they operate and international law. The UN Guiding Principles on Business and Human Rights (“UN Guiding Principles”) present another source of authority for corporate entities.

¹⁵ *Ibid.*, commentary to art. 16, para. 5 at 66.

¹⁶ The Arms Trade Treaty, Article 1, https://thearmstradetreaty.org/hyper-images/file/ATT_English/ATT_English.pdf?templateId=137253.

¹⁷ *Ibid.*, Article 2.

¹⁸ *Ibid.*, Article 6.

¹⁹ Wassenaar Arrangement, Founding Document, December 2019, Purposes, Section 3, <https://www.wassenaar.org/app/uploads/2019/12/WA-DOC-19-Public-Docs-Vol-I-Founding-Documents.pdf> (“to enhance co-operation to prevent the acquisition of armaments and sensitive dual-use items for military end-uses, if the situation in a region or the behaviour of a state is, or becomes, a cause for serious concern to the Participating States”).

²⁰ Wassenaar Arrangement, “List of dual-use goods and technologies and munitions list,” December 2022, <https://www.wassenaar.org/app/uploads/2022/12/List-of-Dual-Use-Goods-and-Technologies-Munitions-List-Dec-2022.pdf>.

1. The UN Guiding Principles

34. The UN Guiding Principles call on businesses to seek to prevent or mitigate adverse human rights impacts which are directly linked to their operations. The Human Rights Council has stressed the importance of applying the Guiding Principles in Myanmar even prior to the coup. In resolution 40/L.19 (2019), the Council encouraged “all business enterprises, including transnational corporations and domestic enterprises, to respect human rights in accordance with the Guiding Principles on Business and Human Rights.” The Guiding Principles were unanimously approved by the Human Rights Council and have become an international standard for addressing the human rights responsibilities of businesses.²¹

35. Two of the Guiding Principles have particular relevance for business entities providing arms and associated materials to the Myanmar military:

- a. Guiding Principle 13 requires that business enterprises: “Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur;” and “seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.”²²
- b. Guiding Principle 17 states that in order to identify, prevent, mitigate and account for how the business addresses their adverse human rights impacts, business enterprises should carry out human rights due diligence. The process should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed.

2. International Criminal Law

36. Under international criminal law, individuals (such as corporate officers) can be held criminally liable for aiding and abetting crimes against humanity, war crimes, and genocide, including by providing arms used in the commission of the crimes. This principle is laid out in Article 25(3) of the Rome Statute, which established the International Criminal Court:

In accordance with this Statute, a person shall be criminally responsible and liable for punishment for a crime within the jurisdiction of the Court if that person:

(c) for the purpose of facilitating the commission of such a crime, aids, abets or otherwise assists in its commission or its attempted commission, *including providing the means for its commission*²³; or

(d) in any other way contributes to the commission or attempted commission of such a crime by a group of persons acting with a common purpose. Such contribution shall be intentional and shall either be made with the aim of furthering the criminal activity or purpose of the group ... or be made in the knowledge of the intention of the group to commit the crime[.]²⁴

37. To issue an arrest warrant against an arms dealer under the aiding, abetting or assisting provision (Article 25(3)(c)), a prosecutor would need to demonstrate that there are reasonable grounds to believe that a person provided “practical or material assistance” for the commission of the crime, with knowledge of the perpetrator’s intent to commit the crime.²⁵

²¹ See, e.g., Legally Binding Instrument to Regulate, in International Human Rights Law, the Activities of Transnational Corporations and other Business Entities, <https://www.ohchr.org/sites/default/files/Documents/HRBodies/HRCouncil/WGTransCorp/Session6/LBI3rdDRAFT.pdf> (a draft international treaty on business and human rights currently under consideration, relying heavily on the provisions of the Guiding Principles).

²² Guiding Principles on Business and Human Rights, U.N. Doc. A/HRC/17/31, 21 March 2011, Principle 13, <https://undocs.org/en/A/HRC/17/31>

²³ Article 25(3)(c) of the Rome Statute (emphasis added), <https://www.icc-cpi.int/sites/default/files/RS-Eng.pdf>.

²⁴ Article 25(3)(d) of the Rome Statute

²⁵ As to “practical or material assistance,” see e.g., ECCC, *Duch Trial Judgment*, para. 533 (“aiding” involves the provision of assistance’); SCSL, *Prosecutor v. Sesay et al.*, Case No. SCSL-04-15-T, Trial Chamber I, Judgement, 2 March 2009, para. 276 (‘rendering practical or material assistance’); *Prosecutor v. Taylor*,

The arms dealer would not need, however, to also share the intent of the perpetrator.²⁶ Under the ICC, unlike ad hoc tribunals that preceded it, facilitation likely does not have to rise to a “substantial” level.²⁷ Assistance may have been provided before, during, or after the qualifying crime was committed.²⁸

38. To issue an arrest warrant under the contribution provision (Article 25(3)(d)), a prosecutor would likely need to demonstrate under reasonable grounds that a person: (1) made a significant contribution to the crime, (2) with intent to make the contribution, (3) to a group with a common purpose to commit a crime, and (3) with knowledge of the group’s intent to commit the crime.²⁹ Prior cases have found a “significant contribution” included an individual providing arms to a militia which gave the militia a military advantage, allowing it to carry out attacks against civilians.³⁰

39. The ICC does not currently have jurisdiction over crimes committed in Myanmar by the military, with the exception of those that may have contributed to the crime against humanity of deportation of the Rohingya prior to the coup.³¹ National prosecutors with universal jurisdiction laws mirroring the Rome Statute, could, however, bring cases against arms dealers, assuming relevant jurisdictional requirements are meant. Moreover, the Independent Investigative Mechanism on Myanmar (IIMM) could begin assembling case files on known arms dealers supporting the Myanmar military in preparation for potential future cases.

IV. Evidence of Arms, Manufacturing Equipment, and Raw Material Transfers

40. Over the last 10 months, the Special Rapporteur has reviewed data covering \$8.4 billion USD of trade to Myanmar between February 2021 and December 2022. The data is derived from a combination of open-source shipping and customs data from a range of trade databases including Market Inside Data and Import Genius. This shipping data frequently lists the end recipient of the arms and materials as the Myanmar military—e.g., the Directorate of Procurement of the Commander-in-Chief of the Armed Forces or Directorate of Defense

Judgement, 18 May 2012, Case No. SCSL-03-01-T, footnote 1136 (“‘Aiding’ consists of giving practical assistance to the physical perpetrator or intermediary perpetrator”). As to “reasonable grounds” standard: Under Article 58 of the Rome Statute, the threshold for the ICC to issue an arrest warrant is a “reasonable grounds to believe”; see also *Prosecutor v. Omar Hassan Ahmad Al-Bashir*, ICC, Case No. ICC-02/05-01/09-OA, Decision (Appeal), 3 February 2010, para. 17 (finding that, “at this preliminary [pre-trial, warrant seeking] stage, it does not have to be certain that that person committed the alleged offence. Certainty as to the commission of the crime is required only at the trial stage of the proceedings (see article 66 (3) of the Statute), when the Prosecutor has had a chance to submit more evidence.”).

²⁶ Marina Aksenova, “Corporate Complicity in International Criminal Law: Potential Responsibility of European Arms Dealers for Crimes Committed in Yemen,” 30 WASH. INT’L. L. J. 255, 263 (2021) (“For example, if the perpetrator intends to commit genocide against certain part of the population, the accomplice need not share this intention—it is sufficient that an accomplice provides assistance knowing about the intention of the perpetrator.”).

²⁷ ICC, *Prosecutor v. Bemba*, Case No. ICC-01/05-01/13, Trial Chamber, Judgment (“*Bemba Trial Judgment*”), para. 93 (“The Chamber considers that the form of contribution under Article 25(3)(c) of the Statute does not require the meeting of any specific threshold. The plain wording of the statutory provision does not suggest the existence of a minimum threshold.”).

²⁸ *Bemba Trial Judgment*, para. 96 (citing ICTY, *Prosecutor v. Blaškić*, Case No. IT-95-14-A, Appeals Chamber, Judgment, 29 July 2004, para. 48; *Prosecutor v. Mrkšić and Slijvančanin*, Case No. IT-95-13/1-A, Appeals Chamber, Judgment, 5 May 2009, para. 81; *Prosecutor v. Blagojević and Jokić*, Case No. IT-02-60-A, Appeals Chamber, Judgment, 9 May 2007, para. 127; ICTR, *Prosecutor v. Ngirabatware*, Case No. ICTR-99-54-T, Trial Chamber II, Judgment and Sentence, 20 December 2012, para. 1294).

²⁹ Article 25(3)(d) of the Rome Statute; see e.g., also ICC, *Prosecutor v. Mbarushimana*, Case No. 01/04-01/10, Decision on the Confirmation of Charges, 16 December 2011, paras. 268-289.

³⁰ ICC, *Prosecutor v. Germain Katanga*, Case No. 01/04-01/07, Judgment Pursuant to Article 74 of the Statute, 7 March 2014, para. 1633.

³¹ See ICC, *Situation in the People’s Republic of Bangladesh / Republic of the Union of Myanmar*, Case No. 01/19, Pre-Trial Chamber III, Decision Pursuant to Article 15, 14 November 2019.

Industries—or known arms dealers. The Special Rapporteur also received confidential shipping, customs, and other data, all of which he retains access to.

41. While extensive, the trade data is not comprehensive for the period. For example, data is known to be only partially complete for the five-month period between April 2021 and September 2021. Trade flows from China and Russia are also believed to be significantly underreported for the period.

42. Despite the available data only being a portion of the full trade flowing to the Myanmar military over the period, it allows for a rigorous analysis of suppliers and trade routes. The data provides evidence of the techniques being employed by the Myanmar military and arms dealers to secure arms, spare parts, equipment, and raw materials to continue the military's campaign of terror against the people of Myanmar.

43. When referring to “arms” in this report, the Special Rapporteur follows the United Nations Office for Disarmament Affairs definition of “conventional arms.” Conventional arms are:

weapons other than weapons of mass destruction. They are the most commonly known and widely used weapons in conflict and crime settings and encompass a wide range of equipment, including battle tanks, armoured combat vehicles, large-caliber artillery systems, combat aircraft and unmanned combat aerial vehicles (UCAV), attack helicopters, warships, missile and missile launchers, landmines, cluster munitions, small arms, and light weapons and ammunition.³²

44. Spare parts purchased for these systems are included within the use of the term.

45. A portion of the trade described in this report relates to the purchase of raw materials, manufacturing machinery, tools, and equipment that can be used in the local production of weapons and ammunition. Transactions include auto-forging and welding machines, computer numerical control (CNC) lathes and milling machines, injection molding machines and laser cutters, steel bars and sheets, brass tubes, aluminum ingot, gun drills, carbide end mills, metal balls, chemicals, and lubricants. Where it has been possible to identify specific items from the data, these have been named.

46. The table below shows the total amounts of arms and associated materials entities have sent to the Myanmar military. The values are separated out to show the amount sent directly to the military versus the amount sent to known military suppliers in Myanmar. 94 percent of the \$1 billion USD in arms transfers described in this paper was sent directly to the Myanmar military. This means that entities based in Russia, China, Singapore, Thailand, and India continue to unabashedly send weapons and associated materials directly to the Myanmar military.

<i>Country</i>	<i>Trade direct to military USD</i>	<i>No. of suppliers</i>	<i>Trade to known military suppliers USD</i>	<i>No. of suppliers</i>	<i>Total Trade USD</i>	<i>No. of Unique Suppliers</i>
Russian Federation	370,031,116	15	35,934,723	18	405,965,839	28
China (incl. Hong Kong)	251,753,469	41	15,361,324	1	267,114,793	41
Singapore	248,675,213	138	5,233,556	6	253,908,769	138
India	49,013,545	14	2,291,012	9	51,304,557	22
Thailand	27,745,214	25			27,745,214	25
	947,218,557	233	58,820,615	34	1,006,039,172	254

Figure 1: Summary of dataset by country and trade volume. Notes: This table indicates the location where suppliers have a registered office and does not necessarily indicate the countries where manufacturing takes place. In many cases, in particular Singapore, companies act as a third-party procurement agent with the country acting as a point of transit only.

³² United Nations Office for Disarmament, Conventional Arms, <https://www.un.org/disarmament/conventional-arms/>.

47. The following sections list the types of materials, the values, and the entities involved in the Myanmar military's procurement of arms and associated materials. The Special Rapporteur presents this information by jurisdiction, though he again stresses that he has no information to indicate that the government of Thailand, the government of Singapore, or entities owned or controlled by those governments, are involved in the trading of arms to the Myanmar military. Unlike Thailand and Singapore, entities owned or controlled by the Russian Federation, China, and India are directly involved in transferring arms to the Myanmar military.

A. Arms shipments from the Russian Federation

1. Entities, amounts, and types of arms transferred from the Russian Federation

48. Since the coup, entities within the Russian Federation, including state-owned entities, have shipped at least \$406 million USD of arms, raw materials, and associated supplies to the Myanmar military and known Myanmar arms dealers. A total of 28 unique suppliers based in Russia shipped arms to the Myanmar military. Sixteen of those suppliers have been sanctioned by certain Member States in relation to the Russian Federation's aggression against Ukraine.

49. Over half of the identified arms exports from the Russian Federation directly to the Myanmar military comes from one entity: Rosoboronexport. Rosoboronexport describes itself as, "Russia's only state-controlled intermediary in the area of exports and imports of the entire range of military and double-purpose products, technologies and services."³³ It has shipped at least \$227 million USD to the Myanmar military since the coup. Prominent among its shipments to the military was the transfer of SU-30 fighter jets and rocket launch systems as well as supplies for MiG-29 fighter jets.

50. Transfers by other companies based in the Russian Federation included the delivery of the SOPKA-2 radar complex, tools and accessories for the X-31A air-to-surface missile system, and tools, equipment, and spare parts for a variety of weapons systems, including:

- Yak-130 combat / trainer jets
- Mi-2 military helicopters
- Mi-17 utility helicopters
- Mi-24/Mi-35M attack helicopters
- AL-31F jet engines
- GAZ-66 utility trucks
- Schiebel S100 reconnaissance & light attack drones

51. Six of the seven private Myanmar entities that received arms from Russian companies have been sanctioned by either the United States, the United Kingdom, or the European Union, including Sky Aviator Company Limited, Miya Win International Ltd, Synpex Shwe Company Ltd, Dynasty International Company Ltd, and Myanmar New Era Trading Company Ltd. The other, Sky Royal Hero Ltd, a Myanmar entity which has not yet been sanctioned by any Member State, contracted repair work on Mi-35M helicopters and is known to have a trading relationship with the sanctioned Sky Aviator Company Ltd.

52. The table directly below lists the companies shipping arms and associated supplies, the approximate value of trade (within a range), and the description of the goods transferred. The Special Rapporteur does not list companies that shipped only a de minimis amount of material.

³³ Rosoboronexport, Russian Defence Export, Status Page, <http://roe.ru/eng/rosoboronexport/status/> (accessed 23 March 2023).

Notes:

* Sanctioned due to political action on the Russia / Ukraine crisis.

**Sanctioned under Myanmar sanctions regimes.

<i>Company name (as specified in documentation)</i>	<i>Trade direct to military</i>	<i>Description of supplies</i>
Supplies direct to the Myanmar military		
ROSOBORONEXPORT JSC* (TIN: 7718852163)	>\$220M	Engines and parts for SU-30 fighter jets. Supplies for MiG-29 fighter jets and other aircraft.
UNITED ENGINE CORPORATION JSC* (TIN: 7731644035)	\$30-50M	Jet engine repair work including the AL-31FP engine used in Sukhoi and Chengdu fighter jets.
NEFT POVOLJYA LLC (TIN: 6452055535)	\$20-30M	Aircraft spare parts.
ALMAZ-ANTEY JSC* (TIN: 526016956102)	\$15-20M	SOPKA-2 radar complex including cameras, navigation devices, and electronics.
ALMAZ R&P CORPORATION PJSC* (TIN: 7712040285)	\$10-15M	Small meteorological complex and mobile laboratory.
IRKUT CORPORATION PJSC* (TIN: 3807002509)	\$10-15M	Engines and spare parts for military aircraft including SU-30 fighter jets and Yak-130 combat-capable trainer aircraft.
ROSTOV-MIL JSC (TIN: 6161010120)	\$5-10M	Aircraft spare parts and upgrades to Mi-2 helicopters.
AZIMUT RUS LLC (TIN: 7731336601)	\$5-10M	Spare parts and technical support for military aircraft.
TACTICAL MISSILES CORPORATION JSC* (TIN: 5099000013)	\$1-5M	Tools and accessories for the X-31A air-to-surface missiles.
AVIASNAB LLC (TIN: 5047172205)	\$1M or below	Spare parts for Mi-17 helicopters.
UNITED AIRCRAFT CORPORATION* (TIN: 7708619320)	\$1M or below	Video surveillance equipment for MiG jets.
SAINT PETERSBURG AVIATION REPAIR COMPANY JSC (TIN: 7810209170)	\$100k or below	Navigation equipment and specialist parts for military helicopters.
AVIAZAPCHAST JSC (TIN: 7731018824)	\$100k or below	Spare parts, electronics, tools, and equipment.
Supplies to Sky Aviator Company Ltd** (Myanmar TIN: 100789450) - Sanctioned by UK & US		
<i>Notes: Sky Aviator Company Ltd is majority owned by U Kyaw Min Oo. Post UK sanctions in 2022 in June 2022, trade is believed to have shifted to his brother's company: Heli Eagle Company Ltd</i>		
UNITED ENGINE CORPORATION JSC* (TIN: 7731644035)	\$10-15M	Aircraft turbojet engines.
ROSOBORONEXPORT JSC* (TIN: 7718852163)	\$5-10M	Aircraft engines, sighting heads, and specialist electronic equipment (e.g. microwave, air pressure, stabilizers modules).

AO "RSK MIG" - RUSSIAN AIRCRAFT BUILDING CORPORATION JSC* (TIN: 7714733528) Liquidated. Was branch of Sukhoi Company JSC (TIN: 7740000090) Liquidated. Was branch of UNITED AIRCRAFT CORPORATION (TIN: 7708619320).	\$1-5M	Spare parts for MiG fighter jets.
SAINT PETERSBURG AVIATION REPAIR COMPANY JSC (TIN: 7810209170)	\$1M or below	Hydraulic test stands for helicopters and aircraft.
IBERUS MUROM LLC (TIN: 3307016704)	\$1M or below	Spares parts and equipment for GAZ-66 all-wheel-drive light military utility trucks and other automotive spares.
UNITED AIRCRAFT CORPORATION* (TIN: 7708619320)	\$1M or below	Spare parts for aircraft.
RUSSIAN HELICOPTERS JSC* (TIN: 7731559044)	\$1M or below	Spare parts for Mi-24/Mi-35M helicopters.
NAZ Sokol JSC* (TIN: 5259008341 - Liquidated was branch of AO "RSK "MIG" (see above)	\$100k or below	Spare parts for MiG fighter jets.
ROSTOV-MIL JSC (TIN: 6161010120)	\$100k or below	Engine parts for aircraft.
Supplies to Sky Royal Hero Ltd (Myanmar TIN: 123614291) <i>Notes: Sky Royal Hero is jointly owned by U Zarni Aung and Than Kyaw. The company is known to have a trading relationship with Sky Aviator Company Ltd.</i>		
RUSSIAN HELICOPTERS JSC* (TIN: 7731559044)	\$1-5M	Repair work on Mi-35M helicopters
SAINT PETERSBURG AVIATION REPAIR COMPANY JSC (TIN: 7810209170)	\$100k or below	Spare parts for helicopters.
Supplies to Miya Win International Ltd** (Myanmar TIN: 101907457) - Sanctioned by UK <i>Notes: Miya Win was sanctioned by the UK on 25th March 2022. It is majority owned by U Pe Aung.</i>		
GORIZONT OJSC* (TIN: 7713006304)	\$1M or below	Spare parts, training, and sales of the Austrian-designed Schiebel S100 (reconnaissance and light attack drone)
Supplies to Synpex Shwe Company Ltd** (Myanmar TIN: 107428143) - Sanctioned by UK <i>Notes: Synpex Shwe Company Ltd was targeted by the UK for brokering deals in the supply of parts and upkeep of aircraft for the Myanmar Armed Forces. Numerous Myanmar-based companies (e.g. SS Alliance), Singapore based entities (e.g. Synergy Tripexin) and the Thai based, SS Affluence Company Ltd continue to facilitate the procurement of arms.</i>		
ALLVE FOREIGN TRADING COMPANY JSC (TIN: 7725026136)	\$100k or below	Spare parts for radios and Mi-17 helicopters.
SINS AVIA TRADING HOUSE LLC* (TIN: 2311282810)	\$100k or below	Spare parts for Mi-17 helicopters.
Supplies to Dynasty International Company Ltd** (Myanmar TIN: 100720744) - Sanctioned by Canada, EU, UK, US <i>Notes: Dynasty International was first targeted by UK sanctions in March 2022 for the supply and upkeep of military and training aircraft for the Myanmar Air Force including the supply of restricted technology and dual-use goods.</i>		
URAL AVIA LLC* (TIN: 6679051905)	\$100k or below	Spare parts for Mi-17 helicopters.
Supplies to Myanmar New Era Trading Company Ltd** (Myanmar TIN: 101544478) - Sanctioned by UK <i>Notes: Myanmar New Era was sanctioned by the UK in June 2022. It is owned by U Aung Myo Win and U Kyin Win and is part of the International Gateways Group (IGG) nexus which continue to supply a range of aircraft supplies and equipment to the Myanmar military through companies based in Myanmar, Singapore, and Thailand.</i>		
AVIATEKHSNABZHENIE LLC (TIN: 7709458668)	\$100k or below	Spare parts for Mi-2 helicopters.

Supplies to King Royal Technologies Company LTD (Myanmar TIN: 110415087) - Subject to Export Administration Regulations of the U.S. Bureau of Industry and Security

Notes: King Royal Technologies is one of 55+ companies owned by eight key director / shareholders in a loose network where a first-degree relationship to one another exists. Multiple entities within the network were found to be trading with the military.

AviaSpares LLC
(TIN: 5024165201)

\$100k or below

Electric batteries.

Figure 2: Russian companies supplying the Myanmar military and Myanmar-based military suppliers between February 2021 to December 2022.



Figure 3: Highlighting major Russian companies, values, and types of equipment being supplied to the Myanmar military and Myanmar-based military suppliers between February 2021 and December 2022.

2. Impact of arms transfers from the Russian Federation

53. Weaponry provided by Russian suppliers has been used to commit probable war crimes and crimes against humanity in Myanmar. In the latter half of 2022, as People's Defense Forces (PDFs) gained strength and increasingly challenged the military's control of territory, the SAC stepped up its use of airpower to target opposition groups and civilian populations. The Armed Conflict Location & Event Data Project recorded 207 airstrikes by the military in the second half of 2022, compared to 105 in the first half of 2022 and 90 in all of 2021. A recent investigation identified 135 "airwar incidents" between July and December 2022, most or all of which involved multiple airstrikes.³⁴ The investigation stressed that the military is heavily reliant upon aircraft manufactured abroad, primarily in Russia, "for almost daily attacks." The Russian Mi-35 helicopter was reported to be the most sighted aircraft including in strikes against schools, medical facilities, and civilian homes and infrastructure. MiG-29 and Yak-130 aircraft have also been used extensively since the coup, with Yak-130 jet fighters seen in attacks in Chin, Kachin, Kayin, Mon, and Shan States and Sagaing Region. Multiple entities listed above provided spare parts for MiG-29 and Yak-130 aircraft.

54. Specific recent examples of military air strikes using Russian arms include an hour-long attack of a school and monastery in Let Yet Kone Village, Tabayin Township in Sagaing Region on 16 September 2022 in which at least six children were killed. The attack was led

³⁴ Myanmar Witness, "Eyes on the skies: The dangerous and sustained impact of airstrikes on daily life in Myanmar," 31 January 2023, <https://www.myanmarwitness.org/reports/eyes-on-the-skies>.

by Mi-17 helicopters, followed by airstrikes by two Mi-35 helicopters.³⁵ More recently, on 12 January 2023, foreign fighter jets were used to drop bombs on the village of Lay Wah in northern Kayah State, destroying two churches and a school and killing a mother and her baby, a villager, a pastor of a Baptist Church, and a Catholic deacon.³⁶ On 20 January 2023, seven people were killed by airstrikes in Sagaing Region's Katha Township.³⁷ Numerous other reports highlight the Myanmar military's reliance on Russian-made aircraft and weaponry during these criminal attacks against civilians.³⁸

3. Implications of arms shipments from the Russian Federation

55. The Russian Federation's continued post-coup transfers of arms to the Myanmar military likely violate customary international law. These transfers are arguably being made with actual knowledge of the Myanmar military's unlawful activity given that the transfers are occurring in the midst of ongoing, widely reported bombing of civilian populations. The fighter jets and missiles are significant contributors to the junta's aerial bombardment of civilians, which form a component of the ongoing probable crimes against humanity and war crimes.

56. Under international humanitarian law, Russia has an obligation to deny further transfers of its weapons, since it should know that the Myanmar military is systematically committing violations of international humanitarian law using its weapons. Failure to do so is a violation of international humanitarian law.

57. As one of the 42 Wassenaar Arrangement Participating States, these sales arguably run counter to Russia's non-binding obligations under the Wassenaar Arrangement. Under Wassenaar, Russia is obligated to "prevent the acquisition of armaments and sensitive dual-use items for military end-uses, if the situation in a region or the behaviour of a state is, or becomes, a cause for serious concern to the Participating States."³⁹ Myanmar is arguably a "cause for serious concern" to Wassenaar's Participating States, though Russia would certainly not agree to that point. The substantial fighter jet and helicopter parts and components Russia has shipped to Myanmar are listed in section 10 of the updated "List of dual-use goods and technologies and munitions list" to which Participating States should apply export controls.⁴⁰

58. International accountability investigative bodies, including the Independent Investigative Mechanism on Myanmar (IIMM) should investigate the leadership of the arms companies based in Russia for aiding, abetting, or assisting, or otherwise contributing to the commission of the Myanmar military's crimes, in line with Articles 25(3)(c) and (d) of the Rome Statute.

³⁵ Myanmar Witness, "The Tabayin School Attack," 23 November 2023,

<https://www.myanmarwitness.org/reports-videos/the-tabayin-school-attack>.

³⁶ Free Burma Rangers, "Burma Army Airstrikes Kill Baby, Mother, Pastor, Catholic Deacon and Villager in Karen State, Burma," 13 January 2023, <https://www.freeburmarangers.org/2023/01/13/burma-army-airstrikes-kill-baby-mother-pastor-catholic-deacon-and-villager-in-karen-state-burma/>.

³⁷ Nyein Swe, "Airstrike leaves seven civilians dead in Sagaing's Katha Township," *Myanmar Now*, 20 January 2023, <https://myanmar-now.org/en/news/airstrike-leaves-seven-civilians-dead-in-sagaings-katha-township>.

³⁸ "The Myanmar military's deadliest airstrikes," *Myanmar Now*, 8 November 2022, <https://myanmar-now.org/en/news/the-myanmar-militarys-deadliest-airstrikes>; Free Burma Rangers, "Death From Above," 14 April 2022, <https://www.youtube.com/watch?app=desktop&v=w36qdm2lq54&fbclid=IwAR3IcyauVmvmTPsmRkIqKmxP-9Rx36S0u5q2xJIPd4SOvRwGRHbbYfgdztU>; Myanmar Witness, "Arms Investigation Russian YAK-130 aircraft in Myanmar," 28 July 2022, <https://www.myanmarwitness.org/reports/arms-investigation-russian-yak-130-aircraft-in-myanmar>; "Myanmar used Russian-made aircraft in civilian attacks: Report," *Al Jazeera*, 30 July 2022, <https://www.aljazeera.com/news/2022/7/30/myanmar-used-russian-made-aircraft-in-civilian-attacks-report>; Amnesty International, "Deadly Cargo: The supply chain that fuels war crimes in Myanmar," November 2022, <https://www.amnesty.org/en/latest/research/2022/11/myanmar-the-supply-chain-fueling-war-crimes/>; *Radio Free Asia*, "Airstrikes target anti-junta forces in Myanmar's Kayah state for 5th day," 30 June 2022, <https://www.rfa.org/english/news/myanmar/airstrikes-06302022185552.html>; Jonathon Head, "Myanmar: Air strikes have become a deadly new tactic in the civil war," *BBC News*, 31 January 2023, <https://www.bbc.co.uk/news/world-asia-64397397>.

³⁹ Wassenaar Arrangement, *supra* note 19, Section 3.

⁴⁰ Wassenaar Arrangement, "List of dual-use goods and technologies and munitions list," *supra* note 20, Munitions List Categories 1-5, (ML1 to ML5), at 183-188.

B. Arms shipments from China, including Hong Kong

1. Entities, amounts, and types of arms transferred from China

59. Since the coup, numerous private and state-owned companies registered in China, including in Hong Kong, have continued to supply the Myanmar military with a broad array of arms, equipment, and raw materials. 41 unique suppliers based in China, including Hong Kong, transferred at least \$267 million USD worth of arms and associated materials to the Myanmar military since February 2021.

60. In “Enabling Atrocities,” the Special Rapporteur highlighted that China-origin sales to Myanmar included fighter jets, missiles, and related munitions both before and after the military coup. Shipments included JF-17M “Thunder” jets, K-8W Karakorum light fighter/trainer jets, Y-12 military transport planes, and SY-400 precision guided surface-to-surface missiles.

61. The Special Rapporteur’s research has identified specific shipments since October 2021, including the delivery of FTC-2000G multirole advanced trainer jets / light attack aircraft, upgrades to Type-59 and Type-63 tanks, overhaul and repair work for K-8W and JF-17 fighter jets, and delivery of spare parts for F-7IIK fighter aircraft and the A-5IIK ground attack jet. Items identified by the Special Rapporteur have also included spare parts for military transport planes, equipment for the Myanmar navy, radio and communication systems, and a wide range of raw materials such as aluminum, copper, steel, rubber, and lubricants.

62. The table that follows provides a list of the companies that have transferred arms and related materials to the Myanmar military and the approximate value of those transfers. Due to source sensitivities, the specific types of supplies are provided in a separate table. The Special Rapporteur does not list companies that shipped only a de minimis amount of material.

Supplies to companies in Myanmar Chemical & Machinery (MCM) Network	
<i>Notes: MCM is run by the sanctioned arms dealer Aung Hlaing Oo. Other companies in his network that have received supplies on behalf of the military include MCM PACIFIC PTE LTD (Singapore). United Strategies Company Ltd is closely aligned with the MCM network. It was previously 50 percent owned by Daw Khin Khin Linn, the majority owner of five companies previously owned by Aung Hlaing Oo and his wife, Daw Khin Nwe Mar Tun. Furthermore, United Strategies Company Ltd is now 50 percent owned by Daw Nang Htwe Kham, who shares ownership of Yangon Telecom Company Ltd with Aung Hlaing Oo’s wife.</i>	
EAGLET AERO TECHNOLOGY INC via UNITED STRATEGIES COMPANY LTD (Myanmar)	\$15M+
Supplies direct to the Myanmar Military from the International Gateways Group (IGG) Network	
<i>Notes: Long known for its ties to the Myanmar military and sanctioned by the U.S. and UK in 2022, International Gateways Group (IGG) and its wider network of related companies continue to provide a range of aircraft supplies and equipment to the Myanmar military. Related companies include entities in Singapore and Thailand. The Special Rapporteur holds evidence which suggests the following two entities based out of Hong Kong are closely aligned to the IGG nexus, despite their independent ownership.</i>	
VENTURE SKY INTERNATIONAL CN: 2494727 (Hong Kong – Russian owned)	\$1-5M
GATEWAYS HONG KONG LTD CN: 2811498 (Hong Kong – Chinese owned)	\$1-5M
Supplies directly to the Myanmar military from entities without known links to a broader arms network	
<i>Notes: The following companies include state-owned and private companies in China.</i>	
CHINA CAMC ENGINEERING COMPANY LTD (for military infrastructure project)	\$60M+
CHINA NATIONAL GUIZHOU AVIATION INDUSTRY GROUP COMPANY LTD	\$50M+

EAGLET AERO TECHNOLOGY INC	\$50M+
POLY TECHNOLOGIES INC	\$20-30M
BEIJING LILONG HONGTONG TRADING DEVELOPMENT CO LTD	\$10-20M
CHINA WAN BAO ENGINEERING CORPORATION	\$5-10M
CHINA NATIONAL AERO-TECHNOLOGY IMPORT & EXPORT (CATIC)	\$5-10M
YUNNAN JINZHONG ENTERPRISE DEVELOPMENT CO LTD	\$5-10M
AEROSPACE LONG-MARCH INTERNATIONAL TRADE COMPANY LTD	\$5-10M
CHENYTHONG INTERNATIONAL COMPANY LTD	\$1-5M
GREAT DYNASTY HK COMPANY LTD CN: 1463504 (Hong Kong)	\$1-5M
BEIJING XINDEDA TRADING CO LTD	\$1-5M
SINOTRUK INTERNATIONAL	\$1-5M
SINLUM INTERNATIONAL TRADE CO LTD CN: 0725821 (Hong Kong)	Up to \$1M
BEIJING CENTRAL UNION INTERNATIONAL TRADE COMPANY LTD	Up to \$1M
SRISEN TIANJIN ENERGY TECHNOLOGY CO LTD	Up to \$1M
WALTER AERO TRADING CO LTD CN: 0913772 (Hong Kong)	Up to \$1M
HSIANGCHERNG INTERNATIONAL INDUSTRIES - DALIAN F.T.Z CO LTD	Up to \$1M
MENGLIAN YAHUA TRADING CO LTD	Up to \$1M
CHANG KIANG INDUSTRIAL LTD	Up to \$1M
MESSO COMMUNICATIONS COMPANY LTD	Up to \$1M
G-FRIEND INDUSTRY LTD CN: 1668488 (Hong Kong)	Up to \$1M
SONO COMMUNICATIONS LTD	Up to \$500k
JINCHENG HONGSHENG SUPPLY CHAIN MANAGEMENT CO LTD	Up to \$500k
CVC INTERNATIONAL DEVELOPMENT LTD CN: 1643091 (Hong Kong)	Up to \$500k

Figure 4: Chinese companies supplying the Myanmar military suppliers February 2021 to December 2022

Arms:
<ul style="list-style-type: none"> • Delivery of six FTC-2000G multirole advanced jet trainer / light attack aircraft • Spare parts for MI-2 helicopters • Spare parts for Airbus H120-B helicopters • Spare parts and repair of PT-6 Turboprop engine • Spare parts for Chinese A-5IIK ground-attack fighter jet • Spare parts for F-7IIK (Chendu-J-7 Variant) fighter aircraft • Spare parts and repair of K-8W fighter jets • Spare parts of JF-17 fighter jets • Spare parts for ATR-72 military transport plane • Upgrades to Type-59 and Type-63 tanks • Supplies for the Myanmar Navy • Bore sighters for weapons
Dual-use military supplies:
<ul style="list-style-type: none"> • Radio and communication equipment • Marine equipment including diesel generating systems • Parts for military owned trucks • Heavy automotive construction equipment • Solar power equipment • Networking equipment and software
Military Infrastructure
<ul style="list-style-type: none"> • Expansion of Myanmar Navy shipyard
Manufacturing equipment:
<ul style="list-style-type: none"> • Grinding and milling machines • Manufacturing and sealing machines • Workshop equipment and material
Raw materials:
<ul style="list-style-type: none"> • Steel tubing • Copper, steel, aluminum, rubber • Steel wire • Lubricants

Figure 5: Types of shipments and military support provided to the Myanmar military and Myanmar-based military suppliers from Chinese entities between February 2021 to December 2022



Figure 6: Highlighting major Chinese companies, values, and types of equipment being supplied to the Myanmar military and Myanmar-based military suppliers between February 2021 to December 2022.

2. Impact of arms shipments from China

63. Equipment secured from companies operating out of China, including Hong Kong, continue to bring death and destruction to communities in Myanmar. Chinese K-8 jet fighters, for which the military has recently received spare parts from Chinese companies, were the most frequently spotted ground attack jet of the Myanmar Air Force prior to the more sustained deployment of the Russian Yak-130 in April 2022.⁴¹ Video evidence submitted to the Special Rapporteur and publicly available video confirms their use in numerous operations.⁴² Given the Chinese government’s tight control over the arms industry in China, it is highly probable these spare parts were shipped with authorization from the Chinese government.

64. The transfer of FTC-2000G fighter jets in December 2022 increases the likelihood of further airstrike targeting civilians. The FTC-2000G blends fighter jet training with attack capabilities. As a multi-role fighter jet, it offers a range of options to the Myanmar Air Force as it has up to seven hard points under the wings and fuselage section to accommodate a wide range of ammunition including missiles, rockets, and bombs and can be used for aerial surveillance, patrol missions, reconnaissance, electronic warfare, close-in air support, and air escort missions.⁴³

65. The shipment of raw materials likely supports the military’s domestic weapons production at Ka Pa Sa weapons factories.

3. Implications of arms shipments from China

66. Through its continued transfer of numerous fighter jets, spare parts for fighter jets, tanks, and military helicopters, China has violated international humanitarian law and likely customary international law. Given the widespread reporting of the Myanmar military’s war crimes, China has arguably made these transfers with actual knowledge that the Myanmar military will use the fighter jets transferred by its state-owned arms manufacturers in attacks on civilians in violation of international humanitarian law. These transfers likely violate

⁴¹ Myanmar Witness, “Eyes on the skies,” *supra* note 34, at 5.

⁴² See e.g., KNDF Battalion 09, 23 February 2022, <https://www.facebook.com/100083481812310/videos/1426730944408917/> (warning, graphic content).

⁴³ Airforce Technology, FTC-2000G Light Multirole Trainer and Combat Aircraft, <https://www.airforce-technology.com/projects/ftc-2000g/>.

China's obligations under the Geneva Conventions to "undertake to respect and to ensure respect for the present Convention in all circumstances."⁴⁴ Based on China's knowledge of the Myanmar military's past use of transferred arms in attacks against civilians, such weapons transfers likely violate the Conventions and customary international law.

67. The Special Rapporteur assesses that China continues to violate the Arms Trade Treaty, which it is bound to comply with as of its date of ascension, 4 October 2020. The Special Rapporteur highlighted in "Enabling Atrocities" that the transfer to Myanmar of four K-8 jet fighters and four Y-12 planes in December 2021 implicates its ATT obligations. The December 2022 transfer of FTFC-2000G fighters does likewise. Article 6 of the ATT prohibits States parties from transferring weapons "if it has knowledge at the time of a authorization that the arms or items would be used in the commission of genocide, crimes against humanity, grave breaches of the Geneva Conventions of 1949, attacks directed against civilian objects or civilians protected as such, or other war crimes."⁴⁵ Based on the wide reporting of the Myanmar military committing attacks against civilians using fighter jets since 1 February 2021, China presumably has the requisite knowledge.

68. International accountability investigative bodies, including the IIMM and those jurisdictions considering universal jurisdiction cases should investigate the leadership of the arms companies based in China for aiding, abetting, or assisting, or otherwise contributing to the commission of the Myanmar military's crimes under Articles 25(3)(c) and (d) and analogous national laws.

C. Arms shipments from Singapore

1. Entities, amounts, and types of arms transfers from Singapore

69. The Special Rapporteur has uncovered \$254 million USD of arms and related goods shipped through Singapore entities to the Myanmar military via 138 unique suppliers between February 2021 and December 2022. Singapore has become a major jurisdiction for the procurement of spare parts, raw materials, and manufacturing equipment to the Myanmar military since the coup. The Special Rapporteur's research shows that entities operating in Singapore provide critical supplies directly to Myanmar's Directorate of Defense Industries' weapons factories, which are essential for continued domestic weapons production.

70. Singapore banks have likewise been used extensively by arms dealers operating within Singapore and outside of it, with payments for hundreds of millions of dollars of arms transfers described in this report moving through Singapore banks.

71. The KaPaSa weapons factories domestically produce a range of weapons and weapons systems, as described in a recent report by the Special Advisory Council for Myanmar (SAC-M).⁴⁶ These include pistols, assault rifles, sniper rifles, heavy machine guns, light and heavy artillery systems, mortar and rocket launch systems, man-portable air-defense systems, and surface to air missiles.⁴⁷ KaPaSa factories also manufacture small arm ammunition, grenades, artillery shells, anti-personnel and anti-vehicle landmines, and unguided bombs weighing between 50 kg and 500 kg.⁴⁸

72. SAC-M identified Singapore as a "strategic transit point for potentially significant volumes of items—including certain raw materials—that feed the Myanmar military's weapon production."⁴⁹ The report noted that, "companies domiciled in Singapore have been identified as brokering deals and exporting items to the [Directorate of Defense Industries] DDI or to associated civilian front companies for the military in Myanmar."⁵⁰

⁴⁴ Convention (I) for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field, *supra* note 10.

⁴⁵ The Arms Trade Treaty, *supra* note 16, at Article 6.

⁴⁶ Special Advisory Council Myanmar, "Fatal Business: Supplying the Myanmar Military's Weapon Production," January 2023, at 24-25, <https://specialadvisorycouncil.org/fatal-business/report/>.

⁴⁷ *Ibid.*

⁴⁸ *Ibid.*

⁴⁹ *Ibid.*, at 8.

⁵⁰ *Ibid.*

73. On 14 February 2023, during a parliamentary hearing addressing the SAC-M report, Minister for Foreign Affairs Vivian Balakrishnan laid out Singapore's policy vis-à-vis arms and dual-use good sales to Myanmar. He said:

In June 2021, Singapore also voted in favour of UN General Assembly Resolution 75/287 entitled "The Situation in Myanmar." This resolution called on the UN Member States to 'prevent the flow of arms into Myanmar.' Whilst UNGA resolutions are not strictly legally binding, nevertheless, the Government of Singapore has decided to prohibit the transfer of arms to Myanmar. We also decided not to authorise the transfer of dual-use items which have been assessed to have potential military application to Myanmar, where there is a serious risk that they may be used to inflict violence against unarmed civilians. We will not hesitate to take action against those who contravene our laws, including Singapore's Strategic Goods (Control) Act which controls the transfer and brokering of strategic goods and technology.⁵¹

74. Compelling evidence the Special Rapporteur has received and analyzed makes clear that critical components and raw materials are being shipped into Myanmar via Singapore-based entities. These range from spare parts for advanced weapons systems to raw materials enabling KaPaSa's weapon production.

75. In early March 2023, the Special Rapporteur provided his detailed findings on arms shipments from Singapore-based entities to Myanmar to the Singapore Government. The Special Rapporteur provided the names of over 45 entities and their Singapore Unique Entity Number, the items shipped to the military, and the approximate value of the items. The Special Rapporteur also provided information on the arms dealing networks associated with the entities.

76. The Special Rapporteur urged Singapore to "urgently review trade with Myanmar and act decisively on entities that are using Singapore as a base from which to deliver arms, spare parts, manufacturing equipment, and raw materials to the Myanmar military." In response, Singapore wrote to the Special Rapporteur:

We appreciate that you have provided data to aid Singapore's investigations into whether any offences were committed under Singapore law as regards the possible transfer of goods and raw materials to Myanmar. The Singapore Government constantly reviews the effectiveness of our export controls in relation to Myanmar, and will take the information provided by your Office into consideration. We may also approach your Office for further details to facilitate our checks into the alleged transactions.

77. The Special Rapporteur has decided to not list the names of Singaporean entities transferring arms to the Myanmar military in order to allow time for the Singapore Government and other UN Member States to take action against these entities.

78. The types of arms and supplies, including inputs for Myanmar's domestic arms industry, transferred to the Myanmar military via Singapore-based networks include:

⁵¹ Transcript of Minister for Foreign Affairs Dr Vivian Balakrishnan's Oral Reply to Parliamentary and Supplementary Question on Allegations concerning Singapore in the Report of the Special Advisory Council for Myanmar, 14 February 2023, <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2023/02/20230214-PQ>.

Arms:	
<ul style="list-style-type: none"> • Components for MiG-29 fighter jets • Spare parts for K-8W trainer and light attack aircraft • Spare parts for Mi-17 helicopters • Spare parts for ATR-42 transport planes • Spare parts for other military transport aircraft, trucks, and vehicles • Equipment for the Navy including propulsion systems and engine parts • Supplies for the Navy including specialist navigation and diving equipment • Equipment for electronic warfare • Radar equipment 	
Dual-use military supplies:	
<ul style="list-style-type: none"> • Radio and communication equipment • Pumps and generators • Batteries, gearboxes, and engine parts • Research equipment • Computers 	<ul style="list-style-type: none"> • Security equipment • Electrical components • Hardware modules • Software • Medical equipment
Manufacturing equipment:	
<ul style="list-style-type: none"> • Auto-forging machines • Welding machines • CNC machines • Milling equipment and tools • Machine reamer • Furnace machine • Laser cutting machines 	<ul style="list-style-type: none"> • Plastic injection molding machines • Band saws • Grinding equipment • Overhead cranes • Drilling equipment including gun drills • Milling equipment • Refurbishment of machines
Raw materials:	
<ul style="list-style-type: none"> • Aluminum ingot • Pipes and valves • Hot rolled sheets • Steel and brass sheets • Steel beams • Deformed steel bars • Steel round bars • Steel, brass, and copper tubing 	<ul style="list-style-type: none"> • Steel and copper balls • Synthetic raw materials • Raw materials for welding • Construction material • Raw materials for shipbuilding • Lubricants • Wiring and power cables • Fabric for military uniforms

Figure 7: Types of shipments sent to the Myanmar military and Myanmar-based military suppliers from Singapore entities between February 2021 to December 2022



Figure 8: Visual representation of the types of arms, machinery, and raw materials shipped through Singapore since the coup

79. Companies based in Singapore are, however, often only one link in a chain. The SAC-M report, for example, noted that Mottama Holdings Limited, a Myanmar-based conglomerate, is reportedly the current intermediary between KaPaSa and Chinese arms industry company, North Industries Group Corporation (NORINCO). SAC-M identified Mottama as facilitating KaPaSa’s purchase of raw materials, including steel for arms manufacturing. Supply chain analysis of confidential information submitted to the Special Rapporteur showed the flow of steel from a Chinese owned Malaysian company, Alliance Steel (M) SDN BHD, through a Singaporean entity (Min Investment & Trading PTE) to Min Dharma Steel Structures, a subsidiary of Mottama Holdings Limited (Myanmar). Evidence also showed that Min Investment & Trading PTE has shipped steel to Prime Metal Steel Structures (Myanmar), a company owned by Yan Hoe, Chairman and 30% shareholder of Mottama and reported to be the key Myanmar contact for NORINCO.

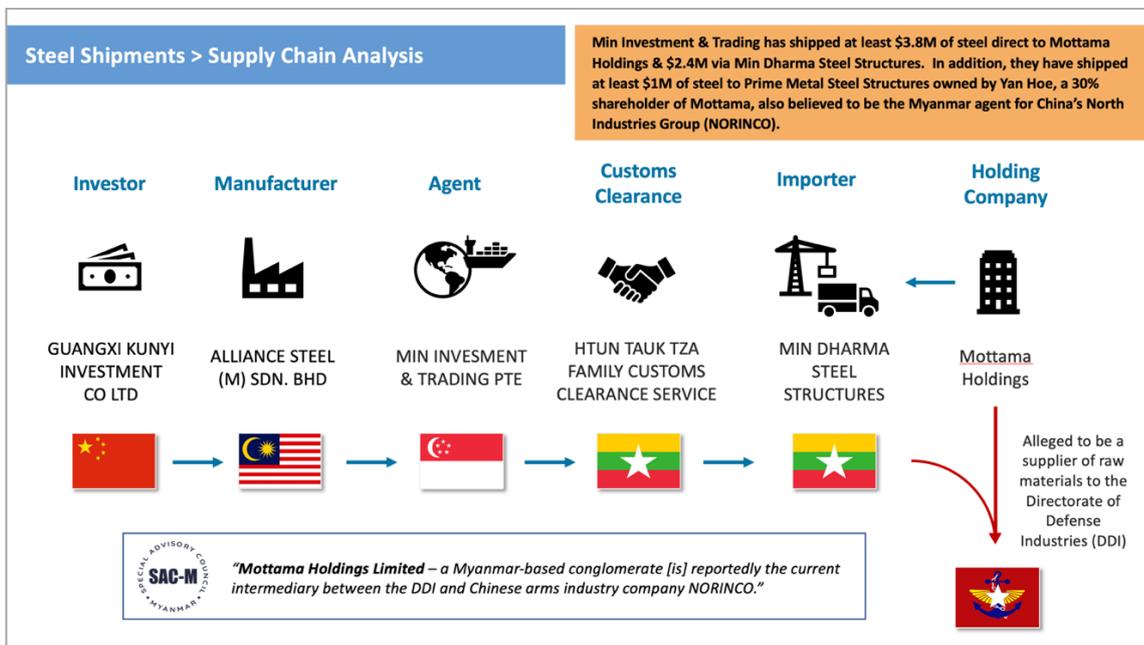


Figure 9: Supply chain analysis of steel shipments passing through Singapore

2. Impact of arms shipments from Singapore

80. It is difficult to isolate the impact of spare parts, equipment, and raw materials shipped via Singapore-based entities. However, CNC machines, auto-forging machines, furnaces, and the raw metals shipped via Singapore to the DDI are critical for the continuing operations of KaPaSa weapons factories. The Special Rapporteur assesses, based on the scale of materials sent from Singapore-based entities, that if the Singapore Government was able to stop all facilitation and shipment of materials to the Myanmar military from its jurisdiction, the impact on KaPaSa factories would, at least in the short to medium term, be severe for the Myanmar military's domestic weapons production.

81. The Myanmar military relies on its domestic production for air assaults and ground assaults. For example, the two 250 kg bombs dropped on Pazigy village on 11 April were produced in KaPaSa factories.

3. Implications of arms shipments from Singapore

82. Based on the information the Special Rapporteur has reviewed, there are no indications the Government of Singapore has approved, or is involved in, the shipment of arms and associated materials to the Myanmar military.

83. That said, the Singapore Government could have a significant impact on the ability of the military junta to continue its attacks on the people of Myanmar by strictly enforcing its clearly stated ban on weapons sales to the Myanmar military. Dual-use items, raw materials, and spare parts for advanced weapons systems have been flowing to the Myanmar military through entities based in Singapore on a regular basis since the coup, enabling its continuing operation of KaPaSa factories and providing critical spare parts to advanced weapons systems.

84. As with arms dealers operating in China and Russia, international accountability investigative bodies, including the IIMM and those jurisdictions considering universal jurisdiction cases should investigate the leadership of arms companies based in Singapore for aiding, abetting, assisting, or otherwise contributing to the commission of the Myanmar military's international crimes.

D. Arms shipments from Thailand

1. Entities, amounts, and types of arms from Thailand

85. Since the coup, entities within Thailand have shipped over \$27.7 million USD of arms, manufacturing equipment, and raw materials directly to the Myanmar military through 25 companies registered in Thailand. 12 of these 25 companies were established after the coup, many by key arms dealers already trading from Myanmar and Singapore. These 12 companies represent 80 percent of the volume of trade to the Myanmar military from Thailand. Thailand therefore appears to be increasingly used by arms dealers since the coup and potentially is becoming an alternative jurisdiction to Singapore to facilitate these transactions.

86. The types of arms, equipment, and raw materials sent to the Myanmar military via Thailand-based networks are similar to those shipped from Singapore, though only roughly 10 percent of Singapore's total amount. The arms and related materials these Thai-based companies have sent include spare parts for Mi-17 helicopters, milling and CNC machinery, software, and raw materials including aluminum ingot, brass bars, steel sheets, chemicals, and lubricants.

87. The table that follows provides a listing of the Thailand-based companies that have provided support to the Myanmar military and the approximate value of the supplies. Due to source sensitivities, the specific types of supplies are presented in a separate table. Each entry includes the company's Registration Number (RN) as registered with the Thai government. The Special Rapporteur does not list companies that shipped only a de minimis amount of material.

Supplies via IGG Network	
<i>Notes: Long known for its ties to the Myanmar military, and sanctioned by U.S. and UK in 2022, International Gateways Group (IGG) and its wider network of related companies continue to supply a range of aircraft supplies and equipment to the Myanmar military. These now include entities in Singapore (MCC Principle and MCC Venture) as well as entities in Thailand.</i>	
BRANGATE TRADING LTD (Est. 25/05/2022) RN: 0105565084546	\$5-10M
MCC PRINCIPLE (Est. 19/05/2022) RN: 0105565081237	\$5-10M
POWER 9 ENGINEERING COMPANY LTD (Est. 31/07/2008) RN: 0105551084719	\$1-5M
SUNTAC POWER COMPANY LTD (Est. 23/01/2014) RN: 0105557011799	\$1-5M
Supplies via Synpex Shwe Network	
<i>Notes: Synpex Shwe Company LTD was sanctioned by the UK for brokering deals in the supply of parts and upkeep for aircraft of the Myanmar Armed Forces. Numerous Myanmar-based companies (e.g. SS Alliance), Singapore based entities (e.g. Synergy Tripexin) and the Thai based SS Affluence Company Ltd continue to facilitate the procurement of arms.</i>	
SS AFFLUENCE COMPANY LTD (Est. 16/09/2022) RN: 0105565155001	\$1-5M
Supplies with a connection to KT Group Network	
<i>Notes: Altitude Trading, Blue Mountain Trading, and Somerset Holdings are majority owned by Miss Chanidapha Praditsin (นางสาวชนิดาภา ประดิษฐ์สิน). However, evidence received by the Special Rapporteur suggests they should be considered within the KT Group nexus.</i>	
ALTITUDE TRADING CO. LTD (11/05/2021) RN: 0105564077694	\$1-5M
BLUE MOUNTAIN TRADING COMPANY (11/05/2021) RN: 0105564077708	\$1-5M
SOMERSET HOLDINGS CO LTD (11/05/2021) RN: 0105564077724	\$100- \$500k
Supplies with a connection to IGE Network	
<i>Notes: Royal Fifteen is owned by two Myanmar and three Thai shareholders. However, evidence shows that there are links to IPL PTE Ltd owned by Yeo Soon Seng (Singapore) also director of IGE PTE and UNOG PTE. This company should therefore be considered within the IGE nexus.</i>	
ROYAL FIFTEEN COMPANY LTD (14/12/2021) RN: 0105564175033	\$1-5M
Supplies via King Royal Technologies Network	
<i>Notes: King Royal Technologies is subject to Export Administration Regulations of the U.S. Bureau of Industry and Security. It is one of 55+ companies owned by eight key director / shareholders in a loose network where a first-degree relationship exists. Multiple entities within the network were found to be trading with the military.</i>	
ASTRONICA COMPANY LTD (04/04/2022) RN: 0105565061996	\$500k-\$1M
Supplies directly to the Myanmar military from entities without known links to a broader arms network:	
<i>Notes: The following companies are not currently known to have links to other entities also trading with the Myanmar military.</i>	
GOLD BRIDGE INTERNATIONAL CO LTD (Taiwanese Business Association)	\$500k-\$1M
ROYAL SIAM ORCHID (Est. 22/06/2022) RN: 0105565100908	\$500k-\$1M

K WIN TRADING & SERVICES COMPANY LTD (26/04/2021) RN: 0905564002786	\$500k-\$1M
SIAM MOEI (MANAGEMENT) COMPANY LTD (06/03/2012) RN: 063555000175	\$500k-\$1M
RELIANCE SALWEEN RIVER CO LTD (05/05/2022) RN: 0105565073986	\$500k-\$1M
SSIC THAILAND CO LTD (21/02/2019) RN: 0105562035161	\$500k-\$1M
SIAM SNS GROUP CO LTD (10/02/2006) RN: 0105549020105	\$500k-\$1M
BEYOND AURORA GROUP CO LTD (23/08/2022) RN: 0105565136627	\$500k-\$1M
SIAM MAX LOGISTICS COMPANY LTD (13/01/2020) RN: 0505563000589	Up to \$100k

Figure 10: Thai companies supplying the Myanmar military February 2021 to December 2022

Arms:	
<ul style="list-style-type: none"> Spare parts for Mi-17 helicopters Spare parts for ATR-42 military transport planes 	
Dual-use military supplies:	
<ul style="list-style-type: none"> Construction vehicles and equipment Radio and communications equipment 	<ul style="list-style-type: none"> Networking equipment Software
Manufacturing equipment:	
<ul style="list-style-type: none"> CNC machinery 	<ul style="list-style-type: none"> Milling machines
Raw materials:	
<ul style="list-style-type: none"> Aluminum ingot Deformed steel bars Lead Steel, brass, bronze, and copper bars 	<ul style="list-style-type: none"> Brass and steel sheets Steel wire Chemicals Lubricants

Figure 11: Types of shipments sent to the Myanmar military from Thai based entities between October 2021 to December 2022

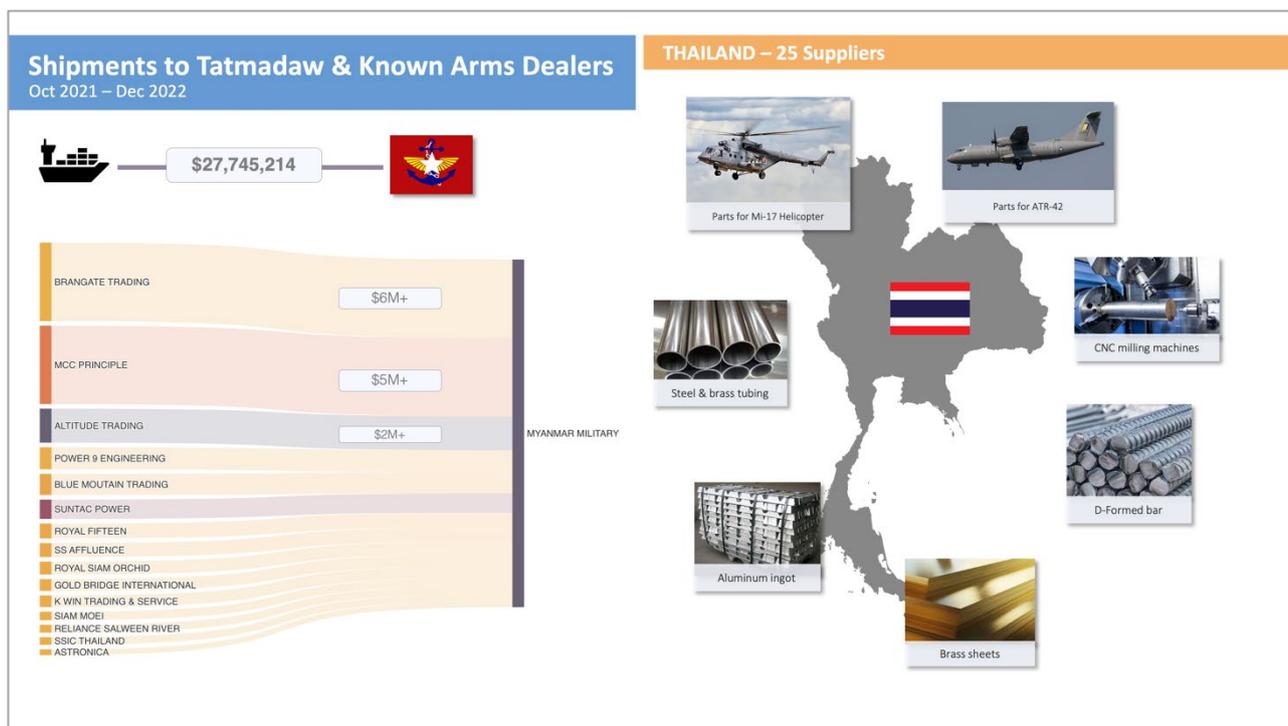


Figure 12: Visual representation of the types of equipment being supplied to the Myanmar military from Thai-based entities between October 2021 to December 2022

2. Impact of arms shipments from Thailand

88. As with shipments from Singapore, CNC and milling machines and raw metals are shipped from Thailand to DDI and support the continuing operation of KaPaSa weapons factories. The Special Rapporteur assesses that if Singapore cracks down on the use of its territory to supply the Myanmar military’s war industry, Thailand will become even more important to the military’s procurement efforts.

89. Thailand-based entities’ provision of spare parts for the Mi-17 helicopter may have contributed to significant human rights violations. As highlighted above, the attack on a school and monastery in Let Yet Kone Village, Tabayin Township, Sagaing Region included two Mi-17 helicopters, which carried dozens of troops that deployed from the helicopters and attacked the village.⁵²

3. Implications of arms shipments from Thailand

90. The Special Rapporteur has received no information indicating that the Thai Government, including the Thai military, has approved, or is involved in, the shipment of arms and associated materials to the Myanmar military. Unlike Singapore, however, the Thai Government has not expressed a policy to ban weapons sales to the Myanmar military from its jurisdiction. The Special Rapporteur strongly recommends that it do so.

91. As with arms dealers operating in China, Russia, and Singapore, investigative bodies should open files on the leadership of arms companies operating out of Thailand for aiding, abetting, assisting, or otherwise contributing to the commission of the Myanmar military’s international crimes.

92. The Special Rapporteur recognizes the sensitivity of Thailand sharing a 2,400 km border with Myanmar, the need to establish peace and security in the region, and Thailand’s hosting of large numbers of refugees and economic migrants from Thailand. This makes stopping weapons transfers to the Myanmar military even more essential for Thailand, as these transfers only heighten insecurity and instability and facilitate the attacks on civilians that have driven tens of thousands of people across the border into Thailand. The Special

⁵² Myanmar Witness, “The Tabayin School Attack,” *supra* note 35.

Rapporteur urges Thailand to urgently review trade with Myanmar and act decisively on entities that are using Thailand as a base from which to procure and deliver arms, spare parts, manufacturing equipment, and raw materials to the Myanmar military. The Special Rapporteur encourages Thailand to put in place enhanced due diligence on exports to Myanmar and to utilize robust export controls to stem the flow of spare parts and raw materials in order to protect civilians, support non-proliferation, and meet agreed international obligations. He also urges Thailand to investigate the entities listed in this report for any violation of Thai money laundering restrictions and other applicable domestic criminal laws.

E. Arms shipments from India

1. Entities, amounts, and types of arms from India

93. Since the coup, entities within India, including state-owned entities, have shipped at least \$51 million USD of arms, raw materials, and associated supplies to the Myanmar military and known Myanmar arms dealers. A total of 22 unique suppliers based in India shipped arms, dual-use supplies, manufacturing equipment, and raw materials to the Myanmar military.

94. In “Enabling Atrocities,” the Special Rapporteur highlighted that since 2018 India has transferred six second-hand HJT-16 Kiran-1 jet trainer / light attack aircraft to the Myanmar Air Force, and in July 2021, Indian state-owned Bharat Electronics Limited exported a remote-controlled weapons station (RCWS) / air defense weapon station to Myanmar, according to export data.⁵³

95. The Special Rapporteur appreciates that representatives of the Government of India have been responsive to his inquiries and shared additional information regarding the context of arms transfers to Myanmar. As described in “Enabling Atrocities,” this context includes that Myanmar and India share important security interests along a 1,700 km border and in the Bay of Bengal. Furthermore, the representative from India stated that any arms transfers that may have been made to Myanmar were based on commitments made to Myanmar’s civilian government before the coup and based on India’s domestic security concerns. India representatives also asserted that with regard to the issues presented in the report, “We consider what is in the interest of the people of Myanmar.”

96. While the Special Rapporteur notes these points and assertions, research following on from the “Enabling Atrocities” paper found that shipments continued from India to Myanmar, including state-owned Bharat Electronics’ transfer of the remote controlled weapons station (RCWS) / air defense weapon station up to September 2022.⁵⁴ Further research also identified \$28 million USD of shipments direct to the Myanmar military related to a coastal radar surveillance system and \$5.2 million USD of unspecified equipment sent from Bharat Electronics at the end of 2021.⁵⁵

97. The Special Rapporteur also received information indicating that state-owned Bharat Dynamics, one of India’s ammunition and missile systems manufacturers, received over \$7 million USD in payments for unspecified equipment from the Myanmar military since the coup. Given the nature of Bharat Dynamics products, the Special Rapporteur is concerned about the potential impact of these shipments on civilian populations.⁵⁶

⁵³ “To counter Chinese clout, India to gift 6 HAL Kiran jet trainers to Myanmar,” *Times Now*, 1 December 2018, <https://www.timesnownews.com/india/article/china-hal-kiran-myanmar-indian-air-force-southeast-asia-kaladan-multimodal-project-act-east-policy-narendra-modi-national-socialist-council-of/324243>.

⁵⁴ Justice for Myanmar, “Bharat Electronics LTD Arms Sales Continue Via Myanmar Military Broker Mega Hill General Trading,” 5 October 2021, <https://www.justiceformyanmar.org/stories/bharat-electronics-ltd-arms-sales-continue-via-myanmar-military-broker-mega-hill-general-trading>.

⁵⁵ Justice for Myanmar, “Bharat Electronics Limited Supplying Technology to Myanmar Since Attempted Military Coup,” 14 June 2021, <https://www.justiceformyanmar.org/stories/bharat-electronics-limited-supplying-military-technology-to-myanmar-since-attempted-coup>.

⁵⁶ Bharat Dynamics Limited, A Government of India Enterprise, Ministry of Defense, Products Page, <https://bdl-india.in/products>.

98. Likewise, Indian state-owned firm Yantra India transferred 122 mm barrels to a military supplier in October 2022, likely for use in short-range howitzer artillery guns.⁵⁷

99. In addition to shipments from Indian state-owned entities, private Indian entities also transferred equipment and arms to the Myanmar military, including spare parts and fuses likely used in artillery shells.

100. Data in the table below highlights shipments of arms from India since the coup identified by the Special Rapporteur. This data includes companies grouped into ‘networks’ where an entity was either an integral part of an existing arms dealer network or where two or more companies were found to be shipping to the military with a first-degree relationship between directors or shareholders. The Special Rapporteur does not list companies that shipped only a de minimis amount of material. Each company’s Registered Identification Number (RN) and Corporate Identification Number (CIN) as registered with the Indian Government are included. The table includes additional details on the types of arms and materials the network has supplied to the Myanmar military as well as the approximate value of those supplies.

Supplies via Mega Hill General Trading		
Notes: Mega Hill General Trading, is a Myanmar-based company that has a history of procuring technology and providing services to the army’s Directorate of Procurement in addition to the Myanmar Navy and Directorate of Signals. ⁵⁸		
BHARAT ELECTRONICS LIMITED RN: 000787 / CIN: L32309KA1954GOI000787 MYANMAR: 110082789	\$1M+	Remote controlled weapons station (RCWS)/air defense weapon station. ⁵⁹ Further shipments from August 2021 to September 2022 included battery chargers and optical system upgrades.
Supplies via My Space International/ Creative Exploration Network		
Notes: This network includes Myanmar-based entities: Creative Exploration (formally My Space International), Innovative Industrial Technologies and Beyond Technology Group. It is majority owned by Dr Kyaw Kyaw Htun and his wife, Daw Zar Phyu Tin Soe. Their companies have shipped arms from Indian companies including: Yantra India Limited and Sandeep Metalcraft Limited. Media reports have in the past linked them to the procurement of spyware and encryption cracking technology from Israeli and American companies. ⁶⁰		
SANDEEP METALCRAFT PRIVATE LIMITED RN: 047707 / CIN: U28920MH1988PTC047707	\$100-500k	Metal fuses [used in bombs and artillery]
YANTRA INDIA LIMITED RN: 365890 / CIN: U35303MH2021GOI365890	\$100-500k	122 mm barrels for military weapons
Supplies via Star Sapphire Network		
Notes: Star Sapphire Group is owned by Dr Tun Min Latt the son of a retired air force lieutenant colonel and his wife Dr Win Min Soe. Investigations into their activities supporting military procurement have been extensively reported online.		
LARSEN AND TOUBRO LIMITED RN: 004768 / CIN: L99999MH1946PLC004768	\$100-500k	Spare parts and an alarm monitoring and control system

⁵⁷ Justice for Myanmar, “India Supporting Myanmar Junta Atrocities through Supply of Gun Barrels,” 3 March 2023, <https://www.justiceformyanmar.org/stories/india-supporting-myanmar-junta-atrocities-through-supply-of-gun-barrels>.

⁵⁸ Justice for Myanmar, “Bharat Electronics LTD Arms Sales Continue,” *supra* note 54.

⁵⁹ *Ibid.*

⁶⁰ See, “Israeli drones, spyware sold to Myanmar despite ban: report,” *The New Arab*, 2 March 2021, <https://www.newarab.com/news/israeli-drones-spyware-sold-myanmar-despite-ban-report>.

Supplies directly to the Myanmar military from entities without known links to a broader arms network:		
<i>Notes: The following companies shipped supplies direct to the Myanmar military. Some have corresponding entities based in Myanmar.</i>		
BHARAT ELECTRONICS LIMITED RN: 000787 / CIN: L32309KA1954GOI000787 MYANMAR: 110082789	\$30M+	Coastal surveillance system including radars, towers, and communication equipment totaling \$28M+. ⁶¹ In addition, \$5M equipment and design documentation under 2020 and 2021 contract agreements.
BHARAT DYNAMICS LIMITED RN: 001353 / CIN: L24292TG1970GOI001353	\$5-10M	Bharat Dynamics is one of India's ammunition and missile systems manufacturers.
ELECTRO PNEUMATICS AND HYDRAULICS (INDIA) PVT LTD RN: 190794 / CIN: U28932PN1983PTC190794 MYANMAR: 130438350	\$500k-\$1M	The company produces a range of heavy-duty manufacturing machinery, hydraulic presses, and tube benders.
JAINKOCH CORPORATION KOLKATA - www.jainkoch.com [Registration details unavailable]	\$100-500k	Variety of motors, timing belts, and laboratory items.
SAI SREE INFRA DEVELOPERS RN: 015651/ CIN: U45200OR2012PTC015651	\$100-500k	Educational and laboratory equipment for Tatmadaw Basic Technical Training School.

Figure 13: India companies supplying the Myanmar military and Myanmar-based military suppliers February 2021 to December 2022

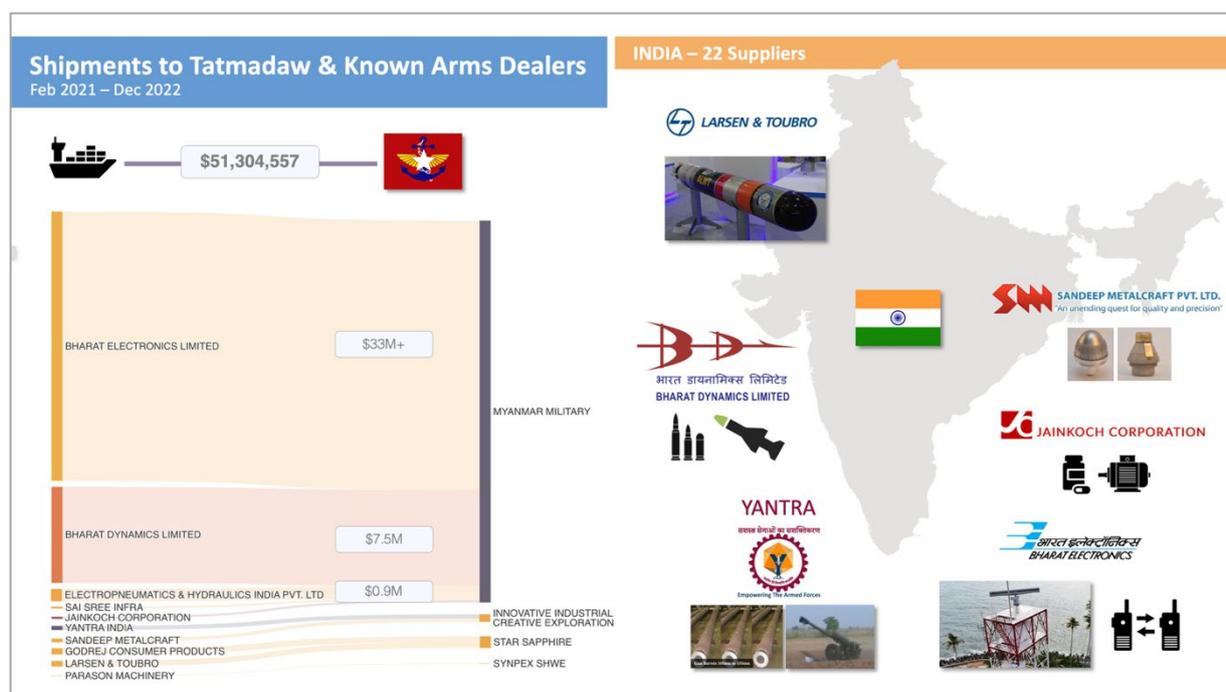


Figure 14: Visual representation of the companies supplying arms and equipment to the Myanmar military and Myanmar-based military suppliers from February 2021 to December 2022.

⁶¹ Justice for Myanmar, “Bharat Electronics Limited Supplying Technology,” *supra* note 55.

2. *Impact of arms shipments from India*

101. The transfer of fuses from Sandeep Metalcraft to the Myanmar military via arms broker Creative Exploration has been previously documented by Justice for Myanmar.⁶² In its report, JFM highlighted that fuses from Sandeep Metalcraft to the Myanmar military have been used in 84 mm recoilless rifle rounds, such as Saab Group's Carl Gustaf rifles. The Myanmar military reportedly used 84 mm shells from the Saab rifle in April 2022 in fighting in Karen State.⁶³

102. The 122 mm gun barrels supplied by Yantra India to Creative Exploration's sister company Innovative Industrial Technologies in October 2022 are likely used in Howitzers manufactured at KaPaSa factories.⁶⁴ Howitzers are towed artillery field guns which the military has used to commit war crimes, including the shelling of villages with devastating impact on the local population.

103. The Special Rapporteur is also concerned about the potential impact on civilians of the \$7 million USD shipment from Bharat Dynamics, which, given the nature of the company's business, is likely to be missiles or ammunition.⁶⁵

3. *Implications of arms shipments from India*

104. India's continuing transfer of materials used in surveillance equipment and artillery as well as, probably, missiles—all manufactured by state-owned entities—arguably runs afoul of its obligations under customary international law and international humanitarian law. India has the requisite knowledge that the Myanmar military is committing probable war crimes given the substantial international reporting on this subject. India should therefore be aware that the arms it provides to the Myanmar military—though relatively limited—are likely to be used in the commission of international crimes. It would be in the interest of the people of Myanmar for India's state-owned arms manufacturers to stop selling arms and associated materials to the Myanmar military and the government of India to stop authorizing these arms transfers.

105. These sales also likely violate India's non-binding obligations under the Wassenaar Arrangement, which it has joined. Under Wassenaar, India is obligated to "prevent the acquisition of armaments and sensitive dual-use items for military end-uses, if the situation in a region or the behaviour of a state is, or becomes, a cause for serious concern to the Participating States."⁶⁶ The types of munitions and equipment India has shipped are listed in the munitions list in sections 1 to 5 of the updated "List of dual-use goods and technologies and munitions list."⁶⁷ Myanmar is arguably a "cause for serious concern" to Wassenaar's Participating States, though it is unclear whether there is consensus on this point.

V. Preventing the Junta from Acquiring Arms through Sanctions

106. Since the coup, a number of Member States have imposed targeted economic sanctions on entities related to the Myanmar military in an effort to stem the flow of arms to the Myanmar military and build pressure on the State Administrative Council to cease its human rights violations and reverse its coup. Member State sanctions have imposed these ad hoc sanctions in lieu of a comprehensive arms embargo by the UN Security Council. A

⁶² Justice for Myanmar, "India Supplying Fuzes to Myanmar Military, Deepening Complicity in its Atrocity Crimes," 15 July 2022, <https://www.justiceformyanmar.org/stories/india-supplying-fuzes-to-myanmar-military-deepening-complicity-in-its-atrocity-crimes>.

⁶³ "Burma Army Used Swedish-Made Shells When Attacking Karen Joint Forces," *Karen News*, 22 April 2022, <https://karennews.org/2022/04/burma-army-used-swedish-made-shells-when-attacking-karen-joint-forces/>.

⁶⁴ Justice for Myanmar, "India Supporting Myanmar Junta Atrocities," *supra* note 57.

⁶⁵ Bharat Dynamics Limited, Products Page, *supra* note 56.

⁶⁶ Wassenaar Arrangement, *supra* note 19, at Section 3.

⁶⁷ Wassenaar Arrangement, "List of dual-use goods," *supra* note 20, at Munitions List Categories 1-5, (ML1 to ML5), 183-188.

comprehensive, Security Council-imposed arms embargo against the Myanmar military is currently implausible given that its two most important arms suppliers—Russia and China—are permanent Members of the Security Council that can veto such measures.

107. This section examines what more must be done to (1) effectively sanction arms dealers supporting the Myanmar military, and (2) cut off the sources of funds the military uses to acquire arms.

A. Overview of Myanmar sanctions

108. Sanctions consist of restrictions that regulate the engagement of ‘persons’ within a Member State from engaging in economic activity with certain countries, entities, and individuals linked with human rights violations, arms proliferation, terrorism, or other criminal activity. They may also be used to control the trade of goods, services, and information considered to be of importance to national security and foreign policy objectives as well as fulfilling a range of international obligations. Sanctions regimes prior to the 2000s were typically comprehensive or country-based, meaning sanctions would block economic and financial engagement with a targeted country’s economy. However, to reduce the impact on civilian populations, Member States have focused more recently on targeted or ‘list-based’ sanctions, designating specific persons, entities, and organizations to be sanctioned. These targeted sanctions are currently being used primarily by the United Kingdom, the European Union, the United States, and Canada to target actors within Myanmar.⁶⁸

109. In early February 2023, EarthRights International and Global Witness reported that there were 165 distinct entities sanctioned by the United States, European Union, and United Kingdom in response to the military coup in 2021.⁶⁹ The report concluded that while the US, EU, and UK state that they are coordinating sanctions, there are significant missed opportunities to implement sanctions regimes in a coordinated manner. The report stressed that as of 1 February 2023, a mere 13 percent of the 165 entities were targeted by all three sanctions regimes, 20 percent by two, and 67 percent by only one. The report concluded that the gaps in the existing sanctions regime make it easier for the Myanmar military to evade sanctions. The report also noted that Member States seem reluctant to sanction high-impact targets such as Myanmar Oil and Gas Enterprise (MOGE), which is sanctioned only by European Union, and aviation fuel, for which Canada has imposed wide ranging sanctions as of March 2023 and the UK has imposed targeted sanctions.

110. While these sanctions have been welcomed by the National Unity Government, Myanmar civil society, and international NGOs, they primarily regulate the engagement of persons under the jurisdiction of the Member State.⁷⁰ As such, in the absence of economic sanctions imposed by the UN Security Council, third country actors are not legally prohibited from doing business with the sanctioned regime, person, or organization.⁷¹

⁶⁸ Australia and Switzerland have also imposed economic sanctions since the coup. On 31 January 2023, Australia announced sanctions on 16 members of the State Administrative Council, Myanmar Economic Holdings Limited, and Myanmar Economic Corporation. See Australian Government Federal Register of Legislation, Autonomous Sanctions (Designated and Declared Persons – Myanmar) Amendment Instrument 2023, <https://www.legislation.gov.au/Details/F2023L00076>. Switzerland has regularly imposed sanctions related to the situation in post-coup Myanmar, in alignment with the European Union and is not separately highlighted in this report. See Swiss State Secretariat for Economic Affairs, SECO Bilateral Economic Relations Sanctions, (Consolidated Version of 10 May 2023), https://www.seco.admin.ch/dam/seco/de/dokumente/Aussenwirtschaft/Wirtschaftsbeziehungen/Exportkontrollen/Sanktionen/Verordnungen/Myanmar/myanmar_2023-05-10.pdf.download.pdf/Myanmar_2023-05-10.pdf.

⁶⁹ EarthRights International and Global Witness, “Missed Opportunities: The need for a better approach to sanctions in response to Myanmar’s military coup,” February 2023, <https://www.globalwitness.org/en/campaigns/natural-resource-governance/missed-opportunities-assessing-use-sanctions-response-myanmar-coup/>.

⁷⁰ See e.g., National Unity Government, “The NUG welcomes the new US Government sanctions,” 10 November 2022, <https://moic.nugmyanmar.org/the-nug-welcomes-the-new-us-government-sanctions/>; Burma Campaign UK, “Burma Campaign Welcomes New UK Burma Sanctions,” 9 December 2022, <https://burmacampaign.org.uk/burma-campaign-uk-welcomes-new-uk-burma-sanctions/>.

⁷¹ An important exception to this is the United States policy of imposing “secondary sanctions” in limited sanctions programs. Secondary sanctions threaten to cut off access of non-U.S. persons to the U.S. financial system for engaging in transactions with other non-U.S. entities on its secondary sanctions lists.

111. The use of the international financial system, however, frequently extends the reach of sanctions in ways not always obvious. For example, a transaction between an entity in China and an entity in Singapore conducted in U.S. dollars using a China-based bank and Singapore-based bank, would likely utilize a U.S. bank as an intermediary to complete the dollar transaction. If the receiving Singaporean entity was on a U.S. sanctions list, U.S. law would require that transaction to be blocked by the U.S. bank.

112. Despite the inherent limits of unilateral sanctions, the Special Rapporteur has reviewed confidential information backed up by reporting demonstrating the impact of sanctions. Sanctions have imposed economic costs on the military by disrupting payments through the SWIFT payment messaging system (a consequence of sanctions on the Russian Federation).⁷² EU financial sanctions on MOGE led the Bank of China to advise operators of the Shwe oil and gas field in northwest Myanmar that it would not handle payments to MOGE in Euros. As a result, Euro payments to MOGE were subsequently held in escrow accounts.⁷³

B. Sanctions on Myanmar arms dealing networks

113. The chart below highlights the key targets that the US, EU, UK, and Canada have sanctioned relevant to the arms trade. Compared to other targets, there has been slightly better coordination when it comes to sanctioning individuals and entities involved in the Myanmar military's procurement of arms. However, there is still much room for improvement: only 24 percent of sanctioned entities have been targeted by all four, 15 percent by three of the four, 24 percent by two of the four, and 36 percent by only one of the four.

No	Entity	First Sanctioned	Type	Country	Sanctioned by:			
					Canada	EU	UK	US
1	DIRECTORATE FOR DEFENSE INDUSTRIES (DDI)	10/12/2021	Military	Myanmar	✓	✓	✓	✓
2	DIRECTORATE OF PROCUREMENT OF THE COMMANDER-IN-CHIEF OF DEFENSE SERVICES ARMY	10/12/2021	Military	Myanmar	✓	✓	✓	✓
3	DYNASTY INTERNATIONAL COMPANY LTD	25/03/2022	Company	Myanmar	✓	✓	✓	✓
4	GORIZONT OJSC	16/06/2022	Company	Russia	✓		✓	
5	HTOO TRADING COMPANY LTD	25/03/2021	Company	Myanmar	✓	✓	✓	✓
6	INTERNATIONAL GATEWAYS GROUP OF COMPANY LTD	25/03/2022	Company	Myanmar		✓		✓
7	INTERNATIONAL GROUP OF ENTREPRENEUR (IGE) COMPANY LTD	21/02/2022	Company	Myanmar		✓		
8	KING ROYAL TECHNOLOGIES COMPANY LTD (ADDED TO U.S. COMMERCE TRADE CONTROL RESTRICTIONS ONLY)	02/07/2021	Company	Myanmar				✓
9	KT SERVICES & LOGISTICS (KTSL) COMPANY LTD	31/01/2022	Company	Myanmar				✓
10	MIYA WIN INTERNATIONAL LTD	25/03/2022	Company	Myanmar			✓	

⁷² SWIFT is a payment messaging system that allows international banks to securely send and receive payments to one another.

⁷³ See e.g., Elaine Kurtenback, "Myanmar executions revive pressure for more sanctions," *Associated Press*, 15 August 2022, <https://apnews.com/article/united-states-myanmar-global-trade-b63002c11ba5eea17710721c04aac330> ("The EU sanctions led the Bank of China to advise operators of the Shwe oil and gas field in northwestern Myanmar that it will not handle payments in euros to MOGE out of concern they might fall afoul of those restrictions, according to activists briefed by two of the companies operating the project, Posco International and Kogas.").

11	MYANMAR CHEMICAL & MACHINERY COMPANY LTD	25/03/2021	Company	Myanmar	✓		✓	✓
12	MYANMAR NEW ERA TRADING COMPANY LTD	16/06/2022	Company	Myanmar			✓	
13	MYANMAR WAR VETERANS ORGANIZATION	10/12/2021	Military	Myanmar	✓	✓	✓	✓
14	OFFICE OF THE CHIEF OF MILITARY AND SECURITY AFFAIRS	09/12/2022	Military	Myanmar			✓	
15	QUARTERMASTER GENERAL OFFICE (QGO)	10/12/2021	Military	Myanmar			✓	✓
16	SINS AVIA TRADING HOUSE LLC	16/06/2022	Company	Russia			✓	
17	SKY AVIATOR COMPANY LTD	16/06/2022	Company	Myanmar			✓	✓
18	STAR SAPPHIRE COMPANY LTD	24/08/2022	Company	Myanmar			✓	
19	STATE ADMINISTRATION COUNCIL (SAC)	17/05/2021	Government	Myanmar			✓	✓
20	SYNPEX SHWE COMPANY LTD	16/06/2022	Company	Myanmar			✓	
21	URAL AVIA LLC	16/06/2022	Company	Russia			✓	
22	AUNG HLAING OO (MCM)	25/03/2022	Person	Myanmar	✓	✓	✓	✓
23	AUNG MOE MYINT (DYNASTY INTERNATIONAL)	25/03/2022	Person	Myanmar	✓	✓	✓	✓
24	DR. TUN MIN LATT (STAR SAPPHIRE)	24/03/2023	Person	Myanmar			✓	✓
25	HLAING MOE MYINT (DYNASTY INTERNATIONAL)	06/10/2022	Person	Myanmar	✓	✓		✓
26	JONATHAN MYO KYAW THAUNG (KT GROUP)	31/01/2022	Person	Myanmar				✓
27	MYO THITSAR (DYNASTY INTERNATIONAL)	06/10/2022	Person	Myanmar	✓			✓
28	NAING HTUT AUNG (INTERNATIONAL GATEWAYS GROUP)	25/03/2022	Person	Myanmar			✓	✓
29	SIT TAING AUNG (SUNTAC TECHNOLOGIES)	25/03/2022	Person	Myanmar	✓	✓		✓
30	U HTOO HTET TAY ZA (HTOO TRADING)	31/01/2022	Person	Myanmar				✓
31	U KYAW MIN OO (SKY AVIATOR)	08/11/2022	Person	Myanmar			✓	✓
32	U PYE PHYO TAY ZA (HTOO TRADING)	31/01/2022	Person	Myanmar	✓			✓
33	U TAY ZA (HTOO TRADING)	02/09/2021	Person	Myanmar	✓	✓	✓	✓

114. The Myanmar military and its arms dealer networks are actively working to circumvent sanctions and blunt their effectiveness. The Special Rapporteur has seen documents showing that larger military purchases have been broken into smaller transactions to avoid government sanctions enforcement efforts and due diligence by international banks. The military is using front companies as third-party payment providers to procure supplies and is working through existing arms dealers who have expanded their networks through the registration of new companies, sometimes in new jurisdictions.

115. Many of the arms dealers detailed above have used phoenix companies to continue operations following sanctions. Phoenix companies in this context are those companies that carry out the same business as an original entity after the original entity has been sanctioned. The Special Rapporteur has seen examples of shareholders simply using a pre-existing company or incorporating a new entity to continue its operations. Myanmar arms dealing

networks also appear to have incorporated phoenix companies prior to being sanctioned, in anticipation of such action.

116. The potential impact of sanctions is negated where sanctions fail to wholistically target all related individuals and entities within a business network. Without this more comprehensive approach, payments and trade simply shift to an unsanctioned entity. Furthermore, in jurisdictions where corporate networks are not fully transparent, it is not possible for banking institutions and individual suppliers to identify all of the linkages in a network that would be subject to sanctions by virtue of being owned by a sanctioned entity.⁷⁴ Member States could make this easier for banks and other private entities by releasing as much identifying information for the sanctioned entity as possible instead of putting the onus on institutions and suppliers to assess beneficial ownership.

117. The specific impact—or lack thereof—of sanctions and export controls on arms networks operating on behalf of the Myanmar military are explored in the following three case studies of networks related to Sky Aviator, International Gateways Group of Companies, and King Royal Technologies. Annex A includes a detailed list of individuals and entities involved in each of these networks.

I. Sanctions case study: Sky Aviator

118. Sky Aviator is a known Myanmar-based military arms broker that purchases arms and associated materials on behalf of the Myanmar military. It was originally exposed by Justice for Myanmar through a leaked 2019 proposal in which it claimed to be the exclusive local representative of **JSC Russian Helicopters** in Myanmar.⁷⁵

119. Evidence received by the Special Rapporteur shows that since the coup, Sky Aviator has received over \$32 million USD in aircraft spare parts, engines, automotive spare parts, tools, and associated equipment from state-owned Russian military suppliers. This included a shipment of \$11.8 million USD worth of Euro bank notes to Myanmar from Russia. As highlighted in the chart above regarding supplies from Russia, Sky Aviator has facilitated the transfer of the following types of arms and associated materials since the coup:

- Aircraft engines, sighting heads, and specialist electronic equipment, including microwave, air pressure, stabilizer modules
- Spare parts for MiG fighter jets
- Spare parts for Mi-24 and Mi-35 M helicopters
- Hydraulic test stands for helicopters and aircraft
- Spares parts and equipment for GAZ-66 all-wheel-drive light military utility trucks and other automotive spares

120. Sky Aviator has facilitated visits by Russian and Belarusian technicians to Myanmar as well as trips by Myanmar military officers to Russia to receive technical training.

⁷⁴ For example, the United States' Office of Foreign Assets Control follows a "50 percent rule," which states: "Persons whose property and interests in property are blocked pursuant to an Executive order or regulations administered by OFAC (blocked persons) are considered to have an interest in all property and interests in property of an entity in which such blocked persons own, whether individually or in the aggregate, directly or indirectly, a 50 percent or greater interest. Consequently, any entity owned in the aggregate, directly or indirectly, 50 percent or more by one or more blocked persons is itself considered to be a blocked person. The property and interests in property of such an entity are blocked regardless of whether the entity itself is listed in the annex to an Executive order or otherwise placed on OFAC's list of Specially Designated Nationals ("SDNs"). Accordingly, a U.S. person generally may not engage in any transactions with such an entity, unless authorized by OFAC. OFAC's 50 Percent Rule states that the property and interests in property of entities directly or indirectly owned 50 percent or more in the aggregate by one or more blocked persons are considered blocked." U.S. Department of the Treasury, Revised guidance on entities owned by persons whose property and interests in property are blocked, 13 August 2014, <https://ofac.treasury.gov/media/6186/download?inline>.

⁷⁵ Justice for Myanmar, "Ukraine is Arming the Myanmar Military," 8 September 2021, <https://www.justiceformyanmar.org/stories/ukraine-is-arming-the-myanmar-military>.

121. Sky Aviator has also actively supported Myanmar military businesses in their engagement with Russian companies. For example, the Special Rapporteur has seen a document from November 2022 detailing a tripartite agreement between Sky Aviator, military-owned and sanctioned Myanmar Economic Corporation, and Russian state-owned firm Tyazhpromexport whereby Sky Aviator would facilitate the transfer of Euros to help restart an iron smelting plant (the No 2 Metal Industry) in Pinpet, Shan State. Following the agreement, Min Aung Hlaing met with Tyazhpromexport leadership in Naypyitaw.⁷⁶

122. Sky Aviator and its owner Kyaw Min Oo were sanctioned by the UK in June 2022 and by the U.S. in November 2022.⁷⁷ Other corporate shareholders of Sky Aviator, including Kyaw Min Oo's business partner Wai Sar Tun, were not sanctioned.

123. Within six weeks of UK sanctions and prior to the U.S. imposing sanctions, payments due to Sky Aviator for contracts with the Myanmar military's Directorate of Procurement began to be re-routed through a different business entity called Heli Eagle Company Limited. Heli Eagle is owned by Myo Min Oo, believed to be the brother of Kyaw Min Oo and his business partner in Sky Aviator, Wai Sar Tun. Kyaw Min Oo's business partner Wai Sar Tun is also a shareholder of Heli Eagle Company. None of these individuals nor Heli Eagle have yet been sanctioned. It is likely that wholistic sanctioning of all shareholders and family members (via derivative designations of the initial target) would be required to ensure full and effective targeting of a network.⁷⁸

⁷⁶ "SAC Chairman Prime Minister Senior General Min Aung Hlaing receives delegation of foreign economic organization JSC "Tyazhpromexport" of Russian Federation," *Global New Light of Myanmar*, 7 December 2022, <https://www.gnlm.com.mm/sac-chairman-prime-minister-senior-general-min-aung-hlaing-receives-delegation-of-foreign-economic-organization-jsc-tyazhpromexport-of-russian-federation/>.

⁷⁷ U.S. Department of the Treasury, "Treasury Targets Major Arms Broker for Burma's Military Regime," 8 November 2022, <https://home.treasury.gov/news/press-releases/jy1086>; HM Treasury, Office of Financial Sanctions Implementation, Financial Sanctions Notice, 16 June 2022, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1083377/Notice_Myanmar_160622.pdf.

⁷⁸ For example, in the United States, using Section(1)(a)(vii) of Executive Order 14014, which allows for the sanctioning of any individual or entity determined to be "owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, the military or security forces of Burma or any person whose property and interests in property are blocked pursuant to this order."

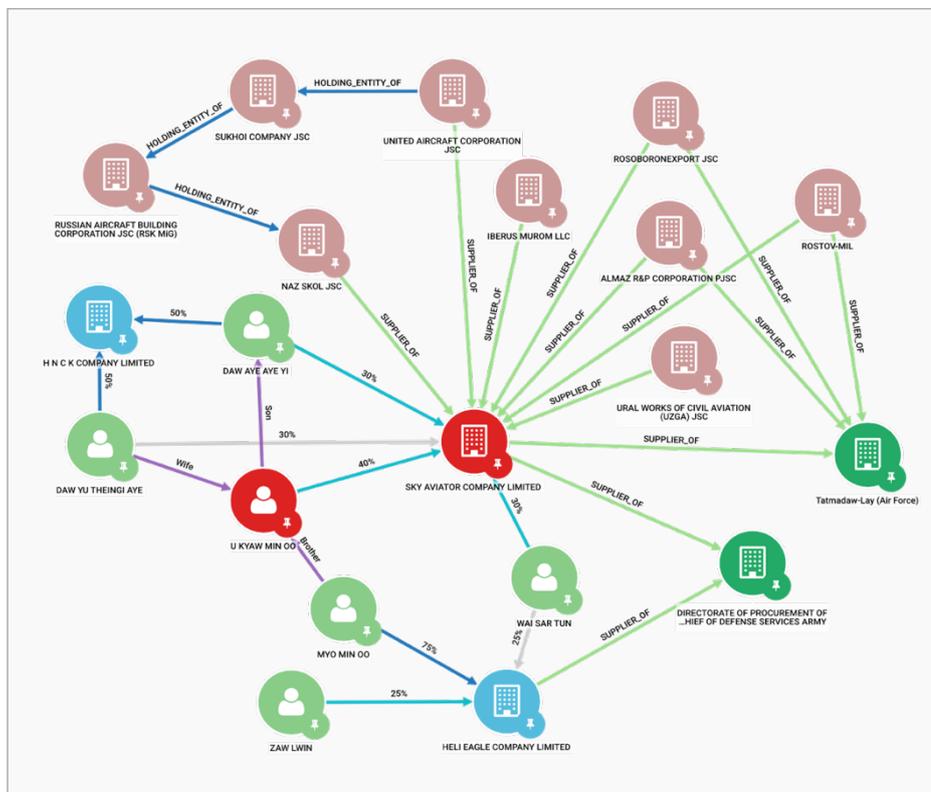


Figure 15: Shareholdings and supplier relationships of Ski Aviator and Heli Eagle. Following sanctions on Sky Aviator Company Limited, payments shifted to Heli Eagle Company, owned by Kyaw Min Oo's brother and business partner.

2. Sanctions case study: International Gateways Group

124. Long known for its ties to the Myanmar military and sanctioned by the U.S. and UK in March and June of 2022 respectively, **International Gateways Group (IGG)** and its wider network of related companies continue to supply a range of aircraft supplies and equipment to the Myanmar military.⁷⁹ IGG is led by Naing Htut Aung, who was sanctioned by the U.S. and UK at the same time they sanctioned IGG.

125. IGG was identified in the 2019 Independent Fact-Finding Mission on Myanmar (FFM) as a partner to MEHL and as the single largest donor to a military fundraising campaign in support of anti-Rohingya operations in Rakhine State.⁸⁰ CSOs and investigators, including Justice for Myanmar, have provided evidence of contracts awarded to IGG between 2015 and 2021 to procure military goods and munitions, including spare parts for fighter jets and cluster bombs.⁸¹

126. Evidence seen by the Special Rapporteur confirms that IGG and its related companies have continued to proactively assist the Myanmar military following the coup. Since the coup, the military has purchased electronic warfare equipment, aircraft spare parts,

⁷⁹ U.S. Department of the Treasury, "Treasury Sanctions Military Leaders, Military-Affiliated Cronies and Businesses, and a Military Unit Prior to Armed Forces Day in Burma," 25 March 2022, <https://home.treasury.gov/news/press-releases/jy0679>; HM Treasury, Office of Financial Sanctions Implementation, Financial Sanctions Notice, 24 August 2022, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1100161/Notice_Myanmar_240822.pdf.

⁸⁰ International Fact-Finding Mission on Myanmar: The economic interests of the Myanmar military, U.N. Doc. A/HRC/42/CRP. 3, 5 August 2019, para 122, pg 44, https://www.ohchr.org/sites/default/files/Documents/HRBodies/HRCouncil/FFM-Myanmar/EconomicInterestsMyanmarMilitary/A_HRC_42_CRP_3.pdf.

⁸¹ Justice for Myanmar, "Military-linked companies procured USD millions in arms and military equipment," 7 February 2022, <https://www.justiceformyanmar.org/stories/military-linked-companies-procured-usd-millions-in-arms-and-military-equipment>.

and machinery through IGG's network for the following advanced military and transport systems:

- MiG-29 twin engine fighter jets
- Karakorum-8 light attack aircraft
- Chengdu F-7II fighter aircraft
- JF-17 fighter jets
- ATR-72 military transport planes
- Harbin Y-12 IV transport planes
- Mi-2 military transport helicopters
- Mi-17 military helicopters and gunships
- Mi-35 attack helicopters
- Airbus H120B Eurocopters

127. IGG now operates through a total of at least 42 separate business entities overseen by a cohort of seven key directors and shareholders. The IGG network includes 27 companies registered in Myanmar (ten currently in liquidation or liquidated). These businesses include two new local Myanmar entities: Brangate Trading and Winner 7 Trading. In Singapore, IGG's network includes nine companies (four now listed in the Singapore company registry as "struck off," likely meaning the registry believes it is no longer active), including three companies newly created since the coup: MCC Principle PTE, MCC Venture PTE, and Amwind PTE. The IGG network also includes four companies registered in Thailand: Suntac Power Company, Brangate Trading, MCC Principle, and Power 9 Engineering. Evidence seen by the Special Rapporteur also suggests two companies based in Hong Kong (Gateways Hong Kong Limited and Venture Sky International Limited) are part of the IGG network and deliver supplies to the military.

128. The IGG network includes companies previously identified as arms traders in their own right, such as Myanmar Consultancy Company (MCC) and Myanmar New Era Trading, in addition to smaller companies that act as a front for the Directorate of Procurement.⁸² One company acting as a front company for the Directorate of Procurement is Myat Shwe Taw Win Company.

129. Despite this complex web of companies and shareholders, only two entities—IGG itself and Naing Htut Aung—have been sanctioned. IGG appears to have anticipated sanctions. Even prior to the imposition of sanctions, IGG had already shifted trade to its entities in Singapore and Thailand. Over time, the center of trading in the network has moved to Aung Myo Win, Naing Htut's Aung's business partner from MCC. Aung Myo Win, excluded from the sanctions regimes, has been able to continue to trade freely with the Myanmar military.

130. The case of IGG highlights how the lack of a multilateral, wholistic, and strategic approach to sanctions leaves gaping holes exploited by arms dealing networks, including by using of phoenix companies and less well-known directors to avoid scrutiny. Furthermore, a lack of a adequate network analysis by sanctioning governments has left banks and third-party suppliers struggling to carry out necessary due diligence and to deliver on enforcement opportunities. As a result, IGG has easily overcome sanctions.

3. *Sanctions case study: King Royal Technologies Network*

131. On 2 July 2021, the U.S. Government added King Royal Technologies Company Ltd, to the Commerce Department's Entity List for being a "telecommunications company providing satellite communication services to Burma's military."⁸³ The U.S. Commerce

⁸² *Ibid.*; Justice for Myanmar, "Ukraine is Arming the Myanmar Military," 8 September 2021, <https://www.justiceformyanmar.org/stories/ukraine-is-arming-the-myanmar-military>.

⁸³ U.S. Department of the Treasury, "Treasury Sanctions Senior Officials and Family Members Connected to Burma's Military," 2 July 2021, <https://home.treasury.gov/news/press-releases/jy0260>.

Entity List operates differently than economic sanctions. Instead of blocking transactions with U.S. persons, it restricts the export, re-export, and transfer of items subject to certain U.S. export regulations to the listed entity.⁸⁴

132. King Royal Technologies is one of 55 companies that form part of a loose network of alliances between directors or shareholders. Evidence provided to the UN Special Rapporteur's office shows that six companies inside the network have shipped aircraft parts, electronic warfare equipment, propulsion systems, and raw materials to the Myanmar military between October 2021 and December 2022. These companies are:

- Tan Sunn Teleinfra Services & Trading (Singapore)
- Mekong Aviation Capital Pte Ltd (Singapore)
- Straton Solutions Integration Pte Ltd (Singapore)
- PKE Singapore PTE Ltd (Singapore)
- NEGC PTE Ltd (Singapore)
- Astronica Co. Ltd (Thailand)

133. Directors and shareholders within the network are linked to each other and the military through shared company ownership structures. Examples include:

- U Sunn Aung Naing (Singapore citizen) is the sole proprietor of Tan Sunn Teleinfra Services & Trading as well as the sole shareholder of Mekong Aviation Capital PTE Ltd and Straton Solutions Integration PTE Ltd. U Sunn Aung Naing shares ownership of numerous companies with both the current owner of King Royal Technologies Company (U Ye Aung Aung Tin) and the prior owner of Aero Sofi (U Patrick Aung), a private company implicated in sales to the Myanmar Air Force.⁸⁵ U Ye Aung Aung Tin, of King Royal Technologies, also owned 33 percent of Maxi Road Trading PTE, with Mon Yee, the niece of General Maung Maung Kyaw, who, until 2022, was Commander-in-Chief of the Myanmar Air Force.
- U Maung Maung Oo runs Astronica Company Ltd based in Thailand. As well as being a director / shareholder in 13 related energy, telecoms, courier, and logistic companies, he shares ownership of one company with the previous owner of King Royal Technologies Company Ltd, U Kaung Zan. U Maung Maung Oo is also the sole proprietor of Stellarium Ltd, previously Intersellar Ltd, identified as a pre-coup sales agent for Ukraine's Ukroboronprom, delivering Mi-2, Mi-17, and MiG-29 aircraft parts to the Myanmar Air Force.⁸⁶ Since the coup, Stellarium has imported helicopter parts from the Russian helicopter supplier, Armada LLC.
- U Win Kyaw is the business partner of U Maung Maung Oo and the owner of PKE Singapore PTE Ltd and NEGC Singapore PTE Ltd. Together U Win Kyaw and U Maung Maung Oo are majority owners of four courier and energy companies with 47 percent ownership in a fifth logistics company. Since the coup, U Win Kyaw has shipped at least \$5 million USD of equipment to the Myanmar military from his companies in Singapore.

⁸⁴ U.S. Department of Commerce, "Commerce Increases Restrictions on Burmese Military by Adding Four Entities to Entity List in Continued Response to the Recent Military Coup," 2 July 2021, <https://www.commerce.gov/news/press-releases/2021/07/commerce-increases-restrictions-burmese-military-adding-four-entities> ("The Entity List is a tool utilized by BIS [Commerce's Bureau of Industry and Security] to restrict the export, re-export, and transfer (in-country) of items subject to the Export Administration Regulations (EAR) to persons (individuals, organizations, companies) reasonably believed to be involved, or to pose a significant risk of becoming involved, in activities contrary to the national security or foreign policy interests of the United States. Additional license requirements apply to exports, re-exports, and transfers (in-country) of items subject to the EAR to listed entities, and the availability of most license exceptions is limited.").

⁸⁵ Justice for Myanmar, "Myanmar Military Airbus Deals for Troop Transport and Luxury Travel," 8 December 2020, <https://www.myanmar-now.org/en/news/airbus-and-a-british-conglomerate-are-involved-in-deals-to-supply-planes-to-myanmar-air-force>.

⁸⁶ Justice for Myanmar, "Ukraine is Arming the Myanmar Military," *supra* note 82.

134. An extended analysis of companies in the network shows that the eight directors have also established six new companies in Myanmar since the coup, delivering services in the satellite, telecommunications, aviation, technology, and wholesale industries.

135. The above case studies demonstrate that sanctions on Myanmar arms dealing networks are not meaningfully degrading the military's ability to procure arms. This is primarily because they (1) lack a truly multilateral character, leaving gaps for payments to be made in other currencies and jurisdictions; (2) have not been applied comprehensively to a whole business network, thereby enabling networks to shift trade in response to sanctions concerns; and (3) rely on the private sector to conduct the due diligence to identify companies that are owned by sanctioned individuals and entities. As a result, many of these sanctions have been easily circumvented, drastically limiting both their effectiveness and enforcement.

136. Sanctions are increasingly becoming toothless mechanisms that offer the appearance of action to stop attacks on innocent people but are in reality mere inconveniences for arms dealers enabling the Myanmar military's atrocities. Unless governments are willing to enforce sanctions, including through more holistic targeting, the Myanmar military and its arms networks will be able to undermine them.

C. Blocking the military's key sources of foreign currency

137. Sanctioning arms dealers is not the only way to stop the flow of arms to the Myanmar military. More can also be done to cut off the sources of funds the junta uses to purchase those arms. In addition to sanctioning arms dealers and the military's procurement networks, the Special Rapporteur has consistently called for sanctions on the Myanmar military's key sources of revenue—and the channels it uses to move funds—in order to degrade the military's ability to purchase weapons and suppress the democratic aspirations of the people of Myanmar. This section briefly examines those key sources of revenue and how to degrade them.

138. The Myanmar military is spending substantial amounts to keep its military well supplied. This report describes over \$1 billion USD spent by the military on the acquisition of arms and related equipment and supplies since the coup. This figure does not include costs of military operations, running the Ka Pa Sa weapons factories, supporting military personnel, etc.

139. The SAC has allocated \$2.6 billion USD to the Ministry of Defense in its 2022-2023 budget.⁸⁷ This is an increase of 30 percent over the prior year's budget of \$2 billion USD.

140. Foreign currency is critical to the SAC's ability to purchase foreign supplied arms and associated materials as well as jet fuel. It is also required for purchasing the fuel and foreign inputs the military-owned companies Myanmar Economic Corporation (MEC) and Myanmar Economic Holdings Limited (MEHL) require for manufacturing, construction, and other operations.

141. Myanmar's foreign exchange reserves—assets held on reserve by a country's central bank in foreign currencies—are estimated at roughly \$6.0 to \$6.7 billion USD. In a report released just two weeks prior to the coup, the International Monetary Fund (IMF) estimated reserves at \$6.7 billion USD as of September 2020.⁸⁸ In October 2021, the SAC's Investment and Foreign Economic Relations Minister stated that foreign exchange reserves were approximately \$6 billion USD.⁸⁹ The United States froze “more than \$1 billion” USD of the

⁸⁷ [SAC] Ministry of Planning and Finance, Myanmar Budget, 2022-2023, <https://www.mopf.gov.mm/sites/default/files/Budget%20Law.pdf>.

⁸⁸ International Monetary Fund, IMF Country Report No. 21/23, January 2021, at 5, <https://www.imf.org/-/media/Files/Publications/CR/2021/English/1MMREA2021001.ashx>.

⁸⁹ Poppy Mcpherson, “EXCLUSIVE: Myanmar junta minister blames economic woes partly on foreign-backed 'sabotage',” *Reuters*, 19 October 2021, <https://www.reuters.com/world/asia-pacific/exclusive-myanmar-with-6-bln-foreign-reserves-is-doing-utmost-stabilise-currency-2021-10-19/>.

Myanmar's reserves held in the United States following the coup, leaving the SAC with access to approximately \$5 billion USD in reserves.⁹⁰

142. To date, only the United States has frozen Myanmar reserves within its territory. Further substantial reserves are suspected to be held in at least three Singapore commercial banks, Development Bank of Singapore (DBS), United Overseas Bank (UOB), and Overseas Chinese Banking Corporation (OCBC).⁹¹

143. The main source of new foreign currency to the SAC is revenue from Myanmar's state-owned enterprises (SOEs). In Myanmar, SOEs have monopoly rights on economic activities in 12 sectors, either through joint ventures or sole proprietorship.⁹² As Myanmar is a resource-rich country, extractive SOEs such as Mining Enterprise No. 1, Mining Enterprise No. 2, MOGE, Myanma Timber Enterprise (MTE), and Myanma Gems Enterprise (MGE) play an outsized role in the economy.

144. The SAC's own 2022-2023 budget estimates that SOEs will generate roughly \$3.7 billion USD in revenue. Not all of that is in foreign currency (domestic payment of electricity bills produces revenues, for example), and independent economists have estimated that SOEs generate roughly \$2.5 billion USD in foreign currency income per year.⁹³ The SOEs generally operate under ministerial control, not as independent corporate entities, making their revenue currently under the control of the SAC.

145. Although the SAC as an entity has been sanctioned by the U.S., UK, and EU, these sanctions have not been automatically applied to those entities that the SAC controls, likely because of a lack of formal legal ownership.⁹⁴ A reasonable interpretation of U.S. sanctions on the SAC, for example, would prohibit transactions with, involving, or for the benefit of the SAC that are undertaken in U.S. dollars, to the extent such transactions involve the U.S. financial sector. This means that not only U.S. banks, but also non-U.S. banks and other entities that undertake transactions with a U.S. nexus could face criminal and civil penalties in the United States if they wilfully facilitate U.S. dollar transactions for the benefit of the SAC.

146. The following sections provide additional details on SOEs responsible for the greatest foreign currency earnings: Myanma Oil and Gas Enterprise, Mining Enterprises' No. 1 and No. 2, Myanma Timber Enterprise, and Myanma Gems Enterprise. It also looks at the major state-owned banks the SAC uses to move funds internationally: Myanma Foreign Trade Bank and Myanma Economic Bank. Finally, it briefly highlights the two major military-owned conglomerates, Myanmar Economic Holdings Limited and Myanmar Economic Corporation.

⁹⁰ U.S. White House, Press Statement, "Biden-Harris Administration Actions in Response to the Coup in Burma," 11 February 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/02/11/fact-sheet-biden-harris-administration-actions-in-response-to-the-coup-in-burma/>.

⁹¹ "Denying Junta Access to Myanmar's Foreign Reserves Seen as Key Anti-Coup Goal," *Radio Free Asia*, 5 March 2021, <https://www.rfa.org/english/news/myanmar/reserves-access-03052021173538.html>.

⁹² State Law and Order Restoration Council, State-owned Economic Enterprises Law 1989, 31 March 1989, https://www.burmalibrary.org/docs15/1989-SLORC_Law1989-09-State-Owned_Enterprise_Act-en.pdf.

⁹³ Independent Economists for Myanmar, Overview of Myanmar Military Finances, 26 April 2021, available at: <https://docplayer.net/229144644-Overview-of-myanmar-military-finances-independent-economists-for-myanmar-iem-26-april-2021.html>; see also Gwen Robinson, "Myanmar economists urge curbs on junta's hard currency access," *Nikkei Asia*, 29 April 2021 (citing Independent Economists for Myanmar), <https://asia.nikkei.com/Spotlight/Myanmar-Crisis/Myanmar-economists-urge-curbs-on-junta-s-hard-currency-access>.

⁹⁴ U.S. Department of the Treasury, "Treasury Sanctions Governing Body, Officials, and Family Members Connected to Burma's Military," 17 May 2021, <https://home.treasury.gov/news/press-releases/jy0180>; UK Foreign, Commonwealth & Development Office, "Foreign Secretary announces further sanctions on companies linked to Myanmar's military regime," 21 June 2021, <https://www.gov.uk/government/news/foreign-secretary-announces-further-sanctions-on-companies-linked-to-myanmars-military-regime>; <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R2177>; Swiss State Secretariat for Economic Affairs, SECO Bilateral Economic Relations Sanctions, (Consolidated Version of 10 May 2023), https://www.seco.admin.ch/dam/seco/de/dokumente/Aussenwirtschaft/Wirtschaftsbeziehungen/Exportkontrollen/Sanktionen/Verordnungen/Myanmar/myanmar_2023-05-10.pdf.download.pdf/Myanmar_2023-05-10.pdf.

1. Myanmar Oil and Gas Enterprise

147. The largest single source of new foreign currency for the SAC is currently MOGE. It has earned roughly \$2.25 billion USD in foreign currency since the coup through January 2023 and accounts for approximately \$1.1 billion USD per year in foreign currency income, according to confidential information received by the Special Rapporteur based on actual production figures and values. These figures are consistent with open-source reporting.⁹⁵

148. MOGE obtains revenue from four offshore fields and a range of onshore fields. The most significant revenue comes from the offshore fields.

- The Shwe Project is operated and 51 percent owned by Korean company POSCO International.⁹⁶ The Shwe field has been operating since 2013. MOGE has a 15 percent interest in the Shwe Project. The China National Petroleum Company has exclusive rights to buy all gas, most of which is transported to China via a pipeline.⁹⁷ Shwe has accounted for roughly 52 percent of the \$2.25 billion USD in foreign currency income to MOGE since the coup, or \$568 million USD annually.
- The Yadana Project was operated by French petroleum company Total E&P which had a 31.24 percent interest until it withdrew and handed over operations and its shares to existing partner PTTEP (Thailand) in 2022.⁹⁸ U.S. oil and gas company Chevron owns 41.2 percent of the project and, like Total, is exiting, though via a sale of its shares to Canadian firm MTI.⁹⁹ PTTEP is the principal gas purchaser, though some gas is used domestically. MOGE has a 15 percent stake in Yadana, which has accounted for approximately 38 percent of the \$2.25 billion USD in foreign currency income to MOGE since the coup, or \$425 million USD annually.
- The Zawtika Project is operated by PTTEP with an 80 percent share, with MOGE holding the remaining 20 percent.¹⁰⁰ The field began producing gas in 2014, with some gas used for domestic purposes and the majority exported to Thailand. Zawtika has accounted for roughly seven percent of the \$2.25 billion USD in foreign currency income to MOGE since the coup, or \$74 million USD annually.
- The Yeta gun Gas Project is operated by Malaysia's Petronas, which announced its withdrawal from the project in 2022. Partners ENEOS Holdings, Mitsubishi, and PTTEP have also announced their withdrawal. Yeta gun accounted for roughly 3 percent of the \$2.25 billion USD in foreign currency income to MOGE since the coup, or \$32 million USD annually, but is near depletion.

149. The European Union imposed sanctions on MOGE in February 2022 and remains the only jurisdiction to do so.¹⁰¹ The United States sanctioned senior officials within MOGE earlier this year, but those sanctions have no impact on MOGE itself and are largely

⁹⁵ See e.g., Human Rights Watch, "Myanmar: Urgent Action Needed to Block Foreign Revenue," 25 January 2022, <https://www.hrw.org/news/2022/01/25/myanmar-urgent-action-needed-block-foreign-revenue> ("Natural gas projects in Myanmar generate over US\$1 billion in foreign revenue for the junta annually..."); "How much money does Myanmar's military junta earn from oil and gas?," *Myanmar Now*, 3 June 2021, <https://myanmar-now.org/en/news/how-much-money-does-myanmars-military-junta-earn-from-oil-and-gas/> ("Myanmar was forecast to earn 2,305 billion kyat (now about US\$1.4 billion) from oil and gas in the year to March 2022, according to a Myanmar budget document drawn up before the coup.").

⁹⁶ "POSCO continues development of Shwe gas project," *Myanmar Now*, 27 October 2021, <https://myanmar-now.org/en/news/posco-continues-development-of-shwe-gas-project/>.

⁹⁷ EarthRights International, Shwe Gas Project, <https://earthrights.org/what-we-do/extractive-industries/shwe-gas-project/>.

⁹⁸ "Thai PTTEP to operate Myanmar gas field after TotalEnergies exit," *Reuters*, 14 March 2022, <https://www.reuters.com/business/thai-pttep-operate-myanmar-gas-field-after-totalenergies-exit-2022-03-14/>.

⁹⁹ Offshore Technology, "Chevron to divest Myanmar assets to Canada's MTI," 13 February 2023, <https://www.offshore-technology.com/news/chevron-myanmar-mti/>.

¹⁰⁰ PTTEP Myanmar, Zawtika Project, <https://myanmar.pttep.com/mm/Ourbusiness/Projectdetails/Zawtika.aspx>.

¹⁰¹ Council of the EU, Press Release, "Myanmar/Burma: EU imposes restrictive measures on 22 individuals and 4 entities in fourth round of sanctions," 21 February 2022, <https://www.consilium.europa.eu/en/press/press-releases/2022/02/21/myanmar-burma-eu-imposes-restrictive-measures-on-22-individuals-and-4-entities-in-fourth-round-of-sanctions/>.

symbolic.¹⁰² As highlighted above, the EU sanctions on MOGE have had an initial impact, with hundreds of millions reportedly held in escrow-like accounts due to concerns over running a foul of the EU sanctions.

2. Mining Enterprises 1 and 2

150. Myanmar's abundant natural resources extends to "globally significant" deposits of lead, zinc, silver, copper, tin, and tungsten.¹⁰³ The Ministry of Natural Resources and Environmental Conservation (MONREC) is responsible for the administration and governance of these minerals through its two mining-related SOEs, Mining Enterprise Number 1 (ME1) and Mining Enterprise Number 2 (ME2).¹⁰⁴

151. ME1 is responsible for lead, zinc, silver, copper, iron, nickel, chromite, antimony, arsenic, aluminium, cobalt, limestone, stone, clay, and coal, while ME2 is responsible for gold, platinum, tin, tungsten, rare earths, and titanium.¹⁰⁵

152. The SAC's 2023-24 budget estimates that revenue for all SOEs under MONREC will be \$162 million USD. This is likely a dramatic underrepresentation of the revenue earned from mining, a result of the corrupt nature of mining in Myanmar. Analysts assess potential revenue from just three mines—the Chinese run Lapadaung, Sa petaung and Kyesintaung, and Tagaung Taung mine—to ME1 and ME2 at \$520 million USD annually.¹⁰⁶ A further \$200 million USD per year likely flows from these mines to military-owned conglomerate MEHL, a partner in the mining ventures, discussed further below.

153. The United States, European Union, and Switzerland have all sanctioned ME1, while only the United States has sanctioned ME2.¹⁰⁷ More coordinated sanctions on ME1 and ME2 would be welcome, although impacts will arguably be limited even with broader coordination because funding likely flows directly from China, the largest buyer, to Myanmar, and China is unlikely to enforce or implement sanctions relative to mining.

3. Myanmar Timber Enterprise

154. Myanmar teak is a highly prized global commodity and MTE is the only entity that can legally harvest and sell timber for export. Consequently, revenue generated by MTE through the sale of teak is under the direct control of the SAC.¹⁰⁸

155. According to trade data from Myanmar teak importing countries, at least \$190 million USD in teak was exported from Myanmar from February 2021 to December 2021.¹⁰⁹ \$37 million USD of this was exported to countries that had imposed sanctions on MTE while \$154 million USD went to countries that had not imposed sanctions.¹¹⁰ Chinese imports of Myanmar teak accounted for \$92 million USD alone in this period.¹¹¹

156. The sanctions against MTE are more coordinated than others but would benefit from coordinated enforcement action. The U.S., UK, EU, Switzerland, and Canada have all

¹⁰² U.S. Department of the Treasury, "Treasury Sanctions Officials and Military-Affiliated Cronies in Burma Two Years after Military Coup," 31 January 2023, <https://home.treasury.gov/news/press-releases/jy1233>.

¹⁰³ Publish What You Pay Australia, "How Chinese Mining Investment Funds The Myanmar Military," August 2021, at 6, <https://static1.squarespace.com/static/5dfc4510ad88600d53f93358/t/6168dc8dbe1ab212ec15aca4/1634262165056/PWYP+-+How+Chinese+Mining+Investment+Funds+the+Myanmar+Military.pdf>.

¹⁰⁴ *Ibid.*

¹⁰⁵ *Ibid.*

¹⁰⁶ *Ibid.*

¹⁰⁷ U.S. Department of the Treasury, "Treasury Sanctions Officials and Military-Affiliated Cronies."

¹⁰⁸ Environmental Investigation Agency, "Acts of Defiance: How US traders are ignoring sanctions to import conflict teak from Myanmar," December 2022, <https://eia-international.org/wp-content/uploads/Acts-of-Defiance-2022-SPREADS.pdf>.

¹⁰⁹ Forest Trends, Forestry Policy Trade and Finance Initiative, "Myanmar's Timber Trade One Year Since the Coup: The Impact of International Sanctions," March 2022, https://www.forest-trends.org/wp-content/uploads/2022/03/Forest-Trends_Myanmars-Timber-Trade-One-Year-Since-the-Coup.pdf (citing UN Comtrade, General Department of Vietnam Customs, General Administration of Customs of the P.R.C., Customs Department of Thailand, 2022, Panjiva trade data).

¹¹⁰ *Ibid.*

¹¹¹ *Ibid.*

imposed sanctions on MTE.¹¹² Enforcement of sanctions on the trade of timber benefiting MTE appears relatively lax, with continued imports to the EU throughout 2021. Nearly €11 million of timber was exported to Italy during the year, and trade data showed continued importation of timber to the United States throughout 2022.¹¹³ Between 1 February 2021 and 10 November 2022, a total of 2,561 tons of teak were exported directly from Myanmar to the U.S.¹¹⁴

157. In addition to better enforcement, a number of entities that partner and share profits with MTE, as identified by MTE itself, have not been sanctioned. This is reflective of the lack of deeper network targeting that has been a hallmark of Myanmar sanctions. MTE's website lists 17 companies that work in the timber industry in contractual relationships with MTE and share profits with MTE.¹¹⁵ All jurisdictions that have sanctioned MTE should investigate those entities listed as sharing profits with MTE.

4. Myanmar Gems Enterprise

158. Myanmar Gems Enterprise is the SOE that officially oversees all gemstone activity in Myanmar, including the lucrative jade trade, which accounts for roughly 90 percent of global jade production. The revenue generated from Myanmar's gems is likely more decentralized than that from other SOEs. Jade is a major source of income for individual military commanders and the military's conglomerates. Estimates indicate that the gems trade may provide up to \$300 million USD in foreign currency to the SAC through official channels. The broader jade and gem trade is worth multiple—possibly tens of—billions of dollars, with large, opaque profits flowing to senior military leaders (both active and retired), cronies, and military-owned companies. As of 2016, 98 percent of the 20,000-plus gemstone mining and trading licenses went to private businesses, with no partnership with MGE.¹¹⁶ Moreover, as of 2016, an estimated 60 to 80 percent of gems sales were conducted on the black and grey markets, without any royalties or tax payments to MGE and outside the official government-run emporiums.¹¹⁷

¹¹² U.S. Department of the Treasury, "Treasury Sanctions Key Timber and Pearl Enterprises in Burma," 21 April 2021, <https://home.treasury.gov/news/press-releases/jy0138>; HM Treasury, Office of Financial Sanctions Implementation, Consolidated List of Financial Sanctions Targets in the UK, Updated 10 May 2023, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1145954/Myanmar.pdf; Official Journal of the European Union, Council Implementation Regulation 2021/998, 21 June 2021, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R0998&from=EN>; Swiss State Secretariat for Economic Affairs, *supra* note 94; Government of Canada, Regulations Amending the Special Economic Measures (Burma) Regulations: SOR/2023-13, 27 January 2023, <https://gazette.gc.ca/rp-pr/p2/2023/2023-02-15/html/sor-dors13-eng.html>.

¹¹³ Forest Trends, "Myanmar's Timber Trade One Year Since the Coup," *supra* note 109.

¹¹⁴ Environmental Investigation Agency, "Traders defy the law to import more teak into the USA from Myanmar than before the coup," 1 December 2021, <https://eia-international.org/news/traders-defy-the-law-to-import-more-teak-into-the-usa-from-myanmar-than-before-the-coup/>.

¹¹⁵ Myanmar Timber Enterprise, Planning and Statistics Department, Investment Opportunities, <http://www.mte.com.mm/index.php/en/planning-statistics-department>.

¹¹⁶ Emma Irwin, Myanmar Extractive Industries Transparency Initiative, Gemstone Sector Review, July 2016, <https://www.mata-nrg.org/wp-content/uploads/2016/08/Myanmar-EITI-Gemstone-Sector-Review-SUMMARY-VERSION-190716-FINAL-1.pdf>.

¹¹⁷ *Ibid.*



Figure 16 - Min Aung Hlaing poses with a 35-ton jade stone worth at least €5 million Euros at an official gems sale in Naypyitaw on 23 April 2022. Source: *Global New Light of Myanmar*.

159. The U.S., EU, UK, and Canada have all sanctioned MGE.¹¹⁸ The coordination of these sanctions is welcome. Information disclosed to the Special Rapporteur shows that sanctions have made it difficult for MGE—as well as Myanmar Pearl Enterprise (MPE)—to receive payments from overseas purchasers. To circumvent this, MGE and MPE have used front companies to receive payments from purchasers in Euros and U.S. dollars. As of April 2022, MGE was continuing to require payment in foreign currency, including accepting Euros and USD, according to the SAC-controlled *Global New Light of Myanmar*, which stated: “Foreign gem merchants need to pay U.S. dollars or yuan for the purchase of items, and local gem merchants U.S. dollar, yuan and kyat. Floor prices are also set for lots of gems and jade in euro. Gem merchants may pay U.S. dollars, euro, and yuan to purchase these items.”¹¹⁹

5. Myanmar Foreign Trade Bank and Myanmar Investment and Commercial Bank

160. The SOEs highlighted above—MOGE, Mining Enterprises 1 and 2, MTE, MGE—rely on the international financial system to repatriate revenues back to Myanmar. To accomplish this, SOEs hold offshore accounts with the state-owned Myanmar Foreign Trade Bank (MFTB). MFTB in turn has at least 72 nostro bank accounts—accounts held with a foreign bank in the currency of the country where the funds are held—in at least 50 corresponding banks globally.¹²⁰ As of January 2018, MFTB reportedly held nostro accounts in at least Singapore, the UK, Malaysia, Bangladesh, the U.S., Germany, and Switzerland.¹²¹ Myanmar’s SOEs receive foreign currency payments into these MFTB accounts.

¹¹⁸ UK Foreign, Commonwealth & Development Office, “UK announces sanctions on gemstone company linked to the military regime in Myanmar,” 17 May 2021, <https://www.gov.uk/government/news/uk-announces-sanctions-on-gemstone-company-linked-to-the-military-regime-in-myanmar>; Council Implementing Regulation (EU) 2021/998 of 21 June 2021 implementing Regulation (EU) No 401/2013 concerning restrictive measures in view of the situation in Myanmar/Burma, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.LI.2021.219.01.0045.01.ENG&toc=OJ%3AL%3A2021%3A219I%3ATOC>.

¹¹⁹ *Global New Light of Myanmar*, SAC Chairman Prime Minister Senior General Min Aung Hlaing attends opening of 57th Myanmar Gems Emporium, 23 April 2022, <https://www.gnlm.com.mm/sac-chairman-prime-minister-senior-general-min-aung-hlaing-attends-opening-of-57th-myanmar-gems-emporium/>.

¹²⁰ See e.g., Andrew Bauer, Arkar Hein, Khin Saw Htay, et al., “State-owned Economic Enterprise Reform in Myanmar: The Case of Natural Resource Enterprises,” at 31, https://resourcegovernance.org/sites/default/files/documents/state-owned-economic-enterprise-reform-in-myanmar_0.pdf.

¹²¹ *Ibid.*

161. Myanma Timber Enterprise leaves no doubt about which banks MFTB prefers using, stating the following on its website:

MTE prefers the payment ... from Singapore Banks such as UOB (United Overseas Bank), OCBC (Oversea-Chinese Banking Corporation), DBS (former Development Bank of Singapore) and Bangkok Bank (Bangkok) to Myanma Foreign Trade Bank...¹²²

162. MFTB is not only the recipient of foreign exchange, it also makes foreign exchange payments on behalf of the SAC. Documents seen by the Special Rapporteur indicate that hundreds of millions of dollars in financial transactions relating to arms sales to sanctioned military entities are flowing from MFTB to foreign banks, primarily in Singapore, for the payment of arms and associated materials.

163. Sanctioning MFTB and then lobbying for strict enforcement of MFTB sanctions by countries like Singapore, could have a dramatic impact on the procurement of weapons and the repatriation of foreign exchange back into Myanmar. Myanmar Investment and Commercial Bank (MICB) can also conduct foreign currency transactions through its correspondent banking relationships and would likely be used to circumvent MFTB sanctions. Some estimates indicate that sanctions on MFTB and MICB could deprive the SAC of \$2 billion USD per year.¹²³

6. Myanmar Economic Holdings Limited and Myanmar Economic Corporation

164. The U.S., Canada, UK, EU, and, most recently, Australia, have all imposed sanctions on the military-owned Myanmar Economic Corporation (MEC) and Myanmar Economic Holding Limited (MEHL). The Special Rapporteur holds up the sanctioning of MEC and MEHL as a positive example of quick action by Member States following the coup against a well-known source of income for the military. Despite international sanctions, MEC and MEHL continue to operate in and benefit from import and export trading, although much of it is likely outside the international financial system.

165. MEHL and MEC-owned subsidiaries operating in banking and finance, cigarettes, communications, food and drink, entertainment, retail, and other sectors have faced widespread boycotts since the coup because of the companies' links to the military.

166. As highlighted above, MEHL is especially engaged in the gem trade, with Myanmar Imperial Jade Company, Myanmar Ruby Enterprise, and shares in Letpadaung copper mine likely bringing in at least \$100 million USD per year.

167. MEC and MEHL continue to use the international financial system, including by working through front companies. Information supplied to the Special Rapporteur shows that between June 2022 and March 2023, at least \$121.5 million USD in payments were made on behalf of MEC and MEHL through numerous local and international companies. The three most common front companies are Great Silver Sea Company Limited, Ever Meter Company Limited, and Global Premier Traders Company Limited. These three companies managed payments totaling over \$75 million USD on behalf of MEHL. The vast majority of settlement for the trade is believed to take place via financial institutions based in Singapore.

7. Other Significant Sources

168. Other significant sources of foreign currency for the SAC include land rentals, port fees, pearl exports, and transport and logistics companies.

169. The chart below shows the status of sanctions on the state- and military-owned companies highlighted above.

¹²² Myanma Timber Enterprise, Export Department FAQs, <http://www.mte.com.mm/index.php/en/export-marketing-milling-department/export-department-faq>.

¹²³ Independent Economists for Myanmar, "Overview of Myanmar Military Finances," 26 April 2021, available at: <https://docplayer.net/229144644-Overview-of-myanmar-military-finances-independent-economists-for-myanmar-iem-26-april-2021.html>.

No	Entity	First Sanctioned	Type	Country	Sanctioned by:				
					Canada	EU	UK	US	AUS
1	MINING ENTERPRISE NO.1	21/02/2022	SOE	Myanmar		✓		✓	
2	MINING ENTERPRISE NO.2	31/01/2023	SOE	Myanmar				✓	
3	MYANMA GEMS ENTERPRISE	08/04/2021	SOE	Myanmar	✓	✓	✓	✓	
4	MYANMA OIL & GAS ENTERPRISE	22/02/2022	SOE	Myanmar		✓			
5	MYANMAR PEARL ENTERPRISE	21/04/2021	SOE	Myanmar	✓		✓	✓	
7	MYANMAR TIMBER ENTERPRISE	21/04/2021	SOE	Myanmar	✓	✓	✓	✓	
8	MYANMA FOREIGN TRADE BANK	2007 (Canada)	State-owned Bank	Myanmar	✓				
9	MYANMAR INVESTMENT AND COMMERCIAL BANK	2007 (Canada)	State-owned Bank	Myanmar	✓				
10	MYANMAR ECONOMIC HOLDINGS LIMITED	2007 (Canada) / 25/03/2021	Military Conglomerate	Myanmar	✓	✓	✓	✓	✓
11	MYANMAR ECONOMIC CORPORATION	2007 (Canada) / 25/03/2021	Military Conglomerate	Myanmar	✓	✓	✓	✓	✓

170. MOGE, the largest single source of income, must be sanctioned by more than just the European Union. Likewise, the most important channel for receiving foreign currency revenue and for purchasing arms in foreign currency—MFTB—must be sanctioned by more than just Canada.

171. Moreover, other Member States, including those that have imposed sanctions on Russia after the invasion of Ukraine (e.g., Japan, the Republic of Korea, and New Zealand), should impose meaningful sanctions on the Myanmar military's major sources of revenue.

D. Blocking the military's access to aviation fuel

172. A final point on preventing access to arms and associated materials: aviation jet fuel in Myanmar must be seen as a weapon of war.

173. The Myanmar military is using its monopoly over air power to indiscriminately bomb civilian areas. Armed conflict and attacks on civilians have forced more than 1.5 million people to flee their homes since the coup and killed hundreds. The continued threat of attack from the skies, and regular overhead flights, keep those displaced from returning home.

174. Grounding Myanmar Air Force planes and helicopters that are devastating the people of Myanmar must be a priority for all who care about international humanitarian law and human rights. If the Myanmar military lacked jet fuel, it would not be able to rain destruction on the people of Myanmar. Myanmar's civil society, NGOs, some Member States, and the National Unity Government have all called for the banning of jet fuel to the Myanmar military.¹²⁴

175. Myanmar jets and helicopters use the same grade of aviation fuel (Jet A-1) as commercial aircraft. Thus, some disruptions to domestic air travel would occur if jet fuel were

¹²⁴ NUG Ministry of Foreign Affairs, "Call for Sanctions on Aviation Fuel to Save the Lives of Myanmar People," Statement 3/2023, 23 January 2023; 384 organizations, "Five years since genocide, the world must act to ensure justice for Rohingya," 25 August 2022, <https://aseanmp.org/2022/08/25/five-years-since-genocide-the-world-must-act-to-ensure-justice-for-rohingya/> ("Governments must impose arms embargo against the military, including on jet fuel to the military, while working towards a coordinated global arms embargo.")

sanctioned. International flights in and out of Yangon would likely not be impacted because most (if not all) international airlines refuel outside of Myanmar.¹²⁵

176. Despite the impact that a suspension of aviation fuel would have on domestic flights, the Special Rapporteur believes that putting a stop—or at least reducing or slowing—the criminal attacks the military is conducting from the sky outweighs any negative consequences that might follow.

177. The Special Rapporteur appreciates the actions of the U.S., UK, and the EU in sanctioning specific targets involved in the sale and supply of jet fuel, as well as the publication of advisories highlighting the sanctions risks associated with continuing to provide jet fuel to the Myanmar military.¹²⁶ These steps, however, do not go far enough. The international community should follow the steps that Canada has taken on enacting a “prohibition on the export, sale, supply or shipment of aviation fuel to Myanmar.”¹²⁷ Canada stated that the ban was “in response to reports of worsening armed conflict, increased use of aerial attacks against civilians and civilian objects, in contravention of international humanitarian law.”¹²⁸

VI. Conclusions and Recommendations

178. **While Myanmar’s brutal military junta is ultimately responsible for the crimes that are being inflicted on the people of Myanmar, they are facilitated by those who aid and abet the military by supplying the means to carry out their attacks. This report has laid out in detail the foreign state-owned enterprises—operating undoubtedly with their respective government’s approval—and the private sector networks that are enabling the atrocities against the people of Myanmar.**

179. **The \$1 billion dollars in arms, dual-use equipment, manufacturing capabilities, and raw materials transferred to the military since the coup are being actively used to perpetuate the SAC’s human rights violations and oppression of the people of Myanmar.**

180. **Much more must be done to cut the Myanmar military’s access to these arms and materials. Given that Russia and China would likely veto a Security Council resolution imposing an arms embargo on the military, Member States must act on their own accord. Jurisdictions in which networks aligned with the Myanmar military are operating must act to stop those networks. For example, the Special Rapporteur assesses that were Singapore to ban the export of raw materials and manufacturing equipment to the Myanmar military and linked entities, weapons factories capabilities—at least in the short to medium term—would be severely degraded. Where foreign state-owned entities are involved, the Special Rapporteur appeals to these Member States to stop providing arms to the military.**

181. **The Special Rapporteur further recommends that Member States who support human rights in Myanmar:**

- a. **Holistically sanction arms dealing networks, beginning with those entities identified in this report;**
- b. **Establish a cooperative mechanism to strengthen, coordinate, and enforce economic sanctions and an arms embargo on the SAC, including by targeting its sources of income;**

¹²⁵ See Amnesty International, “Deadly Cargo: The supply chain that fuels war crimes in Myanmar,” 3 November 2022, <https://www.amnesty.org/en/documents/asa16/6147/2022/en/>.

¹²⁶ See e.g., U.S. Department of the Treasury, Treasury Sanctions Jet Fuel Suppliers and Military Cronies in Burma Prior to Armed Forces Day, 24 March 2023, <https://home.treasury.gov/news/press-releases/jy1364>; OFAC Alert: Sanctions Risks Associated with Provision of Jet Fuel to the Burmese Military, 23 March 2023, <https://ofac.treasury.gov/media/931501/download?inline>.

¹²⁷ Government of Canada, Regulations Amending the Special Economic Measures (Burma) Regulations: SOR/2023-13, 27 January 2023, <https://gazette.gc.ca/rp-pr/p2/2023/2023-02-15/html/sor-dors13-eng.html>.

¹²⁸ Government of Canada, Canadian Sanctions Related to Myanmar, https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/myanmar.aspx?lang=eng.

- c. **Sanction Myanma Oil and Gas Enterprise, the largest single source of foreign currency to the SAC;**
 - d. **Sanction Myanma Foreign Trade Bank, the key channel used to transfer foreign currency to the SAC and to pay for much of the arms and associated materials identified in this report;**
 - e. **Ban the direct and indirect supply, sale, transfer (including transit and trans-shipment), provision of insurance and reinsurance, and brokering of aviation fuel to Myanmar. Holistically target networks providing aviation fuel to the Myanmar military; and**
 - f. **Enforce existing sanctions to the fullest extent possible. This should include investing the requisite government resources to monitor and enforce sanctions.**
182. **The Special Rapporteur recommends that Singapore and Thailand:**
- a. **Close down the use of their jurisdictions by arms dealing networks;**
 - b. **Investigate the networks identified in this report providing material support to the Myanmar military;**
 - c. **Support the enforcement of international sanctions in their jurisdictions and cooperate with international investigations into SAC finances; and**
 - d. **Provide clear guidance to banks in their jurisdictions on the need for enhanced due diligence on all transactions involving Myanmar.**
183. **The Special Rapporteur recommends that China, Russia, and India stop providing arms and other material to the Myanmar military.**
184. **The Special Rapporteur recommends that Singapore, Japan, New Zealand, and the Republic of Korea, all of which have imposed sanctions in the Russia-Ukraine context but not the Myanmar crisis, act immediately to impose sanctions on the SAC and its interests, as outlined in this report.**
185. **The Special Rapporteur recommends that Australia impose sanctions on Myanmar entities beyond MEC, MEHL, and SAC officials.**
186. **The Special Rapporteur recommends that the UN Security Council urgently exercise its Chapter VII responsibilities and powers to:**
- a. **Impose a comprehensive arms embargo and economic sanctions regime targeting the Myanmar military. The Security Council should urgently consider, debate, and vote on a resolution that will prohibit the direct and indirect supply of weapons, ammunition, military vehicles and equipment, dual-use goods, and jet fuel, as well as financial and technical military assistance. The General Assembly made its recommendation loud and clear to the Security Council on this point in Resolution 75/287, having passed with only one dissenting vote;**
 - b. **Impose targeted economic sanctions on the Myanmar military. Cut the revenue that enables the junta to purchase the weapons and technology that it needs to continue its attacks on the people of Myanmar. Measures to do so include sanctioning Myanma Oil and Gas Enterprise, and freezing assets that rightfully belong to the people of Myanmar, including the billions in foreign currency reserves the junta has stolen from the people of Myanmar; and**
 - c. **Refer the military junta to the International Criminal Court so that those responsible for the atrocity crimes that have been committed against the people of Myanmar are held fully accountable.**
187. **The prospect of a veto by a Member State in the UN Security Council should not deter other members from placing a resolution before the Council for consideration, debate, and a vote. The people of Myanmar deserve to have a strong resolution—that**

cuts the supply of weapons and funds to the junta—presented, debated, and voted upon in an open, transparent process.

188. The Special Rapporteur recommends that banking institutions, particularly those in Singapore and Thailand, undertake enhanced due diligence in accordance with the Financial Action Task Force’s call for action.¹²⁹ Enhanced due diligence measures include:¹³⁰

- a. Obtaining more identifying information about the parties to a transaction from a more extensive range of reliable and independent sources;
 - b. Conducting additional searches to more fully understand individual “customer risk assessment” (such as whether a transaction violates international sanctions);
 - c. Ordering an intelligence report on the customer or beneficial owner to better understand if the customer or beneficial owner is involved in illegal activities;
 - d. Verifying the source of funds or wealth in the business relationship to be satisfied that they do not constitute the proceeds from crime; and
 - e. Obtaining more information from the customer about the purpose and intended nature of the business relationship.
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¹²⁹ Financial Action Task Force, Jurisdiction subject to a FATF call on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risks arising from the jurisdiction: Myanmar, 21 October 2022, <https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/Call-for-action-october-2022.html>.

¹³⁰ Financial Action Task Force, Risk-Based Approach Guidance for the Banking Sector, October 2014, at 20, available at: <https://www.fatf-gafi.org/content/dam/fatf-gafi/guidance/Risk-Based-Approach-Banking-Sector.pdf.coredownload.pdf>.

Annex A

This annex provides a detailed listing of the entities and individuals involved in the International Gateways Group Network, King Royal Technology Network, and the Sky Aviator Network, all described in Section V.B above.

Network 1: IGG

Companies trading as part of IGG's immediate network include:

No.	Company Name	Registration #	Date of Inc.	Status	Source
Myanmar					
1	AMWIND PTE. LTD	132034605	2022-01-13	Registered	DICA
2	BRANGATE TRADING LTD	132035008	2022-01-13	Registered	DICA
3	MCC PRINCIPLE PTE LTD	131270402	2021-11-05	Registered	DICA
4	MCC VENTURE PTE LTD	131269919	2021-11-05	Registered	DICA
5	WINNER 7 TRADING COMPANY LTD	131247028	2021-11-03	Registered	DICA
6	ASIA SUGAR INDUSTRY DEVELOPMENT COMPANY LTD	129788127	2021-04-03	Registered	DICA
7	MYANMAR CONSULTANCY TRADING LTD	124372348	2020-01-16	Registered	DICA
8	DALEGLOW CAPITAL LTD	100862751	2017-03-21	Registered	DICA
9	MYAT SHWE TAW WIN COMPANY LTD	101545032	2014-03-31	Registered	DICA
10	WIN MYAT PYI TAW COMPANY LTD	101368734	2014-03-31	Registered	DICA
11	TAW WIN THINGAHA COMPANY LTD	101544966	2014-03-31	Registered	DICA
12	WIN MYAT PYI TAW COMPANY LTD	101368734	2014-03-31	Registered	DICA
13	SUNTAC POWER COMPANY LTD	117953831	2012-09-04	Registered	DICA
14	INTERNATIONAL GATEWAYS GROUP OF COMPANY LTD	182733636	2011-06-29	Registered	DICA
15	MYANMAR NEW ERA TRADING COMPANY LTD	101544478	2010-11-25	Registered	DICA
16	MYANMAR CONSULTANCY COMPANY LTD	110241496	2000-07-25	Registered	DICA
17	PACIFIC DRAGON INTERNATIONAL LTD	101617963	1996-03-25	Registered	DICA
18	GATEWAYS HONGKONG COMPANY LTD	100851105	2018-05-07	In Liquidation	DICA
19	GATEWAYS INTERNATIONAL HOLDING COMPANY LTD	101693724	2016-07-25	In Liquidation	DICA
20	YATANARPON AVIATION SUPPORT COMPANY LTD	101563731	2011-11-28	In Liquidation	DICA
21	SEA BREEZE MYANMAR HOTEL & RESORTS COMPANY LTD	101616452	2010-11-22	In Liquidation	DICA
22	AUNG SHWE PYI TAW COMPANY LTD	116655039	2014-03-31	Liquidated	DICA
23	MYAT THINGAHA COMPANY LTD	116243571	2014-03-31	Liquidated	DICA
24	MYINT MYAT PYI TAW COMPANY LTD	116244438	2014-03-31	Liquidated	DICA
25	MYAT THINGAHA COMPANY LTD	116243571	2014-03-31	Liquidated	DICA
26	AUNG SHWE PYI TAW COMPANY LTD	116655039	2014-03-31	Liquidated	DICA
27	PACIFIC DRAGON INTERNATIONAL SERVICES COMPANY LTD	116244845	1997-05-27	Liquidated	DICA
Singapore					
28	MCC PRINCIPLE PTE LTD	202028554R	17/09/2020	Live	ACRA

29	MCC VENTURE PTE LTD	202028556W	17/09/2020	Live	ACRA
30	AMWIND PTE. LTD	201608797H	04/04/2016	Live	ACRA
31	XINSHIDAI COMPANY PTE. LTD	200923872D	23/12/2009	Live	ACRA
32	GLOBAL POLYTECH RESOURCES PTE. LTD	200608942N	19/06/2006	Live	ACRA
33	LA VIE NOUVELLE PTE. LTD	202108887W	12/03/2021	Struck Off	ACRA
34	LE MOYEN PTE. LTD	202024105Z	13/08/2020	Struck Off	ACRA
35	VENTURE SKY INTERNATIONAL PTE. LTD	201603645G	14/02/2016	Struck Off	ACRA
36	UKRSPETSEXPORT PTE. LTD	200618157D	05/12/2006	Struck Off	ACRA
Hong Kong					
37	GATEWAYS HONGKONG LTD	2811498	04/04/2019	Live	ICRIS
38	VENTURE SKY INTERNATIONAL	2494727	07/03/2018	Live	ICRIS
Thailand					
39	BRANGATE TRADING LTD	0105565084546	25/05/2022	Operating	data.creden.co
40	MCC PRINCIPLE LTD	0105565081237	19/05/2022	Operating	data.creden.co
41	SUNTAC POWER COMPANY LTD	0105557011799	23/01/2014	Operating	data.creden.co
42	POWER 9 ENGINEERING COMPANY LTD	0105551084719	31/07/2008	Operating	data.creden.co

Shareholders of IGG's immediate network include:

No.	Shareholder Name	Gender	Nationality	ID Type	ID #	DoB	Source
Myanmar							
1	U KYIN WIN*	Male	Myanmar	NRC	12/TAMANA(N)070194	06/02/1963	DICA
2	U AUNG MYO WIN*	Male	Myanmar	NRC	12/AHSANA(N)164601	30/01/1974	DICA
3	U AUNG MYINT	Male	Myanmar	NRC	12/MABANA(N)073795	26/01/1958	DICA
4	U NAING HTUT AUNG*	Male	Myanmar	NRC	12/MAYAKA(N)118765	27/01/1968	DICA
5	DAW WAI WAI YIN*	Female	Myanmar	NRC	9/MAYATA(N)106951	04/10/1967	DICA
6	U WIN HTUT NAING	Male	Myanmar	NRC	12/THAKATA(N)143348	13/02/1980	DICA
7	U THAN LWIN	Male	Myanmar	NRC	1/MAKANA(N)051451	27/04/1956	DICA
Singapore							
8	U KYIN WIN*	Male	Myanmar	Passport	ME455269	-	ACRA
9	U AUNG MYO WIN*	Male	Myanmar	Passport	ME756637	-	ACRA
10	U NAING HTUT AUNG *	Male	Myanmar	Passport	G5207736U	-	ACRA
11	DAW WAI WAI YIN *	Female	Myanmar	Passport	MC189786	-	ACRA
Hong Kong							
12	SONG HE [Gateways HongKong]	-	China	Passport	E43057077	-	ICRIS
13	DENIS IVANNIKOV [Venture Sky]	Male	Russia	Passport	716967058	-	ICRIS
14	MAKSIM SALO [Venture Sky]	Male	Russia	Passport	752228385	-	ICRIS

* Shareholders are the same in both Myanmar and Singapore Entities

Companies owned by family members of IGG's shareholders include:

No.	Company Name	Registration #	Date of Inc.	Status	Source
Myanmar					
1	SPLYT LTD	129579307	2021-01-25	In Liquidation	DICA
2	METTA VENTURES LTD	129594918	2021-01-26	In Liquidation	DICA

Shareholders of companies linked to IGG family members:

No.	Shareholder Name	Gender	Nationality	ID Type	ID #	DoB	Source
Myanmar							
1	U MOE MYAT AUNG 100% Owner of Splyt Ltd, Myanmar Relationship: Son of Naing Htut Aung and Wai Wai Yin	Male	Myanmar	NRC	12/BAHANA(N)102815	18/07/1996	DICA
2	U YAN NYEIN AUNG 100% owner of Metta Ventures Ltd, Myanmar Relationship: Son of Naing Htut Aung and Wai Wai Yin	Male	Myanmar	NRC	12/BAHANA(N)099335	21/08/1992	DICA

Network 2: King Royal Technology**Companies trading as part of King Royal Technology's wider network include:**

No.	Company Name	Registration #	Date of Inc.	Status	Source
Myanmar					
1	TRACK COMPANY LTD	132789193	2022-03-21	Registered	DICA
2	CYBER PATH COMPANY LTD	132705895	2022-03-12	Registered	DICA
3	ZAWGYI AVIATION COMPANY LTD	130714021	2021-09-15	Registered	DICA
4	NEW EVOLUTION COMPANY LTD	130641482	2021-09-06	Registered	DICA
5	TRI NOBLE COMPANY LTD	130529259	2021-08-17	Registered	DICA
6	ATG - ASIA TRADING GROUP LTD	130513573	2021-08-13	Registered	DICA
7	LUSUN INTERNATIONAL COMPANY LTD	130411614	2021-07-12	Registered	DICA
8	M Y W TECHNOLOGIES COMPANY	130028500	2021-05-24	Registered	DICA
9	FLY ZAWGYI AVIATION SERVICES COMPANY LTD	129419296	2021-01-17	Suspended	DICA
10	CENTENNIAL M & D COMPANY LTD	128429042	2020-11-11	Registered	DICA
11	ARIA (M) LTD	125905609	2020-06-11	Registered	DICA
12	ROYAL TRIDENT COMPANY LTD	123231988	2019-11-06	Registered	DICA
13	MYANMAR TELECOMMUNICATION SERVICES ENTREPRENEURS' ASSOCIATION INCORPORATED	121303299	2019-07-15	Registered	DICA
14	ZIGG COMPANY LTD	121025094	2019-06-27	Registered	DICA
15	PYAE MAHN THIT COMPANY LTD	119790727	2019-04-02	Registered	DICA
16	ZIGWET PUB COMPANY LTD	118609174	2019-02-08	Suspended	DICA

17	MASCOTS DIDACTIC AND ANALYTICAL COMPANY LTD	101137740	2018-08-20	Registered	DICA
18	AERO SOFI COMPANY LTD	115707612	2018-03-08	Registered	DICA
19	CYBERNET TECHNOLOGIES COMPANY LTD	111510709	2017-12-27	Registered	DICA
20	PINYA VENTURE INTERNATIONAL COMPANY LTD	119548306	2017-10-02	Registered	DICA
21	BYBLOS COMPANY LTD	117280225	2017-08-31	Registered	DICA
22	MYANMAR HORTICULTURE DEVELOPMENT COMPANY LTD	115773089	2017-08-02	Registered	DICA
23	ARIA LTD	114935042	2017-07-14	Struck-Off	DICA
24	UCL DOMESTIC EXPRESS COMPANY LTD	104974910	2017-07-14	Registered	DICA
25	MYANMAR INFRATEL HOLDINGS PUBLIC COMPANY LTD	119732859	2017-05-08	Registered	DICA
26	YANGON CRAFT BREWERY COMPANY LTD	100527758	2016-09-05	Registered	DICA
27	NATIONAL TOWER DEVELOPMENT COMPANY LTD	119009235	2016-11-25	Registered	DICA
28	YANGON COURIER EXPRESS SERVICES COMPANY LTD	104970567	2016-03-14	Registered	DICA
29	STELLARIUM LTD	108177829	2015-05-21	Registered	DICA
30	MAIN BETTER COMPANY LTD	110595638	2014-08-14	Registered	DICA
31	TOTAL LOGISTICS SERVICES COMPANY LTD	108782080	2014-08-01	Registered	DICA
32	AQUA TERRA MYANMAR COMPANY LTD	114926388	2014-01-03	Registered	DICA
33	AMMON CONSULTING (MYANMAR) COMPANY LTD	100641712	2013-08-09	Registered	DICA
34	CNT ENTERPRISE COMPANY LTD	110152272	2013-08-06	Registered	DICA
35	KING ROYAL TECHNOLOGIES COMPANY LTD	110415087	2013-06-18	Registered	DICA
36	M Y W COMPANY LTD	109812625	2013-03-20	Registered	DICA
37	TIMELINE LTD	107055231	2013-02-27	Registered	DICA
38	THE BEST TEAM COMPANY LTD	116395223	2012-12-26	Registered	DICA
39	MASCOTS TECHNOLOGIES & TELECOMMUNICATION COMPANY LTD	109810673	2012-08-01	Registered	DICA
40	UNITED COURIER SERVICES COMPANY LTD	103535719	2012-02-14	Registered	DICA
41	NATIONAL ENERGY GROUP CONSTRUCTION COMPANY LTD	154690522	2012-01-23	Registered	DICA
42	MYANMAR MEDIA UNITED COMPANY LTD	104516882	2011-11-04	Registered	DICA
43	NATIONAL ENERGY GROUP COMPANY LTD	101747530	2011-02-04	Registered	DICA
44	CENTERLINE COMPANY LTD	107029192	2010-07-30	Registered	DICA
45	MYANMAR GOLDEN EARTH COMPANY	113636335	2006-12-18	Registered	DICA
46	CYBER NET TECHNOLOGY SERVICES COMPANY LTD	111498687	2005-06-17	Registered	DICA
47	MASCOTS TECHNOLOGIES COMPANY LTD	136876716	1999-03-26	Registered	DICA
Singapore					
48	STRATON SOLUTIONS INTEGRATION PTE LTD	202206920K	28/02/2022	Live	ACRA
49	MEKONG AVIATION CAPITAL PTE LTD	202029690N	2020-09-24	Live	ACRA
50	MALIKHA AVIATION PTE LTD	202035386R	2020-04-11	Live	ACRA
51	TAN SUNN TELEINFRA SERVICES & TRADING	53367734C	2017-08-01	Live	ACRA
52	NTD STRATEGIC CAPITAL PTE LTD	201702312Z	2017-01-24	Live	ACRA

53	NEGC PTE LTD	201023168G	2010-10-29	Live	ACRA
54	PKE SINGAPORE PTE LTD	201020006E	2010-09-20	Live	ACRA
Thailand					
55	ASTRONICA CO. LTD	0105565061996	04/04/2022	Registered	Co. House

Current shareholders of King Royal Technology's network include:

No.	Shareholder Name	Gender	Nationality	ID Type	ID #	DoB	Source
Myanmar							
1	DAW YAMIN KYU SOE	Female	Myanmar	NRC	12/KAMAYA(N)002554	30/04/1972	DICA
2	U KAUNG ZAN	Male	Myanmar	NRC	12/KAMAYA(N)001854	27/05/1974	DICA
3	U MAUNG MAUNG OO	Male	Myanmar	NRC	12/KAMAYA(N)013481	15/05/1970	DICA
4	U MAUNG MAUNG THEIN	Male	Myanmar	NRC	12/KAMAYA(N)061397	21/11/1993	DICA
5	U PATRICK AUNG	Male	Myanmar	NRC	12/DAGANA(N)029573	12/10/1968	DICA
6	U WIN KYAW	Male	Myanmar	NRC	12/KAMATA(N)046416	20/04/1970	DICA
7	U YE AUNG AUNG TIN	Male	Myanmar	NRC	10/MADANA(N)163210	31/08/1983	DICA
Singapore							
8	U SUNN AUNG NAING	Male	Singapore	National ID	S7182350D	06/06/1971	ACRA

Network 3: Sky Aviator

Companies trading as part of Sky Aviator's network include:

No.	Company Name	Registration #	Date of Inc.	Status	Source
Myanmar					
1	HELI EAGLE COMPANY LIMITED	125521223	05/05/2020	Registered	DICA
2	H N C K COMPANY LIMITED	100782804	14/05/2014	Registered	DICA
3	SKY AVIATOR COMPANY LIMITED	100789450	07/05/2014	Registered	DICA

Current shareholders of Sky Aviator's network include:

No.	Shareholder Name	Gender	Nationality	ID Type	ID #	DoB	Source
Myanmar							
1	U KYAW MIN OO	Male	Myanmar	NRC	14/MAMAKA(N)140703	18/01/1982	DICA
2	DAW AYE AYE YI	Female	Myanmar	NRC	14/MAMAKA(N)009607	25/03/1956	DICA
3	DAW YU THEINGI AYE	Female	Myanmar	NRC	11/TAKANA(N)061356	10/06/1986	DICA
4	U WAI SAR TUN	Male	Myanmar	NRC	14/MAMAKA(N)142054	16/06/1982	DICA
5	U MYO MIN OO	Male	Myanmar	NRC	14/MAMAKA(N)134995	24/06/1978	DICA
6	U ZAW LWIN	Male	Myanmar	NRC	12/LAMANA(N)091770	26/07/1966	DICA